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WHY 'ETHANOL'?

- Ethanol-blended petrol is not a new policy idea; this thinking began as early as the 1970s and 80s when a global crude oil shortage occurred.
- When a specific amount of ethanol is blended with petrol, the demand for that amount of petrol decreases; additionally, it was discovered that the smoke from vehicles using it causes less pollution. Consequently, ethanol began to gain popularity.

» For the First Time:

- It became feasible on an experimental level to produce ethanol from molasses a byproduct of sugar mills and use it by blending it with petrol.
- For the first time, in 2003, the use of ethanol-blended petrol was announced as a policy decision by the Central Government.
- Initially, a decision was made that only petrol blended with at least five percent ethanol (E5) should be used in specific states.
- After 2014, this was further intensified. According to a recent policy decision, a target was set that by the year 2025-26, only petrol blended with 20% ethanol should be in use across India.
- Although currently only an ethanol blend of 10% to 15% has been made possible, the journey toward the 20% target has gained momentum.

» Sugar Demand:

- The situation where sugarcane mills grew and sugarcane production existed solely for the public's sugar needs has changed, and a state of producing excessive sugarcane for ethanol production has begun to emerge.
- Over the last ten years, the area of land under sugarcane cultivation has increased by approximately 25% in Uttar Pradesh, 20% in Maharashtra, and 35% in Karnataka. (The All-India average is 15%; it has not increased significantly in Tamil Nadu).
- At a superficial glance, this may seem positive, suggesting agricultural growth and rural economic progress due to the increase in sugar mills.
- However, the other side has begun to threaten us: the risk that the consequences of this will jeopardize our basic necessity, water, is not far off.
- As of today, India consumes about 30 crore liters of petrol per day. If that is to be 20% ethanol-blended petrol, then 6 crore liters of ethanol are required per day.
- This means about 2,200 crore liters of ethanol are needed per year. That is, approximately one TMC of ethanol is required. (One TMC is 2,831 crore liters.)

- On average, if we calculate that about 3,000 to 5,000 liters of water are required to produce the sugarcane needed for one liter of ethanol, then 3,000 to 5,000 TMC of water would be required annually for the production of one TMC of ethanol for this purpose alone.
- (The annual water production of the Cauvery river is 740 TMC. If we remember that disputes between Karnataka and Tamil Nadu over sharing it have been ongoing for centuries, the significance of 5,000 TMC will be understood).
- Apart from sugarcane, ethanol can also be produced from maize and rice; even if produced using them, it is estimated that the water requirement may be roughly the same or even higher depending on the nature of the land.
- The question may arise: instead of producing ethanol in India by spending so much water, why not import it? But an important factor here is the 'monetary benefit of farmers.'
- In the states of Uttar Pradesh, Maharashtra, and Karnataka, the area of farmland producing sugarcane has risen very significantly over the last 10 years.
- Compared to Uttar Pradesh, river water resources are lower in Maharashtra and Karnataka. Even so, as sugarcane production increases there, the groundwater level in those states is decreasing significantly.
- Comparatively, Tamil Nadu is the one that has kept its food production cycle almost unchanged in a way that suits ethanol production.
- However, it is worth considering that if the groundwater level decreases in Karnataka, which has increased its sugarcane cultivation area by 35 percent, the amount of Cauvery water reaching Tamil Nadu will decrease significantly.
- Looking at it as a whole, on a national level, when we transition to a state of using only 20% ethanol-blended petrol, crude oil imports will decrease by about 10 million tons.
- That is, as total crude oil imports decrease by four to five percent, about 8 to 10 billion dollars will be saved annually.

'PROJECT FREEDOM'

- Since the start of the U.S.-Israel war on Iran, this vital sea route has remained under the full control of Iran. Meanwhile, following the Israel-Lebanon ceasefire, Iran announced that it would open the strait.
- However, that announcement was withdrawn as the U.S. naval blockade on Iranian ports was not abandoned. Iran proposed compromise plans stating that it would open the Strait of Hormuz if the U.S. lifted the naval blockade.
- However, the U.S. categorically rejected these proposals from Iran, as Iran continues to refuse to engage in nuclear negotiations.
- 20 percent of crude oil transport was taking place through the Strait of Hormuz. Due to Iran's blockade, global fuel prices have risen sharply, leading to economic problems.
- In this situation, in accordance with the requests of many world nations, U.S. President Trump announced an operation to rescue ships from the Persian Gulf under the name 'Project Freedom.'
- Shipping companies have been advised to navigate ships through Oman's territorial waters in the strait area.
- Nevertheless, shipping companies and their insurers are in great fear due to sea mines buried in the ocean and the continuous threat of attacks from Iran.