

Green Ocean, Lipochem to develop biogas plant

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GREEN Ocean Corp Bhd, a palm kernel crusher, and process engineering firm Lipochem (M) Sdn Bhd are seeking government funds to help develop more cost-efficient biogas technology beneficial to the oil palm industry.

"We've approached the Ministry of Energy, Green Technology and Water to be part of a pilot plant project to develop more cost-efficient methods to turn greenhouse gas into clean energy," Green Ocean managing director Lee Byoung Jin said.

"Our process engineering partner, Lipochem, has the expertise to build the 21st century pilot plant. But we'll need some financial assistance from the government because this eco-friendly project will benefit the overall oil palm industry," he told Business Times when met at the inaugural Korea-Malaysia Bio-energy Forum in Kuala Lumpur yesterday.

Also present was Lipochem managing director Koh Pak Meng.

"With active involvement from the government, we hope to start work on the pilot plant within the Klang Valley. The enhance digester reactor, capable of generating 500 kilowatts (KW) per hour, can cost up to RM10 million," Koh said.

South Korean Ambassador to Malaysia, Yang Bong-ryull, who officiated at the seminar, said that many Korean investors were keen to invest in environment-friendly technology.

Last week, POIC Sabah Sdn Bhd chief executive Dr Pang Teck Wai disclosed that South Korean investors Global Bio-Diesel Sdn Bhd and Eco Biomass Energy Sdn Bhd, which together had invested some RM500 million at the Lahad Datu Palm Oil Industrial Cluster, were facing difficulties in selling biodiesel and sourcing biomass to generate electricity.

In response, Yang said: "Due to the global economic downturn, the operations have not picked up." Asked if the investors might give up and pull out of Malaysia, he replied: "Although I'm a bit worried, I'm also quite positive that they will stay. The investment climate (including incentives) here is good. It is actually the global economic slowdown that has affected their operations." In South Korea, the Ministry of Environment has announced that it may launch a pilot greenhouse gas emission trading scheme as early as December next year to encourage pollution control.

The Korea Exchange (KRX) will serve as a platform for carbon emission trading, also known as cap and trade.

Under the scheme, participating organisations will be issued the right to emit a specific amount of pollutant set by the government. They can trade remaining allowances or buy carbon credits from those who pollute less.

The three-year pilot scheme will see the participation of 14 local governments, 446 public organisations, 29 workplaces and 166 retailers in South Korea.

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