 New Straits Times (Malaysia)  
  
                            January 7, 2008 Monday  
  
Palm oil mills greener, more energy-efficient  
  
BYLINE: Ooi Tee Ching  
  
SECTION: LOCAL; Pg. 48  
  
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HIGH palm oil prices are not just prompting planters to buy more plantation  
land. They are also investing in more efficient oil mills and plants that turn  
biomass waste into organic fertiliser. OOI TEE CHING catches up with process  
engineers who offer home-grown green technology.  
  
  
If you ever walked around an oil palm mill, you will notice the slippery floor  
caused by oil drips from fruit cages.  
  
  
But if you visit one upgraded with Modipalm technology, you will see a cleaner,  
energy-efficient and compact mill.  
  
  
"There is significant cost savings when a planter invests in a Modipalm mill.  
  
  
"All five Modipalms that are up and running in Peninsular Malaysia are achieving  
oil extraction rates of more than 20 per cent. Our clients are happy and we are  
getting repeat orders," said CB Industrial Product Holding Bhd (CBIP) managing  
director Lim Chai Beng.  
  
  
Among CBIP's big clients are Felda, Sime Darby Bhd, Sarawak Oil Palms Bhd,  
Tradewinds Plantation Bhd, TH Plantation Bhd and United Plantations Bhd.  
  
  
In Indonesia, CBIP counts Sinar Mas Group, Salim Group's Indofood Agri Resources  
and Astra Agro Lestari Group as its loyal clients for Modipalm mills. CBIP is  
also building mills for Cargill Asia Pacific and Ramu Sugar Plantation in Papua  
New Guinea.  
  
  
In an interview with Business Times, Lim said the Modipalm mill takes up less  
space, fuel and labour; produces more and better quality oil; and is kinder to  
the environment.  
  
  
At a Modipalm mill, there is no need for tractors and hydraulic skid-steer  
loaders or wire-rope winches to move the fruit-cages around. There is also no  
need for monorail hoists to lift the cages to the threshing machine.  
  
  
This means less machinery to maintain and, in two shifts, the Modipalm mill only  
need 25 workers or half the staff strength to operate a conventional 40-tonne  
mill processing 200,000 tonnes of fresh fruit bunches in a year.  
  
  
Also, since mill owners need not invest in that many tractors, there is savings  
on diesel and tyres.  
  
  
In the Modipalm continuous sterilisation process, fruit bunches are split using  
a double-roller bunch splitter for effective air-removal and steam penetration.  
Low pressure steam is used throughout the whole process.  
  
  
Since Modipalm does not have any high-pressure cookers, it is not subjected to  
annual shutdown for inspection and certification by the Department of  
Occupational Safety and Health, thus, reducing maintenance cost and downtime in  
the mill.  
  
  
With a calculator in his left hand, Lim keys in the annual savings a planter  
stands to enjoy from a Modipalm mill. In three seconds, he flipped his left hand  
and the calculator display read RM700,000.  
  
  
"Less workers also means less houses to be built on the plantation. So, you see,  
it is worthwhile to invest in a Modipalm mill," he said.  
  
  
On better quality oil, Lim explained that since there is less oxygen in the  
low-pressure sterilisation chamber, the oil in the fruits is subject to less  
oxidation.  
  
  
"Refiners welcome this kind of oil quality as it is more cost effective to  
process into cooking oil and oleochemicals," he said.  
  
  
The oxidative status of crude palm oil is measured by its deterioration of  
bleachability index (dobi), and the minimum level must be above 2.3. Lim said  
that the dobi value of the crude palm oil extracted from a Modipalm mill is  
above 3.  
  
  
With a 15-year patent registered in Malaysia and Indonesia, CBIP is enjoying a  
monopoly on the construction of Modipalm mills until 2019.  
  
  
While CBIP has been making and selling palm oil mills for 27 years, lately, its  
business scope has expanded to include construction of organic fertiliser  
plants.  
  
  
"We're constantly finding ways to reduce river pollution from palm oil mills. By  
incorporating an organic fertiliser plant to the existing oil mill, estates can  
achieve zero waste. It is truly green," he said.  
  
  
Lim explained that mill effluent that were previously treated and discharge into  
the rivers can now be recycled into organic fertiliser.  
  
  
Another advantage lies in the savings on usage of costly chemical fertiliser  
which usually make up two thirds of production costs.  
  
  
"Chemical fertilisers, a derivative of crude oil, has almost doubled in cost at  
RM1,500 per hectare from RM850 a year ago. Planters are reaping savings from  
turning biomass waste and mill effluent into organic fertiliser," Lim said.  
  
  
A more established composting player, AsiaGreen Environmental Sdn Bhd is  
offering a one-stop solution to help planters hasten their return on investment  
by selling carbon credits to buyers in developed nations.  
  
  
Managing director Steven Chong Teng Jin said AsiaGreen is taking a step further  
by offering planters an option to outsource their waste management while fixing  
purchase prices of organic fertiliser for the next 20 years.  
  
  
"Many planters are focusing on getting as much oil into the market and it may  
not be cost effective to dedicate a team of personnel to manage plantation waste  
and sell carbon credits.  
  
  
"We have the financial muscle and experience to offer this service on a deferred  
payment basis. Planters need not pay us upfront, instead they just sign on a  
20-year organic fertiliser purchase contract with us," Chong said.  
  
  
Having been in the business for 10 years, AsiaGreen has installed 15 composting  
plants in Malaysia, one in Papua New Guinea and five in Indonesia.  
  
  
AsiaGreen's track record has earned the trust of bankers who are committed to  
fund green projects. "We're in talks with Malayan Banking Bhd and Bank  
Pembangunan to help finance the construction and management of composting  
plants. Also, bankers can be partners in carbon credit trading," he said.  
  
