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Budget-Environment/BM

PIONEER STATUS FOR ENERGY PRODUCTION USING BIOMASS EXTENDED

KUALA LUMPUR, Sept 20 (Bernama) -- The government today proposed that the pioneer status and investment tax allowance incentives granted for the production of energy using biomass as a renewable source of energy be extended for another three years until 2003.

Prime Minister Datuk Seri Dr Mahathir Mohamad, tabling the 2003 Budget in Parliament, also proposed that that these incentives be extended to include the usage of hydro-electric power of not more than 10 megawatts as well as to solar energy.

The incentives granted for enery production using biomass had attracted investments totalling RM331 million, he said.

Dr Mahathir, who is also the finance minister, said quality environment was an invaluable assets, and as the community became affluent the demand for quality environment was greater.

He said the government also encouraged the use of bio diesel in an effort to increase utilisation of renewable sources of energy which was environment-friendly.

"Towards this, the government will grant subsidies to bio diesel as currently given to diesel," he added.

-- BERNAMA

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