



**MINISTRY OF PLANTATION
INDUSTRIES AND COMMODITIES**

**LICENCE APPLICATION GUIDELINE
MALAYSIAN BIOFUEL INDUSTRY ACT 2007
(ACT 666)**

**Biofuel Division
Ministry Of Plantation Industries and Commodities
2020**

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LICENCE APPLICATION GUIDELINE MALAYSIAN BIOFUEL INDUSTRY ACT 2007

1. INTRODUCTION

This Licence Application Guideline is prepared as a reference on the procedures involved in the process, evaluation and approval of licence for the biofuel industry in accordance to the Malaysian Biofuel Industry Act 2007. The guideline is expected to assist all relevant parties in understanding and fulfilling the necessary requirements and procedures set out in the Malaysian Biofuel Industry (Licensing) Regulations 2008 (P.U. (A) 404).

2. ACTIVITIES THAT NEED TO BE LICENSED

Under Section 5 of the Malaysian Biofuel Industry Act 2007, activities that need to be licensed are as follows:

2.1. Biofuel Production Category:

2.1.1. **Commence** to construct any biofuel plant or biofuel blending plant;

2.1.2. **Produce** any biofuel; and

2.1.3. **Blend** any biofuel with any other fuel or biofuel

2.2. Biofuel Trading Category

2.2.1. **Export** any biofuel, biofuel blended with any other fuel or biofuel blended with any other biofuel;

2.2.2. **Store** any biofuel, biofuel blended with any other fuel or biofuel blended with any other biofuel; and

2.2.3. **Transport** any biofuel, biofuel blended with any other fuel or biofuel blended with any other biofuel connected with upstream activities.

2.3. Biofuel Services Category

2.3.1. **Survey** any biofuel, biofuel blended with any other fuel or biofuel blended with any other biofuel; and

2.3.2. **Test** any biofuel, biofuel blended with any other fuel or biofuel blended with any other biofuel.

3. LICENSE APPLICATION PROCESS

3.1. An interested party who run any biofuel activities are required to have a valid license. License application must be made in writing to the Biofuels Division (BBA), Ministry of Plantation Industries and Commodities (MPIC) by submitting the applications form as listed below:

3.1.1. Application Form - **MPIC (L) PBF1** :

- a) **Commence** to construct any biofuel plant or biofuel blending plant;
- b) **Produce** any biofuel; and
- c) **Blend** any biofuel with any other fuel or biofuel

3.1.2. Application Form - **MPIC(L)DBF1**:

- a) **Export** any biofuel, biofuel blended with any other fuel or biofuel blended with any other biofuel;
- b) **Store** any biofuel, biofuel blended with any other fuel or biofuel blended with any other biofuel; and
- c) **Transport** any biofuel, biofuel blended with any other fuel or biofuel blended with any other biofuel connected with upstream activities.

3.1.3. Application Form - **MPI(L)SBF1**:

- a) **Survey** any biofuel, biofuel blended with any other fuel or biofuel

blended with any other biofuel; and

- b) **Test** any biofuel, biofuel blended with any other fuel or biofuel blended with any other biofuel.

3.2. A completed application form as well as any additional information or documents must be submitted to the secretariat for processing. Only completed forms will be processed.

3.3. Application forms submitted electronically or by fax will be reviewed in advance by the licensing secretariat. If the application submitted is complete, the original application form must be printed, and signed by the applicant. Applications must be submitted in hard copy to the following address:

Under secretary

Biofuel Division

Ministry of Plantation Industries and Commodities (MPIC)

