



PRESS RELEASE

MBA WELCOMES THE GOVERNMENT'S ANNOUNCEMENT TO IMPLEMENT B10 PROGRAMME FOR THE TRANSPORT SECTOR AND B7 PROGRAMME FOR THE INDUSTRIAL SECTOR

Kuala Lumpur, June 9 – The Malaysian Biodiesel Association (MBA) welcomes the Government's announcement to implement the B10 programme for the transport sector and also the B7 programme for the industrial sector, which will be carried out progressively beginning June 2016.

The Association is pleased with this announcement as this is very much in line with the call by the biodiesel industry earlier in the year; that Malaysia should move quickly with the implementation of higher biodiesel blends under the national mandate i.e. the B10 programme by April this year and the B20 programme by 2017.

This implementation will put Malaysia at par with the national biodiesel mandates that are presently implemented in other countries around the globe, in particular countries that have a strong agricultural economy. Such countries that have progressively embarked on higher biodiesel blends include: Indonesia (B20), the US (up to B10 in some states), Colombia (B10), Argentina (B10), Brazil (B8) and France (B8).

The implementation of B7 programme in the industrial sector will be another milestone in the Malaysian biodiesel programme.

With the implementation of national biodiesel mandates in both the transport and industrial sectors, it will support the mission to contribute towards a greener environment, energy security and price support for crude palm oil (CPO) that has a great impact on the lives of smallholders and has a multiplier effect on the national GDP.

The MBA looks forward to working closely with all stakeholders in Malaysia; petroleum companies, automobile associations, automotive makers, palm oil suppliers, MPIC, MPOB, MPOC and all other relevant Government agencies in the successful execution of the B10 and B7 programmes in the transport and industrial sectors. This also includes extending the Association's co-operation and expertise to MPIC and MPOB to address all the techno-commercial details in the implementation of B10 and B7 programmes in the transport and industrial sectors nationwide.

Released by Malaysian Biodiesel Association (MBA) on June 9, 2016

Notes to Editors

1. For further enquiries, please contact **Ms Chan Pek Wan or Ms Law Zee Jean of the MBA Secretariat** at Tel: 03-6286 7200 / Fax: 03-6277 6714 / Email: secretariat@mybiodiesel.org.my / pek_wan@fmm.org.my / jean@fmm.org.my

2. **About Malaysian Biodiesel Association (MBA)**

The MBA was established in September 2008 to represent the interest of the biodiesel industry in Malaysia. It has a membership of 21 companies who have collectively invested approximately RM 2.2 billion in this country. The member companies are located in Peninsular Malaysia, Sabah and Sarawak; with a cumulative installed capacity of 2.4 million tonnes per annum.

MBA members supply palm biodiesel to the national biodiesel mandate in the transport sector, which began in June 2011 with a blending of 5% palm biodiesel with 95% diesel; also known as the B5 programme. The blending percentage was subsequently increased to 7% (i.e. 7% palm biodiesel with 93% diesel) with the B7 programme launched in November 2014. Both the B5 and B7 programmes have been rolled out smoothly nationwide.