

Implementation of Gasohols from Petrolimex's perspective

Hanoi, April 2024

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1. Gasohols implementation roadmap and mandates

Decision 177/2007/QD-TTg:
National program on Biofuels
development up to 2015,
vision to 2025

Ethanol and Biodiesel usage:
- Ethanol: 170,000 MT
- Biodiesel: 80,000 MT



Trial production and usage:
- E5*: 100,000 MT
- B5: 50,000 MT

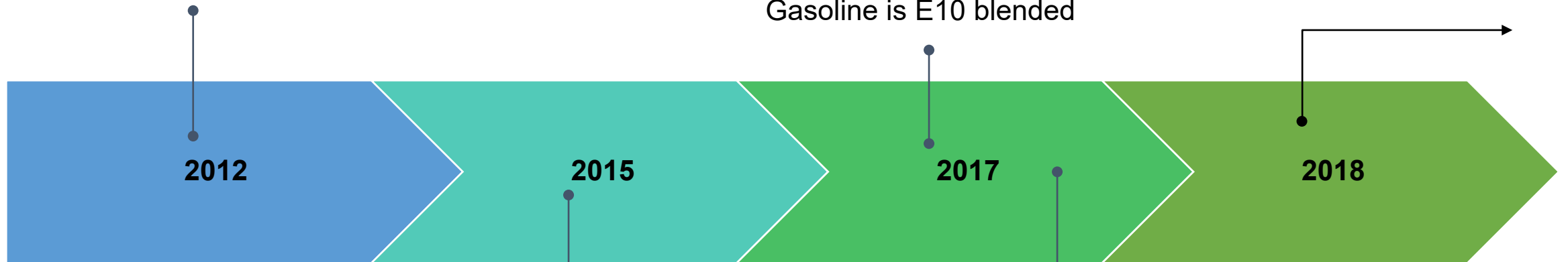
Ethanol and Biodiesel usage:
- Ethanol: 1,200,000 MT
- Biodiesel: 600,000 MT

*E5: Blend of 4 – 5% Vol Ethanol for *all* Gasoline

1. Gasohols implementation roadmap and mandates (cont.)

Decision 53/2012/QD-TTg:

Roadmap for application of ratios for blending biofuels with traditional fuels



From 1st Dec 2017: All Gasoline is E10 blended

From 1st Jan 2018:
Successfully switch all neat RON92 to E5RON92 gasoline

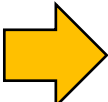
From 1st Dec 2015: All Gasoline is E5 blended

Actual progress made: On 22nd Sep 2017, the MOIT issued Directive 11 requesting from 01st Jan 2018 all RON92 is to be E5 blended.

1. Gasohols implementation roadmap and mandates (cont.)

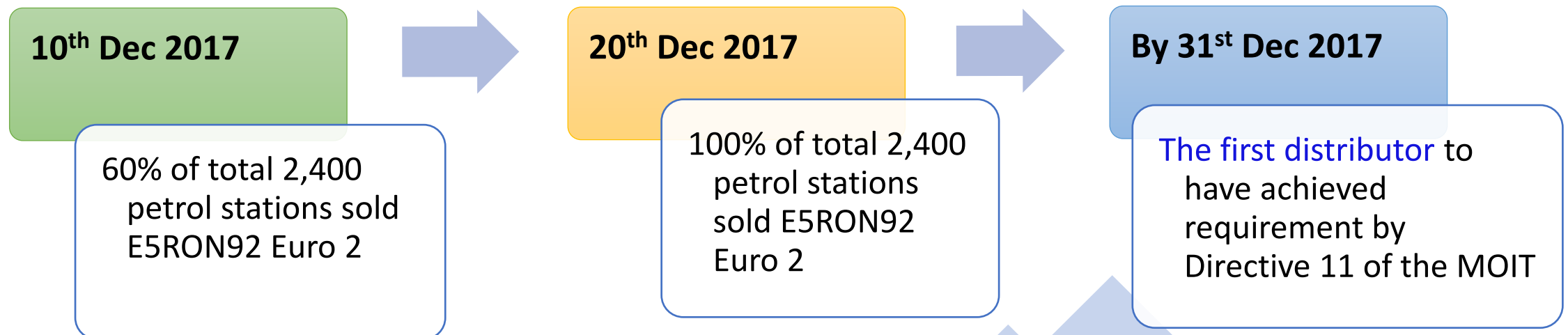
❖ After COP26, the Government took immediate actions:

#	Mandates	About	Biofuels Target
1	Decision No. 876/QĐ-TTg by the Prime Minister dated 22nd July 2022	Approving the action program for transition to green energy	From 2022 – 2030: All Gasoline (RON92, RON95 and RON97) is E5 blended
2	Decision No. 882/QĐ-TTg by the Prime Minister dated 22nd July 2022	Approving the National Action Plan on Green Growth for 2022 – 2030 period	Source for new and cleaner energy/fuels
3	Decision No. 888/QĐ-TTg by the Prime Minister dated 25th July 2022	Approval for scheme setting out tasks and solutions for implementation of outcomes of the 26th Conference of the Parties	By 2030: All Gasoline (RON92, RON95 and RON97) is E5 blended

 The implementation progress is being stretched out from the initial roadmap, E5 for all type of Gasoline by 2030.

