

# Business today

## Give me all the sh\*t you can

Singapore-based company that converts waste into energy is poised to take on a slew of projects in the region

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A COMPANY that converts waste into energy is getting a lot of attention these days as oil prices keep rising. In fact, the six-men strong Singapore-based Waste2Energy has been welcomed with open arms by government ministers in neighbouring countries.

"Give me all the shit you can" is what Waste2Energy chief executive Steve Peters says to investors looking to finance his projects, literally.

The company, established in January, is poised to take on numerous projects in the region given its expertise in converting waste into usable energy. This includes waste from sugarcane mills and fish canneries in Thailand as well as other sources. In Singapore, the company has the capability to convert food waste from hawker centres into energy.

Companies like Waste2Energy have caught on to a growing business, as awareness about green issues continues to rise even as global oil prices scale new highs. Singapore produced 531,000 tonnes of food waste last year, just over a 10th of the Republic's total waste output.

On Thursday, another local firm, IUT Global, unveiled plans to build a \$60-million facility in Tuas to convert waste into bio-gas.



**WASTE TO WEALTH?** A man scavenges through a heavily polluted river in Jakarta. The attractiveness of companies such as Waste2Energy is that they seek to provide two solutions at one go — managing waste and producing energy at the same time.

This is how Waste2Energy's business works: After the waste materials are collected, they are crushed and disintegrated using a biological process and converted into gas that can be harnessed for energy or bio-solids that can be made into fertilisers.

Assuming that it collects 65,000 tonnes of organic waste a year, it would be able to generate an estimated 25,000 tonnes of gas, or 3 to 5 megawatts (MW) of electrical power per year, Mr Peters said. That is enough to power a large factory or small town in Indonesia.

Waste2Energy is on track to enter into

agreements in Indonesia, Thailand, Vietnam and Cambodia. In Singapore, it is negotiating with waste-collection companies on working terms. In the meantime, the firm will be using the Republic as a base for regional operations.

At present, it is focusing on countries that need energy most urgently and from a commercial viewpoint, the projects that are the most lucrative, Mr Peters said.

Assuming funding is obtained to drive its projects, Waste2Energy would be able to generate 350MW over five years at full capacity, with each plant generating an av-

erage of 2MW to 10MW, he said.

As an illustration, 350MW can power 3,500 cars or 350,000 vacuum cleaners running 24 hours a day for 365 days, Mr Peters said. In comparison, Singapore currently has about 9,000MW of generating capacity for the entire island.

"We hope to become a US\$300 million (\$503 million) equity company in five years," said Mr Peters, an Australian who is a Singapore permanent resident.

Neighbouring countries such as Indonesia have sparsely distributed pockets of the population in the rural areas, and these tend to have little or no power supply due to the distance of the small towns and villages from the power grids serving the larger towns or cities. To provide electricity to these small towns and villages using the power grids would be very costly to the regional or central governments, Mr Peters said.

Using bio-diesel or natural energy sources such as the wind, water or sun are good alternatives if these can be harnessed at a low cost, but the attractiveness of Waste2Energy's operational model lies in its ability to provide two solutions at once: Managing waste and producing energy.

"Parts of Indonesia could be more concerned with waste management, while Thailand is generally more concerned with getting energy," said Mr Peters.

"We would integrate into the current systems and provide more jobs and sanitary environments for those people who scavenge at the tips in the country," he said.

And hopefully, Waste2Energy would make a decent profit out of that, too.

## marketwatch

### Singapore

SHARES fell on Friday on interest rate worries and caution ahead of the weekend, traders said.

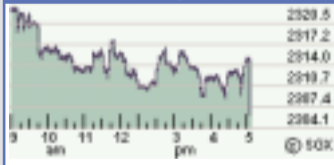
The US Federal Open Market Committee is due to meet on Tuesday and analysts expect the key interest rate to be increased by 25 basis points. Interest rates in Singapore tend to track those in the US and affect economic activity by increasing borrowing costs.

The ST Index fell 11.29 points, or 0.5 per cent, to 2,306.38. In the broad market, fallers led risers 255 to 229, with traded volume totalling 1.02 billion shares worth \$738.8 million.

Among the decliners, SIA fell 1.7 per cent to \$11.70 after reporting it filled 67.3 per cent of its passenger and cargo capacity last month, little changed from 67.4 per cent in August a year earlier and down from 69.1 per cent in July.

