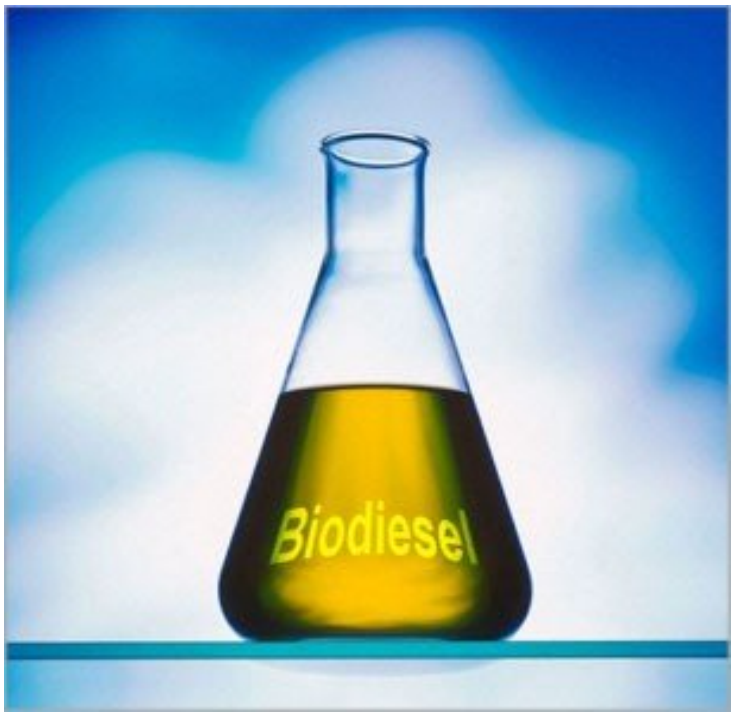
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NZ firm to shut bio-diesel unit due to lack of profit

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Singapore: New Zealand-based natural energy provider, Solid Energy (SE), is looking to shut down its biodiesel division. The state-owned business is considering the sale or closure of its subsidiaries, Biodiesel New Zealand (BNZ) and wood pellet company, Nature's Flame.

This is part of a major restructuring of SE, amid claims that the renewable businesses of the firm are yet to make a profit, inspite of receiving nearly $82.92 million (NZ$100 million) of investment.

BNZ has assured all feedstock growers that contracts for autumn and next spring will still be honored. Mr Don Elder, CEO, SE, blames the lack of government subsidies, which finished last year, as the reason the projects are now currently not profitable.

"Biodiesel is a business we no longer believe we should be in and we want out as soon as possible. Nobody knows better than us, coming from the industry, how hard it has been to make renewables economic," Mr Elder said.