



SABAH INTERNATIONAL BIOMASS FORUM 2019

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**Realising Successful Development of Oil Palm  
Biomass Industry in Sabah**

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# OPPORTUNITIES

## »»» Huge Business Opportunities

- Sabah has abundant supply of oil palm biomass of about 25 million mt/year

## »»» High And Increasing Global Market Volume For Renewable Biomass Based Product

- High demand in Europe, US, South Korea, Japan and China



# SUSTAINABILITY STRATEGY



Contribution towards environmental / climate improvement

- No deforestation
- Properly certified production



Improving image of palm oil in international arena



Profit sustainability of palm oil business

- Creating new source of income especially during the present low and uncertain palm oil price



# CURRENT SCENARIO



## Slow uptake – especially for solid biomass

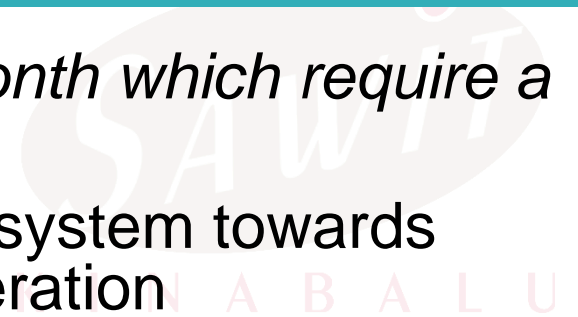
- Primary objective of oil palm business is maximising oil production and minimal interruption on mill operation
- Uncertainty on present technology, market related, capital cost and return to investment

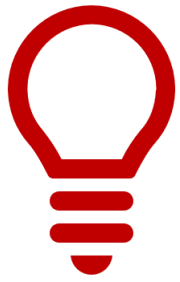


## Big Volume required for every single downstream biomass plant

*e.g. Volume of EFB of not less than 30,000 MT/month which require a supply from about 10 palm oil mill*

- Require an effective collection and transportation system towards minimizing transport cost and conflict with mill operation





# SUGGESTED STRATEGIES FOR MITIGATION OF OPERATIONAL COST;



## Pre process at the source prior to transportation

- Shred, press and compact to mitigate transportation issue



## Suitable location of processing plant

- Proximity to source of biomass (contributing mills & estates)
- Consider opportunity for a lower cost of land, power/energy supply



# ROLE OF VARIOUS AUTHORITIES AND INDUSTRY PLAYERS

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## To set up an Authority for Biomass industry

- Provide related information to interested parties which include location of available biomass producer, technologies, available incentives and potential product buyer
- Register, certify and regulate technology, system provider and interested investor
- Promotion on positive global contribution

## Promote participation among potential investors especially producers of oil palm biomass

- Promote ownership, minimise conflict and effective continuous improvement



Thank you

