

Headline	Budget boost for bioeconomy		
MediaTitle	Sunday Star		
Date	10 Nov 2013	Color	Full Color
Section	Focus	Circulation	320,964
Page No	27	Readership	1,072,000
Language	English	ArticleSize	870 cm ²
Journalist	Lisa Goh	AdValue	RM 40,360
Frequency	Weekly	PR Value	RM 121,080



Budget boost for bioeconomy

Recognising the enormous potential of bioeconomy for Malaysia's future economic prosperity, further strategies have been identified under Budget 2014 to strengthen its core activities.

By LISA GOH

sunday@thestar.com.my

THE Bioeconomy Transformation Programme (BTP) has swiftly become a game changer for Malaysia to become a high-income developed nation and would be a key contributor to economic growth for a productive, competitive and innovative economy.

Supporting the BTP is the Bioeconomy Malaysia Accelerator Programmes (Bio-Accelerators) which comprises four sub-programmes – Bioeconomy Community Development, Technology Development and Innovation, Bio-Entrepreneurship and BioNexus Go Global.

"The BTP is the main programme to help Malaysia achieve a high-income nation status, sustainable and inclusive by 2020. And supporting it is Bio-Accelerators, which is slated to boost Malaysia's Gross Domestic Product (GDP) to 8-10% by the year 2020," says Zurina Che Dir, senior vice-president of BiotechCorp's Bioeconomy Development Division.

Of the four, the Bioeconomy Community Development Programme, as announced by Prime Minister Datuk Seri Najib Tun Razak when delivering Budget 2014, is the main thrust of the Bio-Accelerators and will be supported by another three accelerator programmes.

Bio-Accelerators is designed with a holistic value chain approach, whereby these programmes are inter-linked and will be implemented simultaneously to ensure the success of the Bioeconomy Community Development Programme. The focus of Bio-Accelerators will be mainly to increase the multiplier effects on the economy and positive impact on the income and welfare of the people.

Through the Bioeconomy Community Development Programme, a total of 100,000 hectares of idle land in Malaysia will have the opportunity to be developed for contract farming.

The success of this programme requires close cooperation with the Agriculture and Agro-based

Industry Ministry, Rural and Regional Development Ministry, the states, economic development corridors and research institutions such as Mardi and FRIM.

The Community Development Programme will help farmers to develop entrepreneurship skills to undertake contract farming with BioNexus Status companies. The product that will be produced by Bioeconomy Community Development Programme will be processed through new technology and innovation by the BioNexus companies into high value products while at the same time strengthening entrepreneurial skills to commercialise the products for domestic and international markets.

Complete value chain

BiotechCorp is looking at bioeconomy from a complete value chain approach where on the one hand, there are the BioNexus Status companies which require raw materials, and on the other hand, there are the contract farmers who can plant these crops as raw materials.

Once planted and harvested, the BioNexus Status companies will buy back the feedstock (be it mushrooms, stevia, mangosteen or energy crops) and use the extracts for the production of a high-value product.

This will help farmers increase their income. Sub-sectors which will be given priority for the Bioeconomy Community Development Programme are Nutritional Pharma, Aquaculture, Bio-Aromatic, Food Ingredients, and Energy Crops.

New business models will also be developed aimed to benefit all parties involved in the value chain. Other targeted outcomes are to promote the use of modern farming techniques and advanced biotechnology for contract farming, enhance the technology utilisation for product diversification and encourage young people to venture into agri-

cultural biotechnology.

Launched last October, the BTP is a platform provided by the Government for the private sector to channel and maximise commercial opportunities in bio-based industries.

BiotechCorp continued to identify and evaluate high-potential Trigger Projects for inclusion in the pro-

gramme. The BTP has set a target to increase Malaysia's gross national income (GNI) by RM43bil by 2020, attract investments of about RM15bil, while creating 160,000 jobs opportunities.

With an initial 20 Trigger Projects identified and the possibility of including 13 new Trigger Projects as part of the initiative, the BTP is set to maximise the undiscovered potential of the country's economy and at the same time enhancing the multiplier effect of the economy, thus strategically placing Malaysia within the global biotechnology market that is projected to be worth around US\$321bil (RM1 trillion) by 2015.

As for the Technology Development and Innovation Programme, a bioeconomy technology roadmap will be set in place for the acquisition and development of better and more advanced technology. The main focus is to bridge

global technology and expertise, between bio-based companies and R&D institutions in advanced countries. These include the conversion technology that converts biomass to higher value products.

The Bio-Entrepreneurship Programme instead aims to create an enabling environment to enhance the commercialisation of bio-based products and services by local biotechnology researchers and entrepreneurs. The benefit of this programme is that it will provide Malaysian bio-based companies the necessary exposure to achieve global standards in skills and capabilities.

Finally, BioNexus Go Global programme is aimed at identify-

Headline	Budget boost for bioeconomy		
MediaTitle	Sunday Star		
Date	10 Nov 2013	Color	Full Color
Section	Focus	Circulation	320,964
Page No	27	Readership	1,072,000
Language	English	ArticleSize	870 cm ²
Journalist	Lisa Goh	AdValue	RM 40,360
Frequency	Weekly	PR Value	RM 121,080

ing and assisting BioNexus Status companies to penetrate the global market by 2020. Under the National Biotechnology Policy, Malaysia's target is to have 20 global companies by 2020, and BiotechCorp will identify these companies, look at their business model – examine the branding, packaging and registration – to meet the requirements of foreign markets.

Recognising the importance

of research and development (R&D) for the development of Bioeconomy, the Prime Minister also announced the following R&D incentives for viable projects (which will be assessed by BiotechCorp) in his budget speech:

- > Tax deduction for companies that invest to acquire technology platform in bio-based industry;
- > Exemption on import duty on

R&D equipment for companies that invest in pilot plants for the purpose of pre-commercialisation in Malaysia;

> Special incentive to companies to partially cover the operational cost for human capital development for Centre of Excellence for R&D.

The incentives are for applications received by BiotechCorp from Jan 1, 2014 to Dec 31, 2018.



Success story: An oyster breeding farm run by Seaharvest Aquamarine (M) Sdn Bhd. Seaharvest embarked on the venture through the successful completion of a TECNOFUND project for the breeding of oysters and their cultivation. Inset: Fruit of the company's labour.

Headline	Budget boost for bioeconomy		
MediaTitle	Sunday Star		
Date	10 Nov 2013	Color	Full Color
Section	Focus	Circulation	320,964
Page No	27	Readership	1,072,000
Language	English	ArticleSize	870 cm ²
Journalist	Lisa Goh	AdValue	RM 40,360
Frequency	Weekly	PR Value	RM 121,080

