

## NATIONAL BIOENERGY PROGRAMME: ENVIRONMENT

**NEWS:** MNRE Revises Biomass Guidelines to Boost Bio Energy and Ease of Doing Business

### WHAT'S IN THE NEWS?

The Ministry of New and Renewable Energy (MNRE) revised the Biomass Programme guidelines to promote clean energy, simplify processes, and incentivize biomass use through performance-linked subsidies and digital monitoring. These changes aim to reduce pollution, support rural industries, and help meet India's net-zero target by 2070.

#### Context: Revised Biomass Programme Guidelines (2025)

- The Ministry of New and Renewable Energy (MNRE) has released **updated guidelines** for the **Biomass Programme** under **Phase-I of the National Bioenergy Programme**.
- Objective: To promote **cleaner energy**, improve **ease of doing business**, and accelerate **adoption of biomass technologies** as part of India's larger goal of **net-zero emissions by 2070**.

#### What is Biomass Energy?

- **Biomass:** Material of **biological origin** like wood, cow dung, agricultural residues, or charcoal.
- **Biomass Energy:** Involves converting **organic materials into energy** (electricity, heat, fuel) through combustion, gasification, or anaerobic digestion.

#### National Bioenergy Programme – Overview

##### 1. Aim

- To promote **sustainable utilization of surplus biomass, cattle dung, and urban/industrial waste** for **energy generation**.

##### 2. Financial Assistance

- Provides **Central Financial Assistance (CFA)** for eligible components including:
  - Power generation from biomass
  - Biogas and Bio-CNG plants
  - Briquette and pellet manufacturing

#### Sub-Schemes under the National Bioenergy Programme

##### 1. Waste to Energy Programme

- Focus: Large-scale **biogas, Bio-CNG, and power plants** from agricultural, industrial, and urban waste.
- Excludes **Municipal Solid Waste (MSW) to Power** projects.

## 2. Biomass Programme

- Supports:
  - **Manufacturing of pellets and briquettes**
  - **Cogeneration projects** in industries using **non-bagasse** biomass.
  - Encourages industries to adopt **biomass-based energy** for cleaner production.

## 3. Biogas Programme

- Supports setting up of:
  - **Family-size and medium-size biogas units**
  - Especially targeted for **rural areas**, helping improve sanitation and energy access.

### Key Features of Biomass Programme (Post-Revisions)

#### 1. Central Financial Assistance (CFA)

- For **Briquette/Pellet Manufacturing Plants**:
  - Rs. **9.00 lakh per TPH** (ton per hour)
  - Maximum CFA: Rs. **45.00 lakh per project**

#### 2. Monitoring System

- Mandatory incorporation of **SCADA** or **IoT-based** remote monitoring.
- Ensures **real-time tracking** and improved **transparency** in operations.

#### 3. Eligibility Conditions

- Only **new machinery and equipment** are eligible for subsidy.
- Encourages technology upgradation and avoids second-hand infrastructure.

#### 4. Inspection Authorities

- Inspections and verifications to be carried out by:
  - **State Nodal Agencies (SNAs)**
  - **Sardar Swaran Singh National Institute of Bio-Energy (SSS-NIBE)**

### Revised Guidelines: Major Reforms (2025)

#### 1. Simplified Procedures

- Reduction in **paperwork** and **faster approvals** to promote ease of doing business.

- Especially beneficial for **MSMEs** in the clean energy sector.

## 2. Relaxed Documentation

- Briquette/Pellet plant developers **no longer need multiple clearance documents**, reducing compliance burden.

## 3. Low-Cost Monitoring

- Plants allowed to use **IoT-based monitoring** as a **cost-effective alternative** to expensive SCADA systems.
- Improves viability for **small and rural operators**.

## 4. Flexible Sales Model

- Earlier requirement of **2-year sales contracts** replaced with **general sale agreements**, enabling greater market flexibility.

## 5. Performance-Linked Subsidy Model

- CFA now linked to **plant performance**:
  - **Full subsidy** for plants operating at  $\geq 80\%$  capacity
  - **Pro-rata basis** below that (e.g., plant at 70% gets 7/8 of CFA)

## 6. Simplified Inspections

- Only **10 hours of continuous operation** required for **capacity verification**, replacing previous lengthy procedures.

## 7. Region-Specific Support

- Pellet units in **Delhi, Punjab, Haryana, NCR (Rajasthan, UP)** can choose between:
  - **MNRE scheme** or
  - **CPCB scheme**,
- Specifically aimed at **addressing stubble burning** and air pollution in these regions.

## Expected Impact of the Revised Guidelines

- Ensures **timely disbursement** of financial assistance to approved projects.
- Encourages the **setup of new biomass plants**, especially in rural and industrial clusters.
- Supports **sustainable agricultural waste management**, preventing open burning.
- Contributes to tackling **air pollution** and improving rural livelihoods.
- Aligns with India's **climate commitments** and **circular economy goals**.

## Related Initiatives in Biomass and Bioenergy

### 1. GOBAR-Dhan Scheme

- Full form: **Galvanizing Organic Bio-Agro Resources – Dhan**
- Launched under **Swachh Bharat Mission (Grameen)** in 2018.
- Objectives:
  - Improve **village cleanliness**
  - Promote **biogas generation** from cattle dung and biodegradable waste
  - Convert waste into **wealth and energy**

### 2. SATAT Initiative

- Full form: **Sustainable Alternative Towards Affordable Transportation**
- Focuses on promoting **Compressed Bio-Gas (CBG)** infrastructure.
- Benefits:
  - Provides **clean fuel** alternatives for the transport sector
  - Supports **farmers and rural entrepreneurs** through biogas production
  - Reduces reliance on fossil fuels

#### Source:

<https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2140327#:~:text=New%20Biomass%20Guidelines%20Spark%20Momentum%20for%20India's%20Clean%20Energy%20Drive&text=The%20Ministry%20of%20New%20and,%E2%80%93322%20to%202025%E2%80%93326.>