

UNIVANICH PALM OIL EXPANDS INTO PHILIPPINES

Mill in Mindanao to be first of its kind in North Cotabato

THE NATION

Univanich Palm Oil, one of the country's leading palm-oil producers and its largest exporter of crude palm oil, is expanding into Asean with its first investment in the Philippines.

Univanich will build an oil-palm mill in Carmen, a town in North Cotabato, Mindanao. The US\$10-million (Bt290-million) plant will be the first of its kind in the southern province.

"Through this investment, we are delighted, and excited, to bring our more than 40 years of palm-oil-producing expertise to a new, and very promising, Asean market," chairman Apirag Vanich said yesterday.

"Like many other Thai companies we are excited by the Asean opportunity and the approaching single market under the AEC that offers great growth prospects and business benefits," he said, referring to the Asean Economic Community that officially starts in 2015.

As oil palms are a relatively new crop in the southern Philippines, the mill will potentially open opportunities for thousands of farmers and their families in the region.

"Based on our research and dialogue with local partners, we are confident our oil-palm success story in southern Thailand - where we have helped many rural communities grow and prosper - will be replicated in the southern Philippines," he said.

PEACE TALKS

Besides good growing conditions, peace and stability discussions between the Philippine government and insurgent leaders in Mindanao have made the region increasingly attractive for oil-palm investment.

Managing director John Clendon said oil palm was an ideal crop for small-farmer cultivation and the company was joining with Carmen Palm Oil Mill & Development Corp to build this factory. Univanich also hopes to create its own network of oil-palm planta-

tions in the Mindanao region.

"We are very optimistic about our prospects in Mindanao, and since the designation of the factory site, many farmers have asked for more information about how they can convert their farms to grow oil palms," he said.

"To meet this demand, the Univanich Oil Palm Research Centre in Krabi has already exported more than a million high-yielding hybrid oil-palm seeds to Philippine growers in recent years."

The factory is scheduled to be completed by the second quarter of next year. Besides local engineering firms, engineers from Univanich Thailand will assist during the build.

When the mill is up and running, the initial processing target is 30 tonnes of fresh fruit bunches per hour. As the industry develops, this is expected to reach 60 tonnes per hour.

The bulk of the output will be shipped to Asean and European markets from the major southern ports of Davao or General Santos.