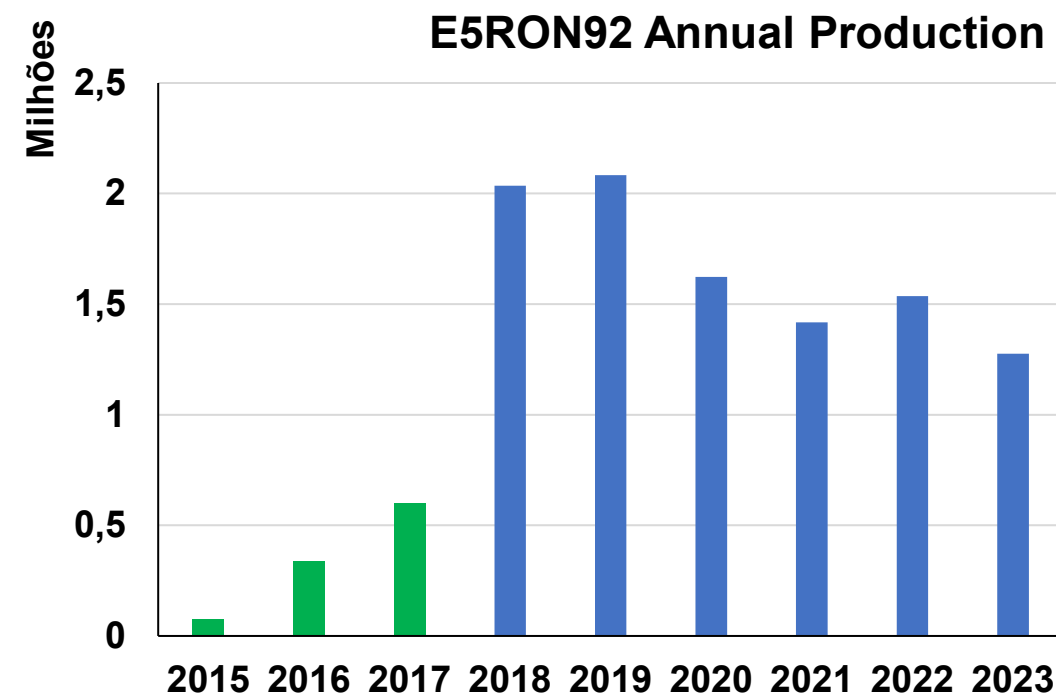
2. Petrolimex's blending capabilities and distribution progress

- ❖ Abide by Decision 53 of the Government, from 2015 – 2017 Petrolimex established E5 Gasoline blending facility (total capacity: 2.5 – 3 million m³/year)
 - Intank blending: at 03 locations
 - Inline blending: at 07 locations
- ❖ Source of Ethanol: Domestic supplier and import from USA/Korea/Japan...
- ❖ Petrolimex's E5RON92 distribution timeline:



3. Petrolimex's gasohols annual sales

#	Year	Annual Production (m3)
1	2015	76,375
2	2016	338,115
3	2017	597,000
4	2018	2,035,500
5	2019	2,082,500
6	2020	1,623,610
7	2021	1,417,250
8	2022	1,535,500
9	2023	1,276,100
	Total production	10,981,950



The average Ethanol blend is 4.76% Vol

4. Suggestions

#	Issue	Reasoning	Suggestions
1	Customers prefer neat Gasoline over E5RON92	<ul style="list-style-type: none">- Concern that E5RON92 is incompatible for engine and vehicles' parts- E5 Gasoline produce lower heat of combustion compared to neat Gasoline	Enterprise to demonstrate better promotion campaign for Ethanol blended Gasoline, enhancing the benefits of using such fuels
2	Sales of E5RON92 continues to decline	<ul style="list-style-type: none">- Customers prefer neat Gasoline over E5RON92- Ethanol blended mandate for all Gasoline is not yet implemented	<ul style="list-style-type: none">- Should impose strict measures to ensure all petroleum distributor fulfill the E5 and E10 Gasoline roadmap- Making E5 mandate for all Gasoline, including RON92, RON95 and RON97
3	E5 is insignificantly cheaper than neat Gasoline	<ul style="list-style-type: none">- High E5 operating cost (blending, testing, storage, transportation...) contribute to high E5 price- Insubstantial incentives given to E5 Gasoline end-users	Better financial incentives so price differential is good enough to attract customers toward using E5 Gasoline