No. 15, Level 8, Persiaran Perdana, Precinct 2

Federal Government Administrative Center

62654 PUTRAJAYA

Fax: 03-8887 8354

E-mail: bba@mpi.gov

- 3.4. Applicants are also required to submit any documents or further information required by the licensing secretariat if requested to do so. Applications will be reviewed based on prescribed application criteria as well as the application form checklist.
- 3.5. Acknowledgment of acceptance will only be submitted to the applicant after receiving the completed form along with valid relevant documents or information.
- 3.6. An assessment report will be prepared by the secretariat and will be presented to the Biofuel Licensing Working Committee (JKPBA) for consideration and approval.
- 3.7. The Secretary General of the Ministry who is also the Licensing Authority (PBP) will approve the application and issuance of licenses based on the recommendations of the JKPBA or other decisions deemed appropriate.
- 3.8. Notice of approval will only be issued to a successful applicants after PBP approved the license application.
- 3.9. Once the license fee is paid, an official receipt will be issued by the Development, Management and Finance Division (PPK), MPIC as a prove of payment and the license will be issue to the applicant.
- 3.10. For the approved application, **licence fee** payment to be enclosed is **RM100 per activity**.

4. LICENSEE RESPONSIBILITY

- 4.1. The licensee shall exhibit their licence at all times at a conspicuous place at the premises where the business is carried out.
- 4.2. The licensee shall produce such licence if required to do so by the licensing

authority or any enforcement officer.

- 4.3. The licensee shall keep, produce, maintain and update a valid and an accurate daily record and books of account pertaining all activities specified in the license.

5. RENEWAL OF LICENCE

- 5.1. A licensee who intends to renew a licence shall apply for the renewal within a period of **not less than one month but not earlier than three months** before the expiry date of the license.
- 5.2. No licence shall, in any circumstances, be renewed after one year from the expiry date of the licence.
- 5.3. For any inactive activities until the expiry date of the licence (maximum of 3 years), the licensee is given the opportunity to renew the license to a maximum of 1 to 2 years after a written representation made to PBP (subject to approval). However, the license can be revoked or suspended by PBP if there are still no activities being carry out.

6. TRANSFER OF LICENCE

- 6.1. The licensee is required to submit a written application to PBP together with the relevant information for the purpose of transferring ownership of the license to other parties.
- 6.2. New companies (the other parties) intending to take over a license from the licensee company may required to submit a written application to the PBP together with the relevant information.
- 6.3. License transfer is subject to the following conditions:
 - 6.3.1. The license to be transferred is still in force;
 - 6.3.2. The details specified in the original license have not changed; and
 - 6.3.3. A company that has been declared bankrupt needs to appoint an acquisition manager. The following consent documents must be provided by the acquisition manager such as:
 - a) a letter of appointment from the licensee to the acquisition manager to manage the acquisition process; or
 - b) the license transfer permission clause specified in the company resolution (company board meeting minute); or
 - c) proof of the company's consent to transfer the license (example: board member consent document or any other equivalent document) must be submitted to the licensing secretariat.
 - 6.3.4. As an additional control over the license, application for transfer by the licensee company to a new company is only allowed after three (3) years of operation of the company unless the company has gone bankrupt.

7. CHANGE OF INFORMATION OR PARTICULARS

- 7.1. A licensee shall inform and apply for licence amendment to the licensing secretariat in writing if there's any changes in the information or particulars within fourteen days (14) from the date of the change of information or particulars;
- 7.2. The licence shall be return to the licensing secretariat after the amendment is approved by PBP;
- 7.3. A fee of RM100 shall be paid for any ammendment for each application.

8. REVOCATION OR SUSPENSION OF LICENCE

- 8.1. The licensing authority may revoke or suspend any licence if the licensing authority is satisfied that:
 - 8.1.1. Non-compliance with any law, regulation and licensing requirements;
 - 8.1.2. The issuance of the licence was induced by a false representation of fact by or on behalf of the licensee;
 - 8.1.3. The original purpose for which the licence was issued no longer exists;
and
 - 8.1.4. The licensed activity is no longer carried out.
- 8.2. PBP will inform the licensee in writing,–the provision for which the licensee has contravened and the details of the circumstances of the contravention.
- 8.3. A licensee may write a letter of representation and provide any explanation in writing to why their licence should not be revoked or suspended within twenty days (21) after the cancelation notice or suspension being issued.

- 8.4. PBP may consider to revoke or suspend the licence as it deems fit if the licensee has failed to show reasonable cause to why the licence should not be revoked or suspended.
- 8.5. The licensing secretariat shall inform the licensee within sixty days (60) from the date of receipt of the representation of its decision in writing.

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