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Major road upgrade works at POIC in Oct

KOTA KINABALU: Major road reconstruction and upgrading works will begin at the POIC Lahad Datu in October this year, as part of the industrialisation push under the Sabah Maju Jaya initiatives.

The 12th Malaysia Plan project will involve about 11km of roads within the state-owned project, POIC Lahad Datu, which promotes oil palm downstream value-adding, biomass, biochemical, port and logistics, petrochemical and other industries.

Deputy Chief Minister Datuk Dr Joachim Gunsalam said the need for road upgrade at the 16-year-old POIC Lahad Datu is more urgently needed now following a plan to develop Lahad Datu's potential as an emerging regional processing and logistics hub in the East Region.

POIC Lahad Datu is a major element in Sabah's ambitious industrialisation agenda in the Sabah Maju Jaya development

plan, said Gunsalam, who is also Minister of Industrial Development.

"The poor condition of the roads at POIC has inconvenienced our investors and other road users, and we don't want it to undermine the state's efforts to project POIC Lahad Datu as a good investment destination," he said in a statement on Wednesday.

He added that as an interim measure, POIC has been carrying out road patching works.

The State, Gunsalam said, wants to exploit logistical potentials of Lahad Datu because of its central location within the BIMP-EAGA region and the recently ratified 15-nation Regional Comprehensive Economic Partnership (RCEP), with members like China, South Korea and Japan.

"We possess the criteria desired for a regional processing and logistics hub such as being near to resources and having major business and population centres



Joachim Gunsalam

in the vicinity. BIMP-EAGA alone has more than 70 million population and, with the setting up of Indonesia's new capital in East Kalimantan, we'll soon have two (plus Bandar Seri Begawan, Brunei) national capitals within the territory.

"We need to work on our trade connectivity. Therefore we are also asking the State and Federal authorities to improve the airport in Lahad Datu into international standard which would be a game changer for Lahad Datu to be a logistic hub in Sabah," said Gunsalam.



POIC Lahad Datu has the geographical advantage.

He stressed that POIC Lahad Datu has the geographical advantage, the harbour depth, the industrial park concept and a comprehensive integrated port infrastructure comparative if not better than any competitors within the BIMP-EAGA.

"We are equipped and ready to play role of hub and become a place for amalgamation of raw materials, tranship to other destinations or retain for value-adding.

"We are in the middle of a huge market and RCEP alone has more

than two billion population and such market size can only be satisfied by adequate supplies and efficient logistics," he said.

Sabah Maju Jaya 1.0 was launched this year. It is the latest Sabah economic development plan up to 2025.