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The ongoing implementation of the Economic Transformation Programme and emphasis on steering the nation towards becoming a competitive global player is being echoed in the Sarawak Corridor of Renewable Energy which is envisaged to take the Sarawak economy to the next level.
 BizHive Weekly captures a few observations.



"Sarawak is now on the cusp of a new era, a period in which our future will be defined based on the hard work, creativity and commitment that we apply over the next few years."

YB Datuk Amar Mohamad Morshidi Abdul Ghani,
State Secretary of Sarawak



"Investors from the Middle East have a plethora of opportunities awaiting them here in Sarawak and they will find us to be proactive and responsive to their needs."

Datuk Amar Wilson Baya Dandot, CEO of Regional Corridor Development Authority (RECODA)



"Our industry requires a lot of power and because the Bakun Dam will serve our needs very well, it was influential in our decision to come to Sarawak."

Akira Sanuki, president of Tokuyama Malaysia Sdn Bhd.



Malaysia Economic Updates

By Tyler Cicerello
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Malaysia: From rainforest to market

The early September announcement that Malaysia is home to some 6,000 species of herbs, all of which could have commercial value, has refocused attention on the possibility of a brand-new industry for the South-east Asian nation.

On September 3, Forestry Research Institute of Malaysia (FRIM) announced it has been studying some 20 species of medicinal and aromatic plants from among the 6,000 total, from which beauty and fragrance products may soon be developed.

"With the latest technology, it is not impossible for us to unlock the vast potential in our rainforest to propel Malaysia to high-income status," said the director-general of FRIM, Abdul Latif Mohmod, speaking to the official press outlet Bernama.

Abdul Latif said FRIM found that the extracts, or chemical compounds from the species analysed, had anti-inflammatory, antioxidant, anti-microbial and bio-pesticide properties.

Among the herbs being researched were kaffir lime, turmeric, lempoyang, kemoyang, serai wangi, selasih, jangkang and gaharu.

Based on FRIM's research findings, testing was underway to determine if the herbs could be developed as wellness and cosmetic products, according to Abdul Latif.

He noted that more than 30 new herbal products had already been manufactured and were now being marketed in cooperation with pharmaceutical companies.

In a prime example of the herbal industry's massive potential, Abdul Latif said gaharu essence was in high demand, with very small quantities selling for thousands of ringgit.

The FRIM is home to a herbal technology centre that certifies manufacturing practices to assist companies in realising the commercial value of local herbal products.

There research programme was in line with the government's aspiration to establish herbal and health care industries

in Malaysia, as outlined in the National Biotechnology Policy.

The policy envisioned the field as a new economic engine for Malaysia.

It set out to transform and enhance the value creation of the agricultural sector and develop industrial biotechnology.

It also aimed to nurture an environment conducive to industry, as well as research and development, while also leveraging the country's existing areas of strength – with the discovery of these herbs' properties a prime example of such comparative advantages.

The policy was currently in the second of three phases.

In Phase I (2005-10), the focus was on capacity building, the establishment of the Malaysian Biotech Corporation (MBC) and advisory and implementation councils, educating and training knowledge workers and developing legal and intellectual property frameworks.

The current stage, Phase II, runs from 2010 to 2015 and is themed "Science to Business".

It is aimed at boosting the biotechnology sector, as well as emphasising business aspects, such as developing expertise in drug discovery and development based on natural resources, new product development and technology acquisition and licencing.

In the policy's final phase (2016-20) the results from the first two phases will be leveraged to help local biotech companies achieve international status.

FRIM's discovery also coincided with the proposed designation of 2012 as the "Year of Science".

In a proposal by the Ministry of Science, Technology and Innovation, the government had been requested to make the declaration in an effort to inspire awareness of science, technology and innovation among Malaysians.

Maximus Ongkili, Malaysia's minister of science, technology and innovation, said he believed the designation would allow his ministry

to strengthen existing institutional structures.

"This includes integrating the existing biotechnology research institutes and establishing the National Science Research Council (NSRC) and the Malaysian Board of Technologists (MBOT)," he said recently.

If the proposal went forward, the NSRC would be tasked with providing strategic direction and setting priorities for national research and development, while the MBOT would serve as the accreditation institution for professional technologists.

Meanwhile, the ministry would be working closely with the Malaysian Innovation Agency in marketing the research's results.

Maximus said his ministry would intensify efforts in science and technology developments and its applications this year, which also marked the start of the 10th Malaysia Plan (10MP), adding that biotechnology would remain a top priority.

"We have been championing scientific discovery and transforming innovation to achieve a knowledge-based society for sustainable development through research, planning, funding and commercialisation.

We will intensify these efforts under the 10MP starting this year," Maximus said.

Developing the country's agricultural sector was one of the National Key Economic Areas (NKEAs) under the 10MP.

The plan's NKEA 11 dealt with developing high-value agriculture, including herbs and spices, for which there was growing demand and which provided increased income for farmers.

During the 10MP period, these high-value agriculture activities would be given special focus, and could lead to a GDP contribution increase of between one and two per cent by 2015.

With 6,000 species of herbs that could be developed already growing in its rainforests, a one per cent jump might be just the beginning of a whole new green market for Malaysia.