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AOTC SPEARHEADS INTENSIVE RESEARCH IN OLEOCHEMICALS

SHAH ALAM, Aug 29 (Bernama) -- The Advanced Oleochemicals Technology Centre (AOTC) in Bangi will spearhead more intensive research in various segments of the oleochemicals industry towards downstream production.

Palm Oil Research Institute of Malaysia director general Datuk Dr Yusof Basiron said today AOTC faced the challenge of developing oleochemical products that would be accepted by consumers.

The centre was officilly opened Prime Minister Datuk Seri Dr Mahathir Mohamad this month.

Speaking after the signing of an agreement appointing Porim as a Standards Writing Organisation (SWO) a the Standards and Industrial Research Institute of Malaysia (Sirim) here, he said the 10-year-old oleochemicals industry was a growing one which generated about RM2 billion in foreign exchange earnings last year.

About 90 percent of oleochemical products manufactured in Malaysia were exported overseas for downstream processing, he added.

Dr Yusof said demand for oleochemical products overseas was high because the technology and facilities to manufacture downstream oleochemical products there were high.

In addition, most of the early oleochemical plants in Malaysia produced intermediate oleochemical products like fatty-acid and methyl ester which were widely used in the developed countries to manufacture end products and industrial goods, he added.

Dr Yusof said: "So, we have not really developed to the stage we like, we are still depending on the export market which consume the intermediate oleochemicals that we produce."

Also, the Malaysia's oleochemical production could not be fully utilised domestically because of the country's small population, he added.

Hence, Malaysia had a surplus of oleochemical products and the whole palm oil industry was geared for the export market.

Dr Yusof said now that Malaysia wanted to move into downstream production of value-added products to increase the export value, the industry needed to further process the raw materials and intermediate products into consumer products.

Downstream oleochemical products made in Malaysia included soaps, shampoos and softeners. -- BERNAMA

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