

# Biodiesel discussion Group

# A Brainstorming discussions

- Has highlighted the need for a brief on what is biodiesel
- And, the need for awareness building for government and other stakeholders on promoting biodiesel value chain in capturing benefits and avoiding the risks

# Policy & Regulation Framework

- Market creation for blending by a certain percentage; will kick start the economic development of the biodiesel cv, e.g. Brazil, SA
- The legislation could start voluntary and evolve to Mandatory in a timeframe specific to country situation– Oil companies mandated by law to buy vegetable oils from producers for blending

# Agricultural Policy

- Harmonised and promotional Policy Support for Agriculture and rural dev
- Government to provide appropriate policy support for to accelerate production of adequate quantities of feedstock, e.g. incentive mechanisms and extension work introduction of potential and existing oil crops such as Palm oil, Jatropha, Sunflower, among others. Consider social dimensions –
- Land use policy to ensure security of food supply and conserve the forests , focus degraded land

# Policy Support for R & D

- Government to provide appropriate support for R & D to accelerate production of adequate quantities of feedstock, e.g. development / introduction of potential and existing oil crops such as Palm oil, Jatropha, Sunflower, among others. Consider social dimensions - the case of Palm oil vs Jatropha Jatropha has comparative advantage owing to its ecological adaptability to degraded lands, ASALS, hence less competition with food crops

# Investment promotion

- Promotion of local participation of private sector and local investors
- Negotiation with foreign investors to attract them and assure ethical basis of model
- Provision of business support
- De-taxation for processing equipment

# Market Policy

- Stimulation of Market demand through appropriate incentives, legislation/policy
- Provision of standards to guide processors, marketers, different users, etc
- Pricing -Harmonization of subsidies (pricing) to capture the environmental benefit of the biodiesel from oil crops in comparison with fossil diesel
- Specific market for pure biodiesel use to reduce so<sub>2</sub> and other harmful emissions in cities

# Harmonisation

- Regional harmonization of standards,
- Regional harmonization of R& D – appropriate crops
- Regional integration of the value chain