

Competitive Exams: Current Affairs 2011: Ethanol imperative

Ethanol Imperative

Energy:

- India's ethanol blending programme (EBP) for petrol has remained in limbo for too long. The government mandated 5 per cent blending in September 2006; raised the level to 10 per cent in October 2007; and made such blending compulsory in October 2008. Further, in 2008, the Cabinet approved the National Policy on Biofuel, which envisaged blending of biofuels with petrol and diesel to a level of 20 per cent by 2017. Yet, owing to conflicting views among the Ministries of Chemicals and Fertilizers, Agriculture, and Petroleum and Natural Gas, and the reluctance of some State governments to require sugar units to make available adequate quantities of ethanol for the fuel industry given the more lucrative options offered by the liquor industry the oil marketing companies have failed to achieve even 5 per cent blending countrywide. Now, adding to the haze, the Prime Minister's Economic Advisory Council has reportedly questioned the rationale behind mandatory blending. Reopening the debate on ethanol blending will amount to undermining a progressive policy decision that conforms to the way much of the world is going as fossil fuel options shrink. That the EBP can improve the country's energy security and reduce its carbon footprint needs no restating. That there is enough ethanol to go round is also clear. The challenge is to manage and change the sectoral allocations of ethanol. The sugar industry should be encouraged to balance the needs of the fuel industry with those of the potable alcohol and chemical sectors.
- The Economic Advisory Council seems to have concluded that the main advantage derived from the EBP would be to the sugar industry, and this could not be a credible objective for the government to push through the blending programme. In India, a large proportion of available ethanol comes as a byproduct from cane molasses during sugar production. But over the longer term, if ethanol derived from a cash crop such as sugarcane does not seem a viable option in terms of price and availability, other sources should be tapped. India's agri-diversity and wasteland availability offer several options. There have been worthwhile initiatives, including processes using jatropha, seaweed, and cellulose waste from agri-forestry; these should be supported by investment in R&D.
- If feedstock rationalisation is made possible, the blending programme will be a success. Rejecting retrogressive counsel from no-changers, the government must push ahead with a programme that has been found to be virtuous wherever it has been tried earnestly.

Courtesy: The Hindu and Times of India

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