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Agro-Bio aims to boost fibreboard sales

AGRO-Bio Fibre Sdn Bhd, a palm-based fibreboard manufacturer, is looking to increase its sales of medium density fibreboard (MDF) to RM20 million by this year, said its chairman Datuk Seri Tai Hean Leng.

The company claims to be the first in the world to manufacture MDF from oil palm empty fruit bunches (EFB).

It plans to expand the capacity of its Gemas-based mill by 30 per cent, which will also enable it to look to overseas markets.

"Our sales to a number of furniture companies in Malaysia over the past six months is close to RM3 million now," he said at a media briefing after signing a memorandum of understanding (MOUs) with the Forest Research Institute of Malaysia (FRIM) to develop high



Tai says the firm plans to expand the capacity at its Gemas-based mill by 30pc.

density fibreboard (HDF) used mostly for floorboards.

The signing ceremony was witnessed by Natural Resources and Environment Minister Datuk Douglas Uggah Embas.

Agro-Bio Fibre has invested RM30 million over the past decade to develop technology for making MDF and other products using EFB, one of the main waste products generated from palm oil mill.

"With 23 million tonnes of EFB generated annually in Malaysia, this biomass can be converted to premium MDF of 2.3 million tonnes a year with a commercial value of over RM1.8 billion," Tai said.

He said once the company debottlenecks capacity at its Gemas mill, it can source EFB from other mills in the country to meet fibreboard production needs.

Agro-Bio Fibre's collaboration with FRIM will be to set up a commercial fibreboard plant that uses 100 per cent EFB as its raw material. Tai said these fibreboards are proven to be on par with wood-based fibreboards, and will provide opportunities for wood-based products such as furniture, kitchen cabinets and flooring.

Meanwhile, Uggah Embas said FRIM has signed more than 60 MOUs with other agencies and industrial partners to undertake joint research and development and commercialisation of research findings and so far 45 patents have been registered.

It has also been working with Eko Pulp & Paper to set up a commercial pulp and paper plant in Kunak that will use EFB as its raw materials.
— *By Rupa Damodaran*