

# FGV-MPOB B10 Usage Test Successful



FGV Holdings Berhad (FGV) in collaboration with the Malaysian Palm Oil Board (MPOB), has achieved impressive results in biodiesel testing using a 10% (B10) palm methyl ester (PME) mixture in its logistics, plant and plant operations.

The objective of the B10 usage test is a sign of support for government efforts to increase the current B7 biodiesel usage mandate to B10 and to prove scientifically that an increase of 3% does not negatively impact the performance and safety of transport and industrial machinery.

FGV Group President and Chief Executive Officer, Dato' Zakaria Arshad said FGV and MPOB conducted a comprehensive B10 usage test since August 2017 through the logistics division before being expanded to selected plantation and mill sectors beginning May 2018.

"As at end August 2018, the FGV logistics division has used 91,536 liters of B10 with a distance of 172,932 km, while in plantation and factory operations each uses 26,347 liters and 59,077 liters respectively."

“During the testing period, there are no technical issues reported and scientific studies through MPOB also showed positive results. We will continue this test until October to ensure we achieve a consistent and comprehensive data” he said.

FGV and MPOB agreed that now is a good time for the government to reconsider the proposal to implement the B10 mandate following the low crude palm oil (CPO) prices and is expected to remain until the end of the year as well as rising world crude oil prices since the beginning of the year.

Market analysts also expect stocks of Malaysia and Indonesia CPO likely to increase in the second half of this year due to high output and this is seen adding further pressure on world CPO market prices.

End.