

Flaws in our Bio-fuel Program

What is the issue?

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- Like previous ones, National Bio-fuel policy -2018 seems to be chasing ambitious targets based on ambiguous plans and questionable technologies.

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- But pollutions levels and fuel prices are only increasing and our bio-fuels program is becoming irrelevant due to lack of sincere implementation.

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What is the state of India's Bio-fuel program?

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- India commissioned "National Policy on Bio-fuels" (NPB) to find a solution to air pollution through clean and sustainable fuels.

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- In addition to this, moving towards energy self-sufficiency, and reducing dependence on crude oil imports, and reducing prices were other aspects.

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- Unfortunately, precious little has been done so far, and government and almost all the set targets are yet to be met despite timelines having elapsed.

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- In 2003, "Ethanol Blended Petrol Programme" (EBP) focussed on 5% blending of molasses-based ethanol with petrol, which was enhanced to 10% in 2008.

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- Thereafter, "National Biodiesel Mission" focused on biodiesel production from Jatropha seeds and targeted a 10% blending with diesel by 2012.

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- While none of these targets were met, in 2009, the NPB proposed a revised target of 20% blending for ethanol and biodiesel by 2017.

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- Notably, India currently has a paltry 2-4% blend on an average, which is woefully short of even the initial target of 5%.
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- Inconsistent supply of domestically produced ethanol is said to be the main reason for the apparent failure of the blending program.
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What does the new “National Bio-fuels Policy - 2018” (NBP-18) offer?

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- NBP-18, repeats the previous pattern of promising the moon, with a road map that has little clarity and conviction.
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- **Octane Count** - World Health Organisation (WHO) has already declared 14 Indian cities as among the 20 most polluted in the world.
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- In this context, the policy is also totally silent on “fuel octane count”, which has direct consequences on vehicular emissions and air quality.
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- Notably, currently, to mimic octane characteristics in fuel, petrol is blended with imported aromatics which are proven carcinogens.
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- **Untested Technology** - NPB-18 has proposed “Viability gap funding scheme” and a “6 year tax incentive” for refiners manufacturing 2G ethanol.
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- 2G is a new untested technology and there isn’t a single plant worldwide that produces 2G ethanol on a commercial scale.
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- Considering the amount of funds needed and the risk of failure, it is surprising that the government is prioritising 2G ethanol over other aspects.
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- Additionally, there is total lack of transparency in signing of MoUs with oil marketing companies for the 2G ethanol blending project.
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What is the way ahead?

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- While the government has increasing the price of ethanol (by Rs. 3) to enhance supply, this might not contribute significantly to the blending program.

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- Rather, merely staying focused in implementing rationally revised blending targets would go a long way.

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- If necessary, the government could even consider importing ethanol at times to create consistency of supply for blending (like Philippines).

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- Appropriate and consistent ethanol blending throughout the country will help in reducing the import of expensive and harmful imported aromatics like BTX.

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- Also, as 2G ethanol is still in the developmental stage, the government would do good to persist with 1G for the time being.

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Source: The Hindu

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