

First palm fibre oil extraction plant in Sabah

By Johan Aziz

KENINGAU: The first palm fibre oil extraction (PFOE) plant in the state was launched at Km 3, Karamatoi Road off Nabawan Road here yesterday.

Industrial Development Minister Datuk Raymond Tan Shu Kiah who launched the PFOE and the ceremony to hand over the plant from Eonchem Technology Eonmetall Group to Kim Loong Technologies yesterday, hoped that more oil palm mills in this state would invest in the PFOE technology.

"It is to maximize the value of our palm oil and to further improve the industry in the state," he said.

Raymond said the opening of the palm pressed fibre-oil extraction plant was significant not only because it is the first in Sabah but the opening up of possibilities in palm oil downstream industries, especially in nutraceuticals (manufacturing of vitamins and food supplements) because of its high Vitamin E properties.

Raymond said this plant

extracts residual oil from mesocarp fibres of oil palm fruits.

According to him, Malaysia's patent on PFOE technology cements Malaysia's position as a leader in palm oil-related innovations and adds to value-adding potentials in palm oil.

"PFOE technology augurs well for Sabah's oil palm industry because it means higher oil extraction, higher revenue and the de-oiled mesocarp fibres are good for other value-added applications such as the making of panel board, pulp and packaging materials," he said.

Raymond said Eonmetall is understood to be exploring the possibility of setting up a palm kernel oil extraction plant at the Palm Oil Industry Cluster (POIC) Lahad Datu that would possibly lead to many other downstream products (in cosmetics) as anticipated by POIC Sabah Sdn Bhd.

He said POIC Lahad Datu Phases 1 and 2 have about 30 investors with a total investment of about RM2.1 billion.

According to him, the first parcel of Phase 3, about 500

acres, are close to being ready for investors in biomass.

"Eonmetall's invention and Kim Loong's investment support Malaysia's need and desire for productivity, higher value-adding and innovation to achieve its high income goals," he said.

Raymond hoped that more of the 120-plus oil palm mills in Sabah would invest in the PFOE technology to maximize and further strengthen the industry in this state.

Present at the function were Desa Plus Sdn Bhd chairman Datuk Raimie Unggi, Desa Plus director and investment advisor to the Finance Ministry and Desa Kim Loong Palm Oil Sdn Bhd chairman Datuk Yusoff Datuk Kassim, Eonmetall director Tan Sri Soong Siew Hong, Kim Loong Resources Berhad executive chairman Gooi Seong Lim, Desa Cattle (Sabah) Sdn Bhd director Datuk Haji Awang Sahak Awang Salleh, Desa Group of Companies chief executive officer Angeline Soh, Eonmetall managing director Datuk Goh Cheng Huat and POIC managing director Dr Pang Teck Wai.



OFFICIAL OPENING ... Raymond (centre) with, from right, Gooi, Soong, Raime and Yusoff cutting the ribbon to mark the official opening of the PFOE, witnessed by other guests and Kim Loong officials.

PFOE technology enhances income generation of oil millers

KENINGAU: The acceptance of Palm Fibre Oil Extraction (PFOE) technology by oil millers is not just focused on the extra income generated by the sales of red palm oil extracted, Eonmetall Group Berhad director Tan Sri Soong Siew Hoong said yesterday.

In fact, some oil millers are keen to explore the further downstream processing of the high concentration of phytonutrient available in the extracted oil, he added.

In addition to these, he said the vast quantity of the remaining 95 per cent of the De-oiled mesocarp fibre can be further processed into other value-added products such as medium density fibre boards and renewable eco-friendly products for the furniture and housing industry, which are especially welcomed overseas.

"Furthermore, there are many other biomass application technologies possible on using this De-oiled fibre after further drying process, like sound insulation sheet in vehicles, partition board and cement board," he said in his speech at the official opening of the first PFOE in Sabah and handover of PFOE plant at Desa Kim Loong Palm Oil Mill Sdn Bhd here yesterday.

Industrial Development Minister Datuk Raymond Tan Shu Kiah officially launched the PFOE opening.

