

Latest land buy a boon to Lahat Datu palm cluster

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KOTA KINABALU: Supporting infrastructure for the palm oil industrial cluster in Lahat Datu (POIC Lahad Datu) took another step forward with the purchase of more land for industry and warehousing by a developer here.

Kota Kinabalu-based Bristeel Properties Sdn Bhd confirmed on Thursday the purchase of 8.15 acres of land at POIC Lahad Datu for the construction of 17 small and medium enterprises (SMEs) light industrial warehouses at a project called PortCity@POIC.

The sale and purchase agreement signed with POIC Sabah Sdn Bhd came less than three months after a

successful introduction of 36 units of three and four-storey shops/offices in Phase 1A of the project.

The agreement covers land for Phase 1C. It was signed simultaneously with agreements that give Bristeel the first option to buy two adjoining lots of land totalling 14.75 acres for future development.

Bristeel managing director William Chee represented his company at the signing ceremony while Michael Yong, manager of finance and administration, signed for POIC Sabah.

Chee said the agreement signing proved his company's confidence in POIC Lahad Datu and the future of Lahad Datu in general.

Due to the encouraging response to Phase 1A launched in October

2010, Phase 1B consisting of 64 units of shop/office and office complex was unveiled last week.

Chee said only three units in Phase 1A were still available.

He described the response as "unbelievable" and attributed it to the optimism of the investment and business community on the future of POIC Lahad Datu and oil palm-driven growth potentials in Sabah's east coast.

He said POIC Lahad Datu, which began in 2005, was set to grow rapidly in the coming years mainly because of national attention to developing the palm oil downstream industry.

Oil palm is identified as one of the 12 national key economic areas and the sector's contribution to

growth national income is expected to triple in the next decade.

POIC Lahad Datu has to-date about 30 investors with a combined investment value of over RM2bil. A cluster of seven fertiliser factories is being developed, making it the biggest cluster of its kind in Malaysia.

Zurex Corp, a company with British interests, is commissioning its palm oil refinery this month, making it the first refinery to go into operation in POIC Lahad Datu. It has an annual capacity of 200,000 tonnes.

A second refinery, owned by Singapore-based Mewah Oil, is due to begin operation in 2012. It is built to process up to one million tonnes of palm oil a year.