



**THE INDUSTRY PERSPECTIVE ON  
MARKETABILITY OF PALM OIL BIODIESEL TO  
DOMESTIC END USERS**

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**DECLARATION OF ORIGINAL WORK**



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**“DECLARATION OF ORIGINAL WORK”**

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Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees
- This project paper is the result of my independent work and investigation, except where otherwise stated
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## LETTER OF SUBMISSION

3<sup>rd</sup> November 2009

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Dear Sir,

### **SUBMISSION OF PROJECT PAPER (MKT 662)**

Attached is the project paper title “**The industry perspective of marketability palm oil biodiesel to domestic end users**” to fulfill the requirement as needed by the faculty of Business Management, MARA University of Technology.

Thank you

Yours sincerely

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## **Abstract**

Petroleum-based fuels are limited reserves concentrated in certain regions of the world. Previously the price of crude oil increase double folded. In additional, these sources are in the verge of getting extinct. The scarcity of known petroleum reserves will make renewable energy resources more attractive. The best option among the available renewable energy is biodiesel. Hence, to produce biodiesel comes from various vegetable oil. Palm oil has become the best choice of oil for producing biodiesel due to it high yield per hectare and high extraction rate compare to other crops. Even though Malaysia is the major exporter and the largest producer of palm oil, recently, is still pending on implementing palm oil base biodiesel domestically. Thus, palm oil based biodiesel in Malaysia is utilized by exporting to the other part of the world, particularly in European countries.

There were several issues that contribute to biodiesel industry for not implementing biodiesel domestically. The main input price for biodiesel is fluctuate, consequently its affect the final price for biodiesel that would be inconsistent. Malaysian government develop National Biofuel Policy (NBP) in 2005, however some of the policy were not been executed. In view of the fact that palm oil is the major input for biodiesel, it is also the main sources for edible products, as a result, there is a dispute between balancing palm oil biodiesel with the food requirement. Lastly, engine manufacturers are refused to extend engines warranties for biodiesel and thus affect the industry to promote biodiesel domestically.

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