

POIC LAHAD DATU A MODEL FOR SARAWAK

Sarawak would like to learn from the experiences of Sabah in the development of palm oil downstream industries and palm oil industrial clusters, its Land Development Minister Dr James Masing said.

He said the oil palm plantation sector is rapidly expanding in Sarawak and the states wanted to ensure that it moves in the right direction in downstream value-adding.

“We have heard a lot about your POIC development and we believe we can learn much from your experiences,” he said during a visit to the Lahad Datu palm oil industrial cluster (POIC Lahad Datu) project in Lahad Datu on Sept 21, 2010.

Dr Masing’s 16-member delegation included senior officials from the Ministry of Rural Development, the State Planning Unit, Bintulu Development Authority, Sarawak Timber Industry Development Corporation, Sarawak Oil Palm Plantation Owners Association and Malaysia Palm Oil Board Sarawak.

He said Sarawak currently has about 700,000 hectares of oil palm, compared to 1.4 million ha in Sabah. The states projects to have about 2 million ha in five years. It is developing land at Bintulu, known globally as a port for liquefied natural gas, to attract investors in palm oil downstream industries.

Dr Pang Teck Wai, the CEO of POIC Sabah Sdn Bhd, the developer of POIC Lahad Datu, briefed the Sarawak visitors.

He estimated that the oil palm industry in Sabah has a potential of generating an economic value of RM100 billion, four times that of the current state Gross Domestic Product (GDP).

He shared with the visitors his views on what are the critical success factors of an industrial cluster, and highlighted on the importance of infrastructure and the need for the government to underwrite the funding.

Views were exchanged on issues of plantation labour and mechanization. The plantation sector is faced with major labour shortage due to an exodus of Indonesian workers from Sabah and Sarawak back to their home country. Plantation mechanization aims to address the exodus as well as to raise efficiency and productivity.



Dr James Masing (left) being briefed by Dr Pang Tