

# Porim to set up a research centre

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RAWANG: The Palm Oil Research Institute of Malaysia (Porim) will set up a research and development centre on oleochemicals as part of a government effort to ensure the efficient running of palm oil processing plants.

Prime Minister Datuk Seri Dr Mahathir Mohamad said yesterday with the availability of fatty acids, glycerine and mythel esters, the Government hoped to see downstream ventures in oleochemical derivatives.

"Since it is important that the running of the processing plants and the supporting players are efficient, effort must be made continuously to upgrade and innovate through research and development, as well as ensure skill improvement and cost reduction," he said when opening the RM60 million Palm-Oleo Sdn Bhd factory in Kundang Estate, about 30km from here.

Dr Mahathir said increasing prosperity in the region had caused a demand for oleochemical derivatives, such as fatty aminos, alcohols, food and industrial esters for use in a wide range of consumer and industrial products.

He said the success of the oleochemical industry had created substantial spin-off benefits to smaller medium industries.

Dr Mahathir said other than economic benefits, oleochemical was providing the world a more beneficial source of renewable and environment-friendly raw materials as compared with petrochemicals.

He said Malaysia's large production together with increasing supply from Indonesia, would continue to ensure the world's oleo-chemicals industry a source of easily available and affordable raw materials, supplementing the traditional tallow and coconut oil.

The Palm-Oleo plant was set up by a consortium comprising Kuala Lumpur Kepong Berhad which holds 60 per cent equity and three Japanese companies.

They are, Mitsui & Company Ltd (15 per cent), Asahj Denko Koygo K.K. Ltd (12.5 per cent) and Miyoshi Oil & Fat Company Ltd (12.5 per cent).

Also present at the ceremony were Primary Industries Minister Datuk Seri Dr Lim Kheng Yaik.