FGV Collaborates with Netherlands' Energy Research Centre to Create High-Quality Fuel Pellets

Felda Global Ventures Holdings Berhad (FGV), the world's largest producer of Crude Palm Oil (CPO), has started a collaboration with the Energy Research Centre of the Netherlands (ECN) to use its TORWASH technology, to turn empty fruit bunches into high-quality fuel pellets that can be co-fired in coal-fired power plants.

FGV's Head of R&D and Agri Services Cluster S. Palaniappan said, FGV, through its new subsidiary, FGV Applied Technologies (FGVAT), has signed a collaborative agreement with ECN in a R&D program over a period of eighteen months.

"The pilot TORWASH plant will be built at the Mill and Biomass Technology Centre (MBTC) in FGV's PPTR Research Complex in Tekam, Pahang," said Palaniappan, adding that all Intellectual Properties (IP) generated by the program shall be co-owned by both parties.

With the implementation of phase 1, The TORWASH Technology is expected to generate about RM10 million per mill annually.

> *I am confident that this R&D program will successful to yield the desired results. This is in line with FGV's global aspiration to create more biomass products which are sustainable as well as profitable*

"I am confident that this R&D program will successful to yield the desired results. This is in line with FGV's global aspiration to create more biomass products which are sustainable as well as profitable," Palaniappan added.

FGV foresees a huge market potential for this high-quality fuel pellets, and for starters, it is eyeing to penetrate South Korea and Japan market.

The demand of fuel pellets, especially for green and low carbon energy alternatives, is increasing in East Asian countries especially in South Korea and Japan.

The South Korea government estimates that by 2020, 75-85 percent of pellets consumed in the country will need to be imported. Japan on the other hand is expected to increase importation of energy chips and wood pallets, partly due to the nuclear power plant accident in Fukushima last year.

Meanwhile, Chief Operating Officer of ECN, Robert Kleiburg said that the global turnover of

renewable energy industry was USD 40 billion in 2004. Last year showed a tremendous growth of renewable energy industry with a global turnover of over USD 300 billion.

“The technologies that we developed still need to go through demonstration first. Therefore, it is very important to work in partnership with FGV in order to make this demonstration a success,” he said.

— ends–