

# Sabah to benefit from POIC Lahad Datu

By MOHD IZHAM HASHIM

KOTA KINABALU: Sabah is poised to benefit from the largest single investment ever – RM13 billion at the Palm Oil Industry Complex (POIC) at Lahad Datu, a potentially game-changing investment that will put Sabah on the world map of petrochemical products.

“This is a milestone development and foreign investments that augurs well for Sabah in enhancing and broadening its economy, as well as creating better economic and job opportunities for Sabahans,” said Chief Minister Datuk Seri Shafie Apdal, who witnessed the signing of Term Sheet between POIC Sabah Sdn Bhd and Burel Industries Sdn Bhd.

The agreement will pave the way for the establishment of a petrochemical plant at POIC Lahad Datu which would produce about two million tonnes of various petrochemical products, processed from naphta, a byproduct of petroleum – to be shipped to overseas markets via 70,000 containers per year as well as other products through the POIC bulk jetty.

Burel Industries Sdn Bhd, a partnership of Swiss, Saudi, Chinese and Malaysian interest, has secured a long-term supply of naphta from a source in Saudi Arabia.



Per Brantzag exchanging the signed term documents with Dr Pang (3rd from left), witnessed by Shafie (centre) at the official signing ceremony yesterday at the Sabah Administrative Complex (PPNS).

Its Chairman, Per Brantzag in his opening remarks, highlighted the company decided to setup its plant Sabah due to its strategic location, as well as positive growth prospects and steady demand for petrochemical products at overseas markets.

The investment will have a significant impact on POIC Lahad Datu which, by anchoring on its comprehensive port infrastructure and strategic geographical location, is hoping to develop Sabah's east coast into a regional and international logistics, shipping and industrial hub.

Lauding the move, Chief Minister revealed the Sabah government's plan to harness the expertise and resources of 30 public listed companies based in Sabah or those that possessed substantial investments.

“We consider them potential partners for our development process,” he told the gathering that included Deputy Chief Minister, Datuk Seri Wilfred Madius Tangau.

The agreement was signed between Datuk Dr Pang Teck Wai, POIC Sabah Sdn Bhd Chief Executive Officer, and Mr Per Brantzag, Chairman of Burel In-

dustries Sdn Bhd.

Meanwhile, Madius, who is also Minister of Trade and Industry, noted that his ministry has also formed a special task force which seeks to redefine Sabah's industrialisation priorities to expedite its development.

He also revealed that Burel Industries Sdn Bhd has been granted with Malaysian Government approval for its project, and has signed a 20-year supply agreement for naphta, as well as having secured several sources of funding needed for the Lahad Datu Investment.