Among banks, UOB fell 1.4 per cent to \$14.30, OCBC shed 0.8 per cent to \$6.20 and DBS Group closed flat at \$15.90. — DOW JONES

### ST Index — 2,306.38 -11.29



### World markets

Index	Value	Change Pts	Change %
Nikkei 225	12,958.68	-28.1	-0.22
Hang Seng	14,983.20	-57.82	-0.38
All Ordinaries	4,499.40	+33.00	+0.74
Taiwan Wtd	6,031.24	-51.32	-0.84
Korea Comp	1,174.13	+4.54	+0.39
KLCI	921.99	+2.34	+0.25
SET Index	708.26	-2.94	-0.41
Jakarta Comp	1,056.72	+5.82	+0.55
Phils Comp	1,909.80	+6.71	+0.35
Shenzhen B	232.15	-0.64	-0.27
Mumbai Sensex	8,380.96	+97.20	+1.17

Information provided by SGX, Dow Jones and Bloomberg

### SGX most active

By volume	Close	Change	%	'000
SinSoonH	0.210	-0.025	-10.6	62,654
Frontline	0.130	+0.010	+8.3	51,295
Japan Land	0.075	+0.015	+25.0	34,525
L&M	0.005	-	-	31,103
Ipco	0.080	-0.005	-5.9	26,751
SPH BNP eCW060505	0.200	-0.005	-2.4	25,046
Delong	0.125	+0.005	+4.2	24,522
CapitalandDBeCW60227	0.320	-	-	19,394
AsiaMed	0.130	-0.005	-3.7	19,383
Biosensors	1.140	-	-	15,721

### Your S\$1 buys

US\$	0.5959	Peso	33.477
UK£	0.3290	AS	0.7752
Yen	66.035	Indian Rs	26.152
HKS	4.6238	Won	613.64
RM	2.2466	CS	0.7050
Euro	0.4855	Yuan	4.8195
Rupiah	6,047.5	NZ\$	0.8434
Baht	24.426	NT\$	19.627

### Commodities

Gold US\$/oz	461.60	Rubber cents/kg	290.00
Silver US\$/oz	7.12	Palm oil RM/tonne	1,387
Platinum US\$/oz	919.20	Brent US\$/barrel	63.55

### SGX top rises

By\$	Close	Change	By percentage	Close	Change
Nikkei225DBeCW051209	1.430	+0.820	NOL MBL eCW051020	0.025	+150.0
GreatEast	15.200	+0.100	Nikkei225DBeCW051209	1.430	+134.4
Jardine C&C	11.100	+0.100	Penguin W051010	0.010	+100.0
KeppCorp	12.600	+0.100	Star tech W090613	0.010	+100.0
STI ETF 100	23.700	+0.100	FJBen W070716	0.015	+50.0
Venture	15.500	+0.100	Digiland	0.020	+33.3
SC Global	1.370	+0.080	HiapHoe	0.040	+33.3
Jaya Hldg	1.340	+0.050	Hua Kok	0.020	+33.3
Sp Land	5.500	+0.050	CAM Int	0.045	+28.6
CoscoBNPeCW51222	0.930	+0.045	ArianeCorp W091229	0.070	+27.3

### SGX top falls

By\$	Close	Change	By percentage	Close	Change
JMH 400US\$	16.700	-0.400	Wee Poh	0.005	-50.0
F&N	16.600	-0.300	VentureDBSePW051012	0.040	-38.5
SIA	11.700	-0.200	LHT	0.030	-33.3
UOB	14.300	-0.200	LiangHuat	0.010	-33.3
HSI 13800DBeCW050929	2.550	-0.170	TR Networks	0.050	-28.6
HSI 14800DBeCW051230	1.390	-0.130	SIA DB eCW051031	0.015	-25.0
CITYDEV W060510	6.500	-0.100	SinSoonH W071229	0.185	-15.9
DBS Bk 6% NCPS 10	109.200	-0.100	SuntecReitDBeCW51219	0.030	-14.3
Fortune Reit HKS	5.900	-0.100	DBS DB eCW060227	0.065	-13.3
JSH 500US\$	10.400	-0.100	Adroit	0.035	-12.5