

**GOVERNMENT OF INDIA
NEW AND RENEWABLE ENERGY
LOK SABHA**

STARRED QUESTION NO:171
ANSWERED ON:08.03.2013
BIO DIESEL AND BIO ETHANOL
Singh Shri Ijyaraj ;Singh Shri Ratan

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether the Government has formulated a policy for production of bio-diesel and bio-ethanol for blending with diesel for commercial use;
- (b) if so, the details thereof along with the targets fixed and the achievements made in this regard;
- (c) whether the Government has reviewed the ethanol blending of diesel programme recently and if so, the outcome thereof;
- (d) whether the Government had convened a meeting on production of bio-diesel and bio-ethanol due to non-availability of bio-diesel feedstock for blending with diesel; and
- (e) if so, the details and the outcome thereof?

Answer

MINISTER FOR NEW AND RENEWABLE ENERGY (DR. FAROOQ ABDULLAH)

(a),(b),(c),(d)&(e):A Statement is laid on the Table of the House.
Statement

Statement referred to in reply to Parts (a),(b),(c),(d)&(e) of Lok Sabha Starred Question No. 171 for 08.03.2013.

(a): A National Policy on Bio-fuels has been announced for development, production and use of Bio-fuels, which primarily include bio-ethanol for blending with petrol and bio-diesel for blending with diesel.

(b): The salient features of the National Policy on Bio-fuels are:

Bio-diesel production to be taken up from non-edible oil seeds grown in waste, degraded or marginal lands.

Major thrust on research, development and demonstration with focus on plantations, processing and production of bio-fuels;

An indicative target of 20% blending of bio-ethanol with petrol and bio-diesel with diesel has been proposed by 2017;

Fiscal and financial incentives particularly for second generation bio-fuels.

The Ministry of Petroleum and Natural Gas has informed that since the Government decision to implement the ethanol blended petrol programme in 20 States and 4 UTs in September, 2006, a total of about 131 crore litres ethanol has been procured by the Oil Marketing Companies (OMCs) for blending with petrol. However, no bio-diesel has been offered to any of the OMCs till date

(c): The subject of ethanol blending with petrol was taken up by the Cabinet Committee on Economic Affairs (CCEA) at its meeting held on 22.11.2012. The CCEA decided the following:

i) The 5% mandatory ethanol blending with petrol as already decided by the CCEA in the past, should be implemented across the country from 30th June, 2013 for which the M/o Petroleum and Natural Gas will immediately issue a gazette notification.

ii) Procurement price of ethanol will be decided henceforth between OMCs and the suppliers of ethanol.

iii) In case of any shortfall in domestic supply, the OMCs and Chemical Companies are free to import ethanol.

(d)&(e): Ministry of New and Renewable Energy had constituted a Working Group for considering the options for increasing the availability of feed-stocks for production of bio-diesel. The main outcome of the Working Group is as follows:

i) For the time being, no change in the import policy may be considered and status-quo may be maintained in the provisions of the Bio-fuels Policy, which allows for import of bio-diesel to the extent necessary, and to be decided by the National Bio-fuels

Coordination Committee.

ii) A system may be developed for restricting re-use of used cooking oil and for its collection for use for production of bio-diesel. To begin with, this could be enforced for large hotels and cooked food industry. This will also address the serious health problems caused by reuse of cooking oils. Food Security and Standards Authority may be advised to develop standards and regulations for this purpose.

iii) Efforts may be strengthened for research and development on use of alternative feed-stocks such as, municipal solid wastes, micro and macro algae.