FGV’s Palm Methyl Ester Available in East Coast Region

Felda Global Ventures Holdings Berhad (FGV) is set to mark a historic milestone in the national biodiesel industry with its maiden load of Palm Methyl Ester (PME) to a Malaysian oil and gas company.

FGV’s subsidiary, Felda Global Ventures Biotechnologies Sdn Bhd (FGVB) is leaping ahead by delivering it first PME under the B5 mandated programme for the East Coast region. The first load of 48 metric tonnes of quality inspected PME was successfully delivered to its client on 2 March 2014 at the Kuantan Fuel Terminal.

This was followed by completing another delivery of 48 metric tonnes of B5 the following day at a Fuel Terminal in Terengganu. The B5 biodiesel is a blend of 5 per cent palm methyl ester with diesel fuel.

Group President and Chief Executive Officer FGV, Mohd Emir Mavani Abdullah said, “Previously the B5 biodiesel is sold only in the Central and Southern Region. FGV PME is now officially in the local B5 diesel market starting yesterday in the East Coast region of Peninsular Malaysia to power road transport diesel vehicles.”

FGVB is optimistic of the prospects of an increase in demand for biodiesel in Malaysia upon implementation of the B5 biodiesel programme in the East Coast Region starting in February 2014 and in Sabah and Sarawak, which is scheduled to take place by mid-2014.

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Not only at the home front, biodiesel business expands the company global frontier by its fifth export shipment en route to one of the Europe’s busiest port in Huelva, Spain.

The consignment, which was shipped on 10th February 2014, sees 6,000 tonnes of Malaysian ISCC Certified PME to be delivered to its client, a dynamic and reputable energy company based in Geneva.

According to Wira Adam, Chief Executive Officer FGVB, “This consignment is another FGV’s effort to penetrate into the vast yet highly competitive European market. We also planning to send more biodiesel to several other countries including China”

He added, apart from the European Union, FGV is also eyeing the United States and Australian markets following growing interest in renewable energy in both countries.

Last November, FGV made its maiden biodiesel shipment to Rotterdam, Netherlands and saw 4,200 tonnes of Malaysian ISCC Certified PME, delivered to a Switzerland-based energy company. This was followed by more shipments to other European destinations including the latest shipment to a Spanish port.

“We hope this venture would also contribute towards positioning Malaysia as a major global biodiesel producer, as envisioned in the Government’s National Biofuels Policy (NBP),” Mohd Emir said.

It is estimated that the global demand for biodiesel could reach up to 15 million tonnes by 2020.

In April last year, FGVB, successfully acquired a biodiesel refinery and other assets at Kuantan Port for RM35 million. The acquisition follows the signing of an asset purchase agreement with Mission Biotechnologies Sdn Bhd for the acquisition of the refinery and other assets that include a 16,000-tonne storage tank connected to import and export pipelines in a deep water jetty.

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