  
Chong said another advantage in using organic fertiliser is that trees are  
likely to bear more fruits because, through time, the microbes in the compost  
will make the soil less acidic.  
  
  
Penang-based Eonmetall Group Bhd is one company that is helping planters improve  
oil extraction rates at the mill.  
  
  
In November 2007, it built a palm-pressed fibre oil extraction (PFOE) plant for  
plantation company Kim Loong Resources Bhd.  
  
  
Now, Kim Loong can extract residual oil from the palm fibre with this PFOE  
technology that uses hexane as a catalyst.  
  
  
This works out to be an additional 2,400 tonnes of crude palm oil annually from  
the same amount of fresh fruit bunches.  
  
  
"As planters work towards squeezing out as much oil possible from the fruit  
bunches to leverage on the current high crude palm oil prices, we expect good  
prospects," said Eonmetall Group managing director Datuk Goh Cheng Huat.

PR Newswire  
  
                     January 7, 2008 Monday 11:00 AM GMT  
  
Consumers Put Ads to Greenwashing Test;  
Public invited to submit advertising samples at GreenwashingIndex.com  
  
LENGTH: 831 words  
  
DATELINE: WASHINGTON Jan. 7  
  
WASHINGTON, Jan. 7 /PRNewswire-FirstCall/ -- Green ads from Chevrolet, Ozarka  
and Toyota Prius are among the first to be scrutinized by consumers on a new Web  
site launched today by EnviroMedia Social Marketing, in partnership with the  
advertising faculty of the University of Oregon School of Journalism and  
Communication (SOJC). This online forum allows consumers to judge for themselves  
the green claims made by major advertisers.  
  
  
The Web site -- <http://www.greenwashingindex.com/> -- debuts from the nation's  
capital one day before the Federal Trade Commission kicks off its first in a  
series of public workshops addressing environmental marketing claims.  
Ultimately, the FTC may update its "Green Guides," which were originally  
established in 1992 as guidelines to avoid action by the agency against  
advertising with an environmental claim that is unfair or deceptive.  
  
  
EnviroMedia principals Valerie Davis and Kevin Tuerff announced the Greenwashing  
Index(SM) from the U.N. Climate Change Conference in Bali, Indonesia, Dec. 11  
and called on consumers to submit ads. The first posts of real ads are now on  
the Web site, and consumers are invited to score those ads and post others.  
  
  
"We've been witnessing a tidal wave of green advertising over the past year,"  
said EnviroMedia President Kevin Tuerff. "It's our hope the Greenwashing  
Index(SM) will help eradicate bad environmental marketing claims and, at the  
same time, shine a positive light on companies making measurable reductions in  
carbon emissions related to climate change."  
  
  
What's Greenwashing?  
  
  
"Greenwashing," a term that has been around for many years, is used to describe  
a company or organization that spends more time and money claiming to be green  
through advertising and marketing than actually implementing business practices  
that minimize environmental impact.  
  
  
"When an ad is posted and ranked on the Greenwashing Index(SM) site, it doesn't  
necessarily mean a company or organization is not doing a good job with its  
environmental marketing claims," said EnviroMedia CEO Valerie Davis. "We're  
providing a venue that educates consumers on what to look for in green ads and  
an easy mechanism for evaluating them. Scores will range from 'good,' to  
'pushing it,' to 'total greenwashing.'"  
  
  
The Greenwashing Index(SM)  
  
  
Criteria for the Greenwashing Index(SM) were developed by the University of  
Oregon's SOJC Advertising program. Led by Professors Deborah Morrison and Kim  
Sheehan, a group of academicians developed and weighted five criteria consumers  
can use to scrutinize advertisements and determine whether they believe ads are  
greenwashing by doing any of the following:  
  
  
  
  -- Misleading with words  
  
  -- Misleading with visuals and/or graphics  
  
  -- Making a green claim that is vague or seemingly unprovable  
  
  -- Overstating or exaggerating how green the product/company/service  
  
     actually is  
  
  -- Leaving out or masking important information, making the green claim  
  
     sound better than it is.  
  
  
  
  
  
  
  
  
  
"The Greenwashing Index(SM) has great potential for not just educating consumers  
but just as important for also educating our future advertising professionals  
that there's a right way and a wrong way to conduct environmental marketing,"  
said Morrison.  
  
  
3M is one company that seems to be aware of the perils of not sticking to  
substance when it comes to green advertising claims.  
  
  
"I regularly get accosted for disallowing vague claims for a 3M product that  
competitors are making for similar products," said Susan Price, who visited the  
Greenwashing Index(SM) site and serves as chairperson for 3M's Environmental  
Marketing Claims Committee. "I'm very pleased to see a forum where vague and  
bogus claims can be highlighted and questioned."  
  
  
Developing sustainable business practices and accurately telling that story is  
good business. According to a survey released in December by AARP, 40 million  
"Green Boomers" are more attuned to advertising both good and bad and are very  
willing to spend money on environmentally sound products.  
  
  
Said one visitor to GreenwashingIndex.com: "I make it a point to buy green  
products, and I am willing to spend a little extra if I'm buying something that  
is supposed to be environmentally friendly. I don't want to spend my money  
foolishly, and I don't want to hand my money over to liars."  
  
  
To submit or rate ads, the public may visit GreenwashingIndex.com.  
  
  
Headquartered in Austin, Texas, EnviroMedia Social Marketing is the leading U.S.  
marketing agency delivering sustainability consulting and authentic, ethical  
campaigns that get measurable results since 1997. The company has been  
recognized with several awards for ethics in advertising. For more information,  
visit EnviroMedia.com.  
  
  
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