FCI to use surplus rise to make alcohol-based sanitizers- Ethanol Policy

Surplus rice available with Food Corporation of India (FCI) would be converted to ethanol to ensure adequate availability of alcohol-based sanitizers in the country. Union Minister of Petroleum & Natural Gas, in a meeting of National Biofuel Coordination Committee approved this decision as per the National Policy on Biofuels, 2018. The ethanol produced from surplus rice would also be used in production of Ethanol Blended Petrol. The National Policy on Biofuels, 2018, allows such conversions of surplus food grains, in case the Ministry of Agriculture and Farmers Welfare anticipates its over supply during a crop-year.

National Policy on Biofuels

The National Policy on Biofuels-2018 approved by the Government envisages an indicative target of 20% blending of ethanol in petrol and 5% blending of bio-diesel in diesel by 2030.

National Policy on biofuels- salient features:

Categorization: The Policy categorises biofuels as “Basic Biofuels” viz. First Generation (1G) bioethanol & biodiesel and “Advanced Biofuels” – Second Generation (2G) ethanol, Municipal Solid Waste (MSW) to drop-in fuels, Third Generation (3G) biofuels, bio-CNG etc. to enable extension of appropriate financial and fiscal incentives under each category.

Scope of raw materials: The Policy expands the scope of raw material for ethanol production by allowing use of Sugarcane Juice, Sugar containing materials like Sugar Beet, Sweet Sorghum, Starch containing materials like Corn, Cassava, Damaged food grains like wheat, broken rice, Rotten Potatoes, unfit for human consumption for ethanol production.

Protection to farmers: Farmers are at a risk of not getting appropriate price for their produce during the surplus production phase. Taking this into account, the Policy allows use of surplus food grains for production of ethanol for blending with petrol with the approval of National Biofuel Coordination Committee.

Viability gap funding: With a thrust on Advanced Biofuels, the Policy indicates a viability gap funding scheme for 2G ethanol Bio refineries of Rs.5000 crore in 6 years in addition to additional tax incentives, higher purchase price as compared to 1G biofuels.

Boost to biodiesel production: The Policy encourages setting up of supply chain mechanisms for biodiesel production from non-edible oilseeds, Used Cooking Oil, short gestation crops.

Expected benefits:
Import dependency: The policy aims at reducing import dependency.

Cleaner environment: By reducing crop burning & conversion of agricultural residues/wastes to biofuels there will be further reduction in Green House Gas emissions.

Health benefits: Prolonged reuse of Cooking Oil for preparing food, particularly in deep-frying is a potential health hazard and can lead to many diseases. Used Cooking Oil is a potential feedstock for biodiesel and its use for making biodiesel will prevent diversion of used cooking oil in the food industry.

Employment Generation: One 100klpd 2G bio refinery can contribute 1200 jobs in Plant Operations, Village Level Entrepreneurs and Supply Chain Management.

Additional Income to Farmers: By adopting 2G technologies, agricultural residues/waste which otherwise are burnt by the farmers can be converted to ethanol and can fetch a price for these waste if a market is developed for the same.

Significance of Biofuels:

Globally, biofuels have caught the attention in last decade and it is imperative to keep up with the pace of developments in the field of biofuels. Biofuels in India are of strategic importance as it augers well with the ongoing initiatives of the Government such as Make in India, Swachh Bharat Abhiyan, Skill Development and offers great opportunity to integrate with the ambitious targets of doubling of Farmers Income, Import Reduction, Employment Generation, Waste to Wealth Creation.

Classification of Biofuels:

1st generation biofuels are also called conventional biofuels. They are made from things like sugar, starch, or vegetable oil. Note that these are all food products. Any biofuel made from a feedstock that can also be consumed as a human food is considered a first generation biofuel.

2nd generation biofuels are produced from sustainable feedstock. The sustainability of a feedstock is defined by its availability, its impact on greenhouse gas emissions, its impact on land use, and by its potential to threaten the food supply. No second generation biofuel is also a food crop, though certain food products can become second generation fuels when they are no longer useful for consumption. Second generation biofuels are often called "advanced biofuels."

3rd generation biofuels are biofuel derived from algae. These biofuels are given their own separate class because of their unique production mechanism and their potential to mitigate most of the drawbacks of 1st and 2nd generation biofuels.

Major Types of Biofuels

Bioethanol: It is derived from corn and sugarcane using fermentation
<table>
<thead>
<tr>
<th>Biofuel Type</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Ethanol</td>
<td>A litre of ethanol contains approximately two thirds of the energy provided by a litre of petrol. When mixed with petrol, it improves the combustion performance and lowers the emissions of carbon monoxide and sulphur oxide.</td>
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<tr>
<td>Biodiesel</td>
<td>It is derived from vegetable oils like soybean oil or palm oil, vegetable waste oils, and animal fats by a biochemical process called “Transesterification.” It produces very less or no amount of harmful gases as compared to diesel. It can be used as an alternative for the conventional diesel fuel.</td>
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<tr>
<td>Biogas</td>
<td>It is produced in the same way as bioethanol i.e. through the fermentation of starch. The energy content in butanol is the highest among the other gasoline alternatives. It can be added to diesel to reduce emissions. It serves as a solvent in textile industry and is also used as a base in perfumes.</td>
</tr>
<tr>
<td>Biobutanol</td>
<td>Biohydrogen, like biogas, can be produced using a number of processes such as pyrolysis, gasification or biological fermentation. It can be the perfect alternative for fossil fuel.</td>
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**About Ethanol:** About 5% of the ethanol produced in the world in 2003 was actually a petroleum product. It is made by the **catalytic hydration of ethylene with sulfuric acid** as the catalyst. It can also be obtained via ethylene or acetylene, from calcium carbide, coal, oil gas, and other sources.

Bio-ethanol is usually obtained from the conversion of carbon-based feedstock. Agricultural feedstocks are considered renewable because they get energy from the sun using photosynthesis, provided that all minerals required for growth (such as nitrogen and phosphorus) are returned to the land. Ethanol can be produced from a variety of feedstocks such as sugar cane, bagasse, miscanthus, sugar beet, sorghum, grain, switchgrass, barley, hemp, kenaf, potatoes, sweetpotatoes, cassava, sunflower, fruit, molasses, corn, stover, grain, wheat, straw, cotton, other biomass, as well as many types of cellulose waste and harvesting, whichever has the best well-to-wheel assessment.

An alternative process to produce bio-ethanol from algae is being developed by the company Algenol.