

Autogas in Bangladesh – A Significant Growth Option for the Future



Did you know?

- Autogas was accepted by the government of Bangladesh as an **alternative fuel for motor vehicles** back in 2001.
- Kleenheat Gas was instrumental in advising the Government of Bangladesh on acceptable and sustainable standards for the autogas industry throughout 2001-2005, and as a result **the first autogas refueling station was commissioned in 2005**.
- LPG is proven to be a genuinely low carbon fuel with **savings of over 20%** against gasoline in the autogas markets.
- Despite improvements in conventional automotive technology, **LPG vehicles can emit far less NOX and particulate** matter than diesel equivalents and still represent good value for the consumer.

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What are we doing?

- Initially, the response to autogas was slow but with continuous effort and dedication from the local Kleenheat team, they have been able to slowly expand its autogas refueling network throughout rural urban centres in areas where there is limited or no access to CNG.
- **Kleenheat has converted over 1000 vehicles** to date and it estimates there is a total of up to **3,000 autogas vehicles currently on the road.**

What is the result?

- Bangladesh is currently **facing a natural gas supply crisis** due to a rapidly depleting supply base and a combination of inadequate upstream/downstream supply infrastructure and government planning.
- This has created a change in the mindset and the **demand for autogas is increasing daily.**
- Government support for CNG and the associated subsidised pricing structure makes CNG a compelling option to those located along the CNG distribution network.
- However, with a planned increase in the CNG pricing structure post July 2010, **autogas will become a much more attractive alternative** and with additional planned autogas sites being rolled out by Kleenheat Gas during the year, annual volumes are forecast to grow in excess of 50% during 2010.
- With the motor vehicle market in excess of 1 million vehicles and a positive growth rate in motor vehicle ownership trends, **the use of autogas as an alternative fuel will be a significant growth option** for the Bangladesh industry, which has historically struggled to develop due to the availability of subsidised alternative fuels, poor practice and the inexperience of local operators combined with a lack of government support.