

# Oil palm has RM200 billion economic value for Sabah

LAHAD DATU: Sabah's oil palm industry has a potential economic value of RM200 billion if downstream value-adding utilising crude palm oil and oil palm biomass is fully developed.

The figure, which is about five times larger than the state's annual gross domestic product (GDP) was mentioned by Datuk Bolkihah Ismail, the assistant minister of Industrial Development, here, on July 30, 2015.

Bolkihah was delivering a speech on behalf of Minister Datuk Raymond Tan Shu Kiah at the opening of the 3-day exhibition, which also included a symposium on biomass and a technical seminar.

The assistant minister said the Sabah state government has ambitious plans to tap the potentials and one of the enablers is the palm oil industrial clusters (POIC) here and in Sandakan. The POIC here, developed by state-owned POIC Sabah Sdn Bhd in particular has been identified as the main driver of Sabah's oil palm development under the 11th Malaysia Plan from next year. The POIC in Sandakan, known as Sawit POIC, is being developed by Sawit Kinabalu, also wholly owned by the State government.

More than 40 exhibitors comprising Malaysian and foreign companies took part in the exhibition, the 6th in the series but the first in Lahad Datu. Among the exhibitors was Indonesian investment coordinating authority, Badan

Koordinasi Penanaman Modal from Jakarta.

On security, Bolkihah said that the infamous 2013 incursion by a group of Sulu terrorists at a village here has not had any visible long-term impact on public sentiments.

He based his assessment on the largely uninterrupted five daily flights operated by MasWings between here and Kota Kinabalu since terrorists were repelled from their occupation of Kg Tanduo, about 150 km from here, in March two years ago.

Since the incursion, the government has set up the Eastern Sabah Security Command (EssCom) combining the resources of the military, police and Maritime Enforcement Agency.

EssCom has continually expanded its operations and strengthened its hardware assets to keep the border secured. One preventive feature is a dusk-to-dawn curfew along the sensitive coastal region of what has come to be known as Eastern Sabah Security Zone, or EssZone, covering over 1,000km of coastline from Kudat in the north to Tawau in the south.

Bolkihah urged businesses to consult and work with the EssCom and 'make them your partners in your security planning and implementation'.

Describing Lahad Datu as the place 'where big things in oil palm happen', the assistant minister said there is presently already a multiple-national

presence in POIC Lahad Datu and this is set to grow as more advance infrastructure is built. He referred to the RM450-million container port under construction. Due for completion in 2017, this port will complement the existing dry bulk, liquid and barge jetties in POIC Lahad Datu, and provide arguably the most comprehensive port infrastructure-in-one-place in the entire BIMP-EAGA region.

Lahad Datu will grow to become a major regional hub port, he predicted.

Lahad Datu district officer Iman Ali said in his welcome speech that his office is complementing the efforts of EssCom to continually improve security in the district.

Welcoming Palmex participants and visitors, Iman extolled on the tourist attractions in Lahad Datu from mud volcanoes (in Tabin Wildlife Reserves) to natural beauty, and pledged to make safety, cleanliness and comfort synonymous to the town.



Exclusive site tour to POIC Lahad Datu on 31<sup>st</sup> July by Palmex exhibitors to explore business opportunities.



6<sup>th</sup> International Palmex Malaysia Palm Oil Technology Expo and Symposium 2015 opening ceremony on 30<sup>th</sup> July 2015 at Dewan Sri Perdana, Lahad Datu.

TOP PICTURE (From left)

Lynette Hoo, POIC Sabah Sdn Bhd, Patrick Tan, Director of DIDR, Datuk Hashim Paijan, Permanent Secretary of Industrial Development, YB Datuk Bolkiah Ismail, Assistant Minister of Industrial Development, Iman Ali, Lahad Datu District Officer, Masri Pudin, Sawit Kinabalu Group and Dato' Jerel Soo, Managing Director of Fireworks Event Sdn Bhd





## Palmex 2015 Exhibitors



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