

**NEWS****MALAYSIA, EU TO HELP MALAYSIAN SMEs COMMERCIALISE BIOMASS TECHNOLOGY**

KUALA LUMPUR, April 28 (Bernama) -- Malaysia, in collaboration with the European Union (EU) is implementing a Biomass Industries in Malaysia Sustainable Production (Biomass-SP) Project which will identify 50 local small and medium enterprises (SMEs) to participate in the commercialisation of biomass technology.

The chairman of the Biomass-SP project, Ahmad Zaharudin Idrus, said here Tuesday that SMEs with proper track records and potential biomass technology for commercialisation would be guided with relevant capacity-building and access to funding such as grants, soft loans and venture capital.

"In 2012, we plan to bring 50 European Union (EU) companies here to explore biomass technology and business collaboration with local biomass companies," he told reporters at the EU-Malaysia Biomass Stakeholders Forum.

The Biomass-SP Project is a four-year collaboration initiative funded by the EU, for which 1.8 million euros have been contributed this year.

Ahmad Zaharudin said the project would provide support for Malaysian SMEs to adopt sustainable production practices in their activities through direct implementation of good practices such as environmental management, clean development mechanisms and carbon footprint reduction.

"It will give the SMEs in Malaysia the cutting edge they need to grow and excel in the biomass industry locally and internationally," he added.

Ahmad Zaharudin said each year, Malaysia was producing a minimum of 168 million tonnes of biomass, including timber and oil palm waste, rice husks, coconut trunk fibres, municipal waste and sugar cane waste. "The full potential for biomass commercialisation in the country remains untapped," he noted.

According to Ahmad Zaharudin, biomass had good potential to be used in the manufacturing of value added eco-products like bio-plastics, bio-composites, bio-fertilizer, bio-pellets, green building materials and furniture products.

The generation of renewable energy using biomass as feedstock, which adds value to the clean development mechanism activities, would also spur the green technology sector and contribute to the global climate change mitigation effort, he said. -- NNN-BERNAMA