



26 APR, 2025

Johari calls on palm oil mills to focus on biogas development

New Straits Times, Malaysia



UPLIFTING RURAL COMMUNITIES

Johari calls on palm oil mills to focus on biogas development

PORT DICKSON: A total of 170 out of 446 palm oil mills have installed biogas facilities last year.

This exceeded the National Agro-commodity Policy (NAPC) 2025 target of 155 mills and has contributed to a reduction of greenhouse gas (GHG) emissions by 4.9 million tonnes of carbon dioxide.

Consequently, Plantation and Commodities Minister Datuk Seri Johari Abdul Ghani called on all palm oil millers to prioritise the development of the biogas industry.

"The development of the biogas industry has been proven to provide benefits and added value through the creation of jobs, economic growth, additional income and improved palm waste management — ultimately contributing to a better standard of living for rural communities," he said during a visit to the Cenergi Sua Betong Biogas Plant here yesterday.

As the world's second largest palm oil producer, Johari said Malaysia placed emphasis on implementing a circular economy at all stages of palm oil production for better waste management.

"Capturing biomethane from palm oil industry waste, such as palm oil mill effluent (POME), can be used as a renewable energy source for electricity generation."

A total of 63.5 million tonnes of POME was produced in 2022, generating 1.8 billion cubic metres of biogas, which is capable of producing 1.22 gigawatts (GW) of energy per year.

The Sustainable Energy Development Authority allocated a 190MW feed-in tariff quota for this year, covering biogas, biomass and mini



Plantation and Commodities Minister Datuk Seri Johari Abdul Ghani receiving a briefing during his visit to the Cenergi Sua Betong Biogas Plant in Port Dickson, Negri Sembilan, yesterday. PIC FROM PLANTATION AND COMMODITIES MINISTRY

hydro projects, as well as 50MW for biogas and 40MW for biomass.

Johari said broader grid connection access was crucial to realise these projects.

He called on Tenaga Nasional Bhd (TNB) to further increase the connection capacity of palm oil mills to the national grid, enabling millers to invest and benefit from the use of palm biomass waste for renewable energy generation.

He said the shift in palm waste management strategy reflected Malaysia's commitment to environmental preservation.

"This is in line with Malaysia's

pledge to achieve net zero carbon emissions by 2050, reduce carbon emissions by 45 per cent relative to gross domestic product (GDP) by 2030, and cut methane emissions by 30 per cent," he said.

To encourage more involvement from palm oil industry players, Johari called on millers unfamiliar with this concept to engage with Cenergi SEA Bhd to operate such biogas plants.

"Cenergi has the entire ecosystem in place. This biogas plant, with a capacity of 1.2 megawatts (MW), is operated by just seven people, all locals. They are qualified engineers

and workers from the local community," he said.

Cenergi, a subsidiary of UEM Lestara Bhd, is one of the nation's sustainable energy solution providers, specialising in developing Malaysia's green industry, including renewable energy, waste management and green infrastructure.

The company operates 20 biogas plants nationwide, with 12 more under construction, bringing the total electricity generation capacity to 52.8MW and a bio-compressed natural gas capacity to 65,000 million British thermal units.