

**THE POTENTIAL FOR SUSTAINABILITY POLICIES TO
CREATE NEW MARKETS: A CASE STUDY OF EUROPEAN
UNION SUSTAINABILITY POLICIES AND BRAZILIAN
BIOENERGY**

by

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THESIS SUBMITTED IN PARTIAL FULFILLMENT OF
THE REQUIREMENTS FOR THE DEGREE OF

MASTER OF ARTS

Department of Latin American Studies

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SIMON FRASER UNIVERSITY
Spring 2011

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ABSTRACT

The sustainability policies and regulations in the European Union are potentially creating high value niche markets for developing and emerging economies, like Brazil. This thesis examines the feasibility of Brazil developing a sustainable biofuels industry targeted at niche markets created by European Union sustainability policies and regulations. Brazil is used as a case study of a developing country producer economy due to its high technological and agricultural capacity with regard to biofuels, its domestic biofuels market, its place as an innovator in developing biofuels and its strong government support for its biofuels programs. These factors make the Brazilian market uniquely poised to take advantage of value-added niche markets created by sustainability regulations in the European Market. This study specifically addresses the feasibility for Brazil to target a European niche markets for sustainable biofuel, in terms of fiscal, political, and sustainability factors, by analysing stakeholder relationships, capacity for innovation and adaptation, and regulatory change.

Keywords: biofuels; Brazil; European Union; sustainability policies; sustainability; trade; trade regulations;

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