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# Felda unit moving into advanced R&D activities

**It's aiming for world-class position**

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JERANTUT: Felda Holdings Bhd's subsidiary Felda Agricultural Services Sdn Bhd (FASSB) is broadening the scope of its research and development (R&D) activities into the next stage of advancement to secure its position as a world-class R&D company in oil palm breeding, tissue culture, biotechnology, agronomy, corp protection as well as other potential crops.

FASSB via its 13 research centres in Peninsular Malaysia and three in Sabah, to date has successfully commercialised its activities in fresh fruit bunches (FFB) production, oil palm seeds and seedlings, tissue culture, fertiliser, rat bait and analytical labs into lucrative businesses and consistent earnings contributor to the Felda group.

The company is currently the country's leading oil palm seeds producer garnering about 30% share or 25 million seeds of the total local market estimated at 86 million seeds annually.

For FASSB to stay competitive, executive director and chief executive officer S. Palaniappan said the company would need to strengthen not just its R&D biology division but also intensified its equal focus on the R&D for applied technology and biomass.

"We no longer want to be just a leading supplier of oil palm seeds and seedlings. FASSB wants an extensive coverage on its R&D works represented in the upstream, midstream and downstream areas that could result in more value-added, cutting-edge and well-proportion products.

**FASSB commercial operations**

| Activities | Production capacity per year |
|---|---|
| FFB production (11,711 hectares) | 28 tonnes/ha/year |
| Oil palm seeds production (Two laboratories) | 27 million |
| Oil palm seedlings (Four nurseries) | 1.5 million |
| Tissue culture production (One laboratory) | |
| • Oil palm ramets | 2.5 million |
| • Banana ramets | 2.5 million |
| Mixture and Straight Fertilisers (Two factories) | 300,000 tonnes |
| Rat bait (One factory) | 180,000 tonnes |
| Analytical lab (Two laboratories) | |
| • Fertiliser analysis | 500,000 tonnes |
| • Foliar analysis | 600,000 hectares |

Source: FASSB



"We want to cover the entire dynamics of oil palm as well as strong in crop protection research, utilisation of tissue culture research to produce crops like dragon fruits, banana, herbs like *tongkat ali*, teak timber and local liberica coffee," he added.

Therefore, to chart FASSB's next growth, Felda group new president and group chief executive Datuk Sabri Ahmad had expanded the existing Felda R&D advisory panel members to be represented by both prominent local and international scientists since early this year, Palaniappan told *StarBiz* during the advisory panel and selected media visit to FASSB's Tun Razak Agricultural

Services Centre in Tekam near Jerantut last Wednesday.

The 12-member panel comprise of scientists from various field of expertise including plant science, plant biodiversity, soil science and land management, oil palm breeding and tissue culture, genetics, entomology as well as microbial-plant pathogenicity.

The Tun Razak Agricultural Services Centre is the largest R&D centre in Malaysia and also the largest in South-East Asia.

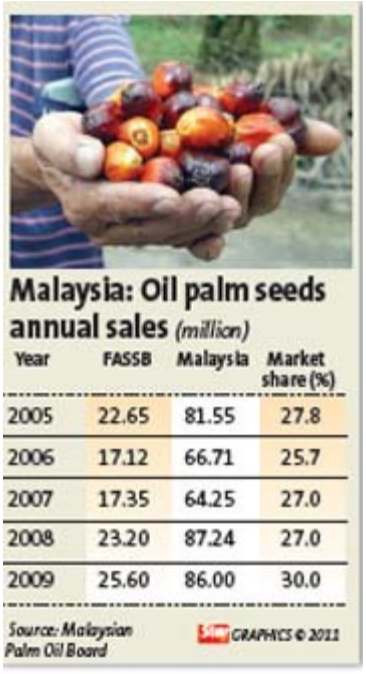
Meanwhile, Felda R&D advisory panel chairman Proffessor Dr Jeremy Roberts said he was impressed with the FASSB R&D facilities at the Tun Razak centre.

"The R&D centre is on par with any other international R&D centres worldwide," said Roberts who is also the School of Biosciences head at Britain-based Nottingham University.

"We (the panel members) hope to advise and impart the transfer of knowledge from our respective area of specialisation to FASSB to ensure all the R&D activities were carried out in a sustainable manner in line with the requirements of most global markets," he added.

Roberts admitted that he had not undertaken a lot of R&D work on oil palm. However, with Nottingham University having an affiliate branch in Semenyih, Selangor, he hoped to take more R&Ds on the local commodity.

As a plant biologist, Roberts had vast experience with other crops like rapeseed, canola, wheat, tomato, cotton and maize.



**Malaysia: Oil palm seeds annual sales** *(million)*

| Year | FASSB | Malaysia | Market share (%) |
|---|---|---|---|
| 2005 | 22.65 | 81.55 | 27.8 |
| 2006 | 17.12 | 66.71 | 25.7 |
| 2007 | 17.35 | 64.25 | 27.0 |
| 2008 | 23.20 | 87.24 | 27.0 |
| 2009 | 25.60 | 86.00 | 30.0 |

Source: Malaysian Palm Oil Board

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"It may need not be just a one-way knowledge and technology transfer," he said adding that FASSB tissue culture research in clonal production via molecular markers to assist in oil palm breeding as well as tissue culture research to improve amenability, cost reduction and increasing efficiency were spot-on.

Also on the high list of the advisory panel would be to address the issue of Ganoderma a basal rot disease most common in oil palm plantations. "This disease can destroy 50% to 70% of oil palm trees planted on a single plot," added Roberts.

Another advisory panel member Dr Tristan Durand-Gasellin said the panel members have been tasked to translate the long-term vision of Felda Group to come up with a super oil palm tree with admirable characteristics including high yields, robust growth, strong resistance to pests and pathogen, efficient use of fertiliser and water and high extraction rate.

"In fact, to perfect these charateristics into oil palm may even take about 30 to 50 years," said Durand-Gaselline, Scientific and Technical director of PalmElit, a unit under France-based Centre of International Research on Agronomy Development.

Durand-Gasellin, an expert on oil palm breeding and tissue culture said: "The advisory panel will pool the knowledge from universities, research instituitions and Malaysian Palm Oil Board to put together an integrated R&D works on oil palm."

While this will not be an easy task, he said FASSB's focus on the R&D on biology, biotechnology, agronomy and applied sciences would pave the way to attain the goals.

In addition, given the global food security situation, there need to be a global initiative to come with solutions to help protect and

secure the food-based agriculture crops, he said.

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