

Logistics, transportation hamper mandatory B20 use

MORE THAN one month into mandatory use of a B20 biodiesel blend in Indonesia, the Energy and Mineral Resources Ministry has admitted that several issues are hampering the effort.

The ministry's energy conservation and renewable energy director general, Rida Mulyana, underlined two main issues – logistics and transportations – particularly because state-owned oil and gas holding company Pertamina demanded that ships to transport the fuel met certain specifications.

"Lately, we learned that the ships should have certain specifications. That had been overlooked. The point is that the program is not running optimally," Rida said on Tuesday, as quoted by tribunews.com.

He said the government also found some private companies in violation of the requirements, which could be fined a total of 270 billion rupiah (Bt620 million).

He said that, when producing the B20 fuel, a company was required, for example, to mix 1,000 tonnes of crude palm oil (CPO) into the blend, but if a certain company was found to have only included 800 tonnes of CPO in its mix, it "has to pay a fine for the [missing] 200 tonnes," he added. Energy and Mineral Resources Minister Ignasius Jonan said the government faced great challenges in implementing the B20 rule, but he stressed the government would continue with its policy. – The Jakarta Post