



Government announces mandatory blending of Compressed Bio-Gas in CNG (Transport) & PNG (Domestic) segments of CGD Sector

CBG Blending Obligation (CBO) to encourage investment and facilitate establishment of 750 CBG projects by 2028-29 : Petroleum Minister Hardeep S Puri

CBO to help in saving forex, promoting circular economy and achieving Net Zero Emission

Sustainable Aviation Fuel (SAF/Bio- ATF) indicative blending percentage targets set

Production of ethanol from maize to be promoted through various multidepartment initiatives

Posted On: 25 NOV 2023 2:12PM by PIB Delhi

CBG Blending Obligation (CBO) will promote production and consumption of Compressed Bio-Gas (CBG) in the country, said Shri Hardeep Singh Puri, Minister of Petroleum & Natural Gas and Housing & Urban Affairs. In a major step towards enhancing use and adoption of CBG, the National Biofuels Coordination Committee (NBCC), chaired by Union Petroleum Minister announced yesterday the introduction of phase wise mandatory blending of CBG in CNG (Transport) & PNG (Domestic) segments of CGD sector.

The key objectives of the CBO are to stimulate demand for CBG in CGD sector, import substitution for Liquefied Natural Gas (LNG), saving in Forex, promoting circular economy and to assist in achieving the target of net zero emission etc. Highlighting the key outcomes of the CBO, Shri Puri Said that it will encourage investment of around Rs. 37500 crores and facilitate establishment of 750 CBG projects by 2028-29.

It was, inter-alia, decided that:

- a. CBO will be voluntary till FY 2024-2025 and mandatory blending obligation would start from FY 2025-26.
- b. CBO shall be kept as 1%, 3% and 4% of total CNG/PNG consumption for FY 2025-26, 2026- 27 and 2027-28 respectively. From 2028-29 onwards CBO will be 5%.
- c. A Central Repository Body (CRB) shall monitor and implement the blending mandate based on the operational guidelines approved by Minister, PNG.

Discussions also took place for promoting production of ethanol from maize with all stake holders especially with Department of Agriculture and Department Food and Public distribution (DFPD) to make it a prominent feedstock in coming years. It was discussed that the last few years there is increase in Maize cultivation area, yield per hectare and production. Work has been initiated by this ministry in consultation with Department of Agriculture and DFPD to further develop high starch yielding varieties, improve quality of maize DDGS (Dried Distillers Grain Solids) by removing aflatoxins, faster registration of new seed varieties with high starch. To further promote maize training program for distillers with seed companies has also been initiated.

Yesterday, another important announcement was made for promoting biofuels in the country. Sustainable Aviation Fuel (SAF/Bio- ATF) initial indicative blending percentage targets were set by the committee. Based on the comments received from the stakeholders, like MoCA, Niti Aayog, OMCs, etc., the capacities of Sustainable Aviation Fuel plants coming up in the country and projected ATF sales, the following initial indicative blending percentages of SAF in ATF are approved:

- 1% SAF indicative blending target in 2027 (Initially for International flights)
- 2% SAF blending target in 2028 (Initially for International flights)

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(Release ID: 1979705) Visitor Counter : 315

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