Soong said in short, this PFOE technology unleashed the vast application potentials by removing the residual oil in this fibre, and of course all these many more downstream applications will have to be left to the many capable entrepreneurs from palm oil

as well other industries to develop.

"Likewise our group company does not stop here. We are also working on some of these downstream applications and would be a potential investor in Sabah's palm oil industry cluster (POIC) in Lahad Datu in the near future," he said.

Soong said there are 52 palm oil mills within a 50km radius of Lahad Datu and these oil mills can provide millions of tonnes of palm oil and oil palm biomass for the numerous value-added downstream industries.

According to him, under the Malaysian government policies to create more industrial and economic development in agro and resource-based industries, Eonmetall has over the years developed and perfected this PFOE technology to recover the five per cent residual oil content from the palm pressed fibre (which has been and still has been used as boiler fuel in the over 420 palm oil mills in the country).

"It is worthwhile to mention the commitment and contribution of the directors of our group subsidiary, Eonchem Technology, the patent holder of this unique process. They have been devoting the past 10 years to overcome difficulties and working closely with oil-mill experts and engineers to perfect the smooth application of this technology in oil mills," he said.

Soong said to date the company has already successfully installed and commissioned four such PFOE Plants in Malaysia and with not less than six more contracted mills to deliver

He said this PFOE Plant at Kim Loong Oil Mill in Keningau is the first in Sabah, which he has a total of 122 palm oil mills.

Earlier in his speech, Kim Loong Resources Berhad executive chairman Gooi Seong Lim said Desa Kim Loong Palm Oil Mill was built and commissioned in February 2003 and was the first palm oil mill in Keningau region.

"Our mill has spurred the widespread cultivation of oil palm and helped the smallholders in Keningau region," he said.

He said they are proud to be Eonchem Technology Sdn Bhd's partner to successfully develop and implement this innovative technology way back in year 2005.

Gooi said the mill's first solvent extraction plant in Johor which is also the first PFOE plant in the world, was successfully commissioned in September 2007.

"From inception until July 2010, our Johor plant had produced a total of 4,513 metric tonnes of solvent extracted red palm oil worth a total value of RM11 million which would have been burnt and lost in the boiler of conventional palm oil mill. We are confident that our plant in Keningau will repeat the success achieved in our Johor Plant," he said.

According to Gooi, Malaysia and Indonesia will produce as estimated total CPO of 37 million tonnes for the year 2010 and if this PFOE technology can be successfully implemented throughout Malaysia and Indonesia, 925,000 tonnes of red palm oil can be potentially recovered.

He said the total value of red palm oil at today's price of RM2,700 per metric tonne is equivalent to a whopping

revenue of RM2.5 billion.

Gooi said the solvent extracted red palm oil, being rich in the phytonutrients like carotene and Vitamin E, is a good natural oil for animal feed meal production as well as other downstream application.

He said it has been proven that chicken fed with feed meal enriched with red palm oil will produce eggs with bright red egg yolk, very rich in carotene.

