

# 1. BACKGROUND AND OBJECTIVES

The Kyoto Protocol emphasized the concept of “carbon neutral” – that vehicle emissions of carbon dioxide (CO<sub>2</sub>) are offset by using biofuels produced from plant materials absorbing CO<sub>2</sub>. The use of biofuels contributes to the prevention of global warming.

Asian countries are actively promoting the introduction of biofuels due to soaring oil prices and increased energy consumption. The utilization of biofuels is also important from the viewpoint of energy security and alternative fuels.

However, the low-quality biodiesel fuel raises serious concerns regarding the effect on engine performance caused by fuel impurities and the oxidation. Therefore, it is anticipated that biodiesel fuel standards will be established in each country to promote more distribution in the region.

In FY2007, a benchmark standard of biodiesel fuel in East-Asia was established and launched. Some topics including oxidation stability, however, have remained as tasks to be solved in FY2008. As for this, the continuous discussion is necessary with more data for determining how to control the biodiesel fuel quality in real market of each country member. In addition to this, feasibility study of new

biodiesel feedstock, which is inedible biomass, will be conducted. These activities will bring us a “Biodiesel Fuel Trade Handbook” as a result of FY2008.