

LOK SABHA
UNSTARRED QUESTION No. 5400
TO BE ANSWERED ON 03rd April, 2025

IMPACT OF BIO-FUEL POLICY

5400. SHRI PRATAP CHANDRA SARANGI:
DR. VINOD KUMAR BIND:
SHRI PRAVEEN PATEL:
SHRI KHAGEN MURMU:

पेट्रोलियम और प्राकृतिक गैस मंत्री

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the salient features of the current bio-fuel policy of Government and the associated benefits with it;
- (b) whether there is any harmful effect of blending ethanol with petrol, if so, the details thereof; and
- (c) the anticipated greenhouse gas emission being reduced by the ethanol-blended fuels E10 and E20 in the country?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री
(श्री सुरेश गोपी)

**MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI SURESH GOPI)**

- (a) The salient features of National Policy on Biofuels-2018, as amended in 2022, are as under:
 - (i) Categorization of biofuels as “Basic Biofuels” and “Advanced Biofuels”;
 - (ii) Incentives, off-take assurance and viability gap funding for advanced biofuels;
 - (iii) Allowing multiple feedstocks for production of biofuels;
 - (iv) Setting up of supply chain mechanisms for biodiesel production from non-edible oilseeds, Used Cooking Oil, short gestation crops;
 - (v) Synergy of efforts by defining role and responsibilities of all the concerned Ministries/Departments with respect to biofuels;
 - (vi) Advancing the ethanol blending target of 20% blending of ethanol in petrol to Ethanol Supply Year (ESY) 2025-26 from 2030 and 5% biodiesel blending in diesel by 2030;

- (vii) Promotion of the production of biofuels in the country, under the Make in India program, by units located in Special Economic Zones (SEZ)/Export Oriented Units (EoUs);
- (viii) Grant of permission for export of biofuels in specific cases;
- (ix) Institutional mechanism for coordination, implementation and monitoring of biofuels programme; and
- (x) Promotion of Research & Development in biofuels sector.

(b) & (c): Government, under the National Policy on Biofuels-2018, as amended in 2022, have been promoting blending of ethanol in petrol under the Ethanol Blended Petrol (EBP) Programme with multiple objectives. As a green fuel, Ethanol supports the environmental sustainability efforts of the Government. It reduces import dependence on crude oil while saving foreign exchange and promotes domestic agriculture sector.

Ethanol blended fuel is considered as environment friendly. The anticipated greenhouse gas emission benefits with ethanol blended fuels E10 & E20, compared to neat petrol are as under:

Emission	Gasoline	Two-wheelers		Four-wheelers	
		E10	E20	E10	E20
Carbon Monoxide	Baseline	20% lower	50% lower	20% lower	30% lower
Hydrocarbons	Baseline	20% lower	20% lower	20% lower	20% lower

(Source: Roadmap for Ethanol Blending in India 2020-25)

Further, during the period from Ethanol Supply Year (ESY) 2014-15 up to January 2025, the EBP programme has resulted in net CO₂ reduction of about 626 lakh metric tonnes.
