



MINISTRY OF PLANTATION AND COMMODITIES
MALAYSIA

PRESS STATEMENT

**PORTSIM AT 20: DRIVING MALAYSIA–CHINA PALM OIL PARTNERSHIP
THROUGH INNOVATION AND SCIENTIFIC DIPLOMACY**

SHANGHAI, CHINA, 19 MAY 2025 – Malaysia’s strategic presence in China’s highvalue palm oil market has been significantly bolstered by the work of the Palm Oil Research and Technical Service Institute of Malaysia (PORTSIM) in Shanghai — a vital institution that continues to shape the future of palm oil trade through science, innovation, and bilateral cooperation.

Speaking at the 20th Anniversary Celebration Dinner of PORTSIM held on Sunday evening at the Qiantan Shangri-La Hotel in Shanghai, Deputy Minister of Plantation and Commodities, Datuk Chan Foong Hin, highlighted PORTSIM’s critical role as a catalyst for science-driven economic diplomacy. Over the past two decades, PORTSIM has contributed meaningfully to the sustainable growth and diversification of Malaysian palm oil exports to China.

“Malaysia’s investment in research, development, and commercialisation (R&D&C) through PORTSIM has produced concrete outcomes — not only in terms of boosting export value, but also in reinforcing the image of Malaysian palm oil as a high-quality, reliable raw material for various downstream industries in China,” said Chan.

He noted that R&D&C activities spearheaded by PORTSIM have directly contributed to export earnings worth RM357.98 million in 2024 — representing a 13.56% increase in value compared to if the same volume were traded as crude commodities.

The celebration was also attended by Dato’ Yusran Shah Mohd Yusof, Secretary General of the Ministry of Plantation and Commodities; Datuk Dr. Ahmad Parveez Ghulam Kadir, Director-General of the Malaysian Palm Oil Board (MPOB); and Mr Yoong Jun Hao, General Manager of PORTSIM. The dinner featured dishes prepared with red palm oil, including sour soup beef, boiled chicken, and stir-fried abalone.

As the official branch of MPOB in China, PORTSIM serves as a bridge for deepening Malaysia–China cooperation in technical research, palm oil application development, and industry-to-industry linkages. Since its establishment in 2005, the institute has played a central role in catalysing palm oil innovation through partnerships with Chinese universities, research institutions, and private enterprises.

Among its notable contributions are the new formulation of palm-based products for food, oleochemical, and animal feed applications tailored to the Chinese market; the development of new product innovations; and the provision of technical support to local industries — all of which have helped drive increase the adoption and demand for Malaysian palm oil across China’s rapidly evolving industrial landscape.

“PORTSIM has been instrumental in expanding the use of Malaysian palm oil in key consumer segments such as fast food, bakery, soaps and detergents, cosmetics, and animal feed and pet food. Its technical advisory services have enhanced industry confidence in Malaysian palm oil as a premium, versatile input with a broad range of applications across food and non-food sectors,” Chan added.

He further emphasised that the Ministry of Plantation and Commodities views PORTSIM as a model of how science-based diplomacy and value-added strategies can support national efforts to safeguard the long-term sustainability and competitiveness of Malaysia’s palm oil industry on the world stage.

“In 2024 alone, Malaysia exported nearly RM10.6 billion worth of palm oil products to China — accounting for more than half of Malaysia’s total Agri-commodity exports to the country,” he said.

Looking ahead, the MPOB and PORTSIM will continue to deepen strategic collaboration with the Ministry and industry stakeholders in China to unlock new opportunities, expand high-impact research, and enhance the positioning of Malaysian palm oil as a product that is not only high in quality and innovation, but also firmly aligned with global sustainability goals.

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