

# Standing Committee Report Summary

## National Auto Fuel Policy

- The Standing Committee on Petroleum & Natural Gas (Chair: Mr. Pralhad Joshi) submitted its report on the National Auto Fuel Policy on May 7, 2015.
- The Auto Fuel Policy, 2003 aims at addressing issues of vehicular emissions and vehicular technologies by applying fuel quality standards. An Expert Committee under the chairmanship of Mr. Saumitra Chaudhari was set up to review the Auto Fuel Policy, 2003. Further, the objective of the Expert Committee was to draw a roadmap for the auto fuel quality till 2025. The Standing Committee made observations and recommendations on the Expert Committee report and the Auto Fuel Policy, 2003.
- The Standing Committee recommends that the Ministry needs to create an action plan to implement the recommendations of the Expert Committee. Further, an assessment of the benefits of implementing the Expert Committee recommendations against the expenditure that will be incurred must be undertaken.
- In order to achieve the unified fuel norm, the Ministry should implement the less polluting Bharat Stage (BS)-IV quality of fuel standard across the country by 2017. Further, the Standing Committee recommends the implementation of the BS-VI quality of fuel standard by 2020.
- Some public sector refineries do not produce BS-IV quality of fuel. Hence, the Standing Committee recommends all refineries be upgraded in a phase wise manner to produce BS-IV quality of fuel.
- The Expert Committee recommended levying a high sulphur cess on high polluting BS-III automotive fuels. The Expert Committee also recommended a special fuel up-gradation Cess on all gasoline and diesel sold. The Standing Committee recommends the Ministry to decide on the levy of cess at the earliest. The sum generated must be utilised for fuel up-gradation projects.
- As fossil fuel reserves are depleting, the Ministry must assess the commercial viability of non-conventional fuels.
- In terms of usage, the share of Compressed Natural Gas (CNG) is low. Therefore, the Standing Committee recommends the Ministry to give high priority to coverage of more areas under CNG.
- The establishment of a centralised national data centre for collecting information regarding polluting vehicles is recommended. In order to achieve this objective, if required, formulating a plan scheme and specific fund allocation has been recommended by the Standing Committee.
- The constitution of an inter-ministerial committee of secretaries of the concerned Ministries is required. The objective is to attain better coordination between the Ministry of Petroleum & Natural Gas, the Ministry of Environment, Forest and Climate Change, the Ministry of Urban Development, state governments etc. The Ministry of Petroleum & Natural Gas is the nodal agency and is expected to constitute the same.
- The Inspection and Maintenance System that enhances the safety and emission performance of vehicles has not been implemented. Therefore, it is recommended that the Ministry of Petroleum & Natural Gas impresses upon the Ministry of Road Transport and Highways to implement the same.
- Formulation of a vehicle retirement policy will improve air quality. The Ministry should apply the provisions under the Motor Vehicles Act, 1988 to formulate an age limit for retirement of vehicles.

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