



# New Bio-Energy Policy to Help Reduce Fossil Fuel Use

## Why In News?

- In a meeting of the Uttar Pradesh Cabinet chaired by Chief Minister Yogi Adityanath on September 27, 2022, it was decided to implement a bio-energy policy to reduce the use of fossil fuels as well as increase the income of farmers.

## Key Points

- Uttar Pradesh Power Minister AK Sharma told reporters that the Uttar Pradesh government has taken this decision while speeding up its commitment to increase the use of bio-fuels. The new policy has been formulated to finalize the possibilities of setting up bio-energy enterprises in the state by removing the shortcomings of the previous policies.
- Agricultural waste, agricultural produce market waste, livestock waste, sugar mill waste, urban waste and other organic waste available in abundance will be used to generate bio-fuels.
- Under the Bio-Energy Enterprise Promotion Programme-2018, 100 percent exemption in stamp duty on land purchase and 100 percent reimbursement of SGST has been given to bio-energy enterprises for ten years from the date of commencement of production.
- The term of the new policy will be five years. Bio-energy projects (compressed biogas, bio-coal, bio-ethanol and bio-diesel) to be set up in the state during this period will be encouraged.
- Under this policy, subsidy on compressed biogas production will be given at the rate of Rs 75 lakh per ton to a maximum of Rs 20 crore. This subsidy will be Rs 75,000 per tonne on bio-coal production and up to Rs 20 crore and Rs 3 lakh per kiloliter on production of biodiesel.

PDF Reference URL: <https://www.drishtiias.com/printpdf/new-bio-energy-policy-to-help-reduce-fossil-fuel-use>