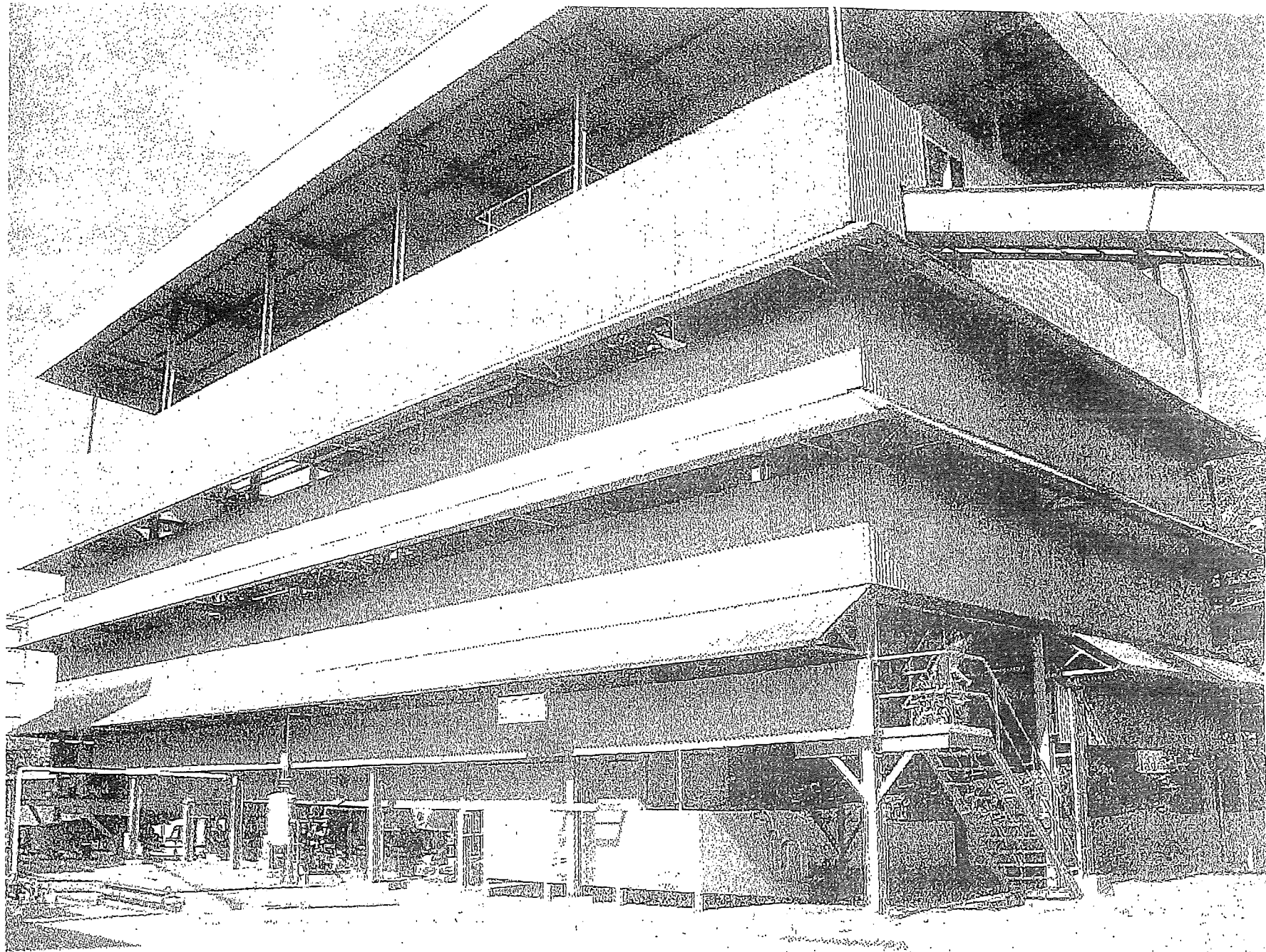
"It is our group's business strategy to maximize profit by extracting values out of CPO and palm oil mill wastes, as example converting biomass to bio-fertilizers, treating palm oil mill effluent to generate methane gas as biofuel for power generation and extracting tocotrienol, which is a potent form of Vitamin E from CPO," he said.

Gooi said that the Keningau Mill was awarded by MPOB as being the highest OER mill in Malaysia in 2007, and also achieving OER exceeding 25 per cent in 2005.

He said the company's Kota Tinggi Mill is one of the largest commercial mills in Malaysia and won MPOB's Most Innovative Mill Award in 2002.

"Our Johor palm oil mill is also the first registered methane emission reduction CDM project in the world for biogas generated from palm oil mill effluent," he said.

Gooi said based on the company group's research and successful implementation of all the innovative technologies, it is believed to have contributed towards making the palm oil industry sustainable and more competitive than other vegetable oil crops.



SABAH'S FIRST ... The first palm fibre oil extraction plant in Sabah was launched at Km 3, Karamatoi Road off Nabawan Road, Keningal yesterday by Industrial Development Minister Datuk Raymond Tan. See reports in A2