

## **COST-BENEFIT ANALYSIS OF BIODIESEL IN GREECE**

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### **ABSTRACT**

This paper presents a Cost-Benefit Analysis for the assessment of biodiesel in comparison with competitive conventional fuels in Greece. The analysis takes into account costs and benefits related with both marketed and non-marketed goods. The analysis shows that based on purely financial criteria biodiesel is hardly competitive to oil products and that the overall economic performance of such an investment depends highly on the prices of both, raw materials and by-products. However, from a social point of view the introduction of this alternative energy source in the transport sector is extremely desirable and this calls for promoting economic incentives and other policy measures aimed at encouraging producers to be involved in such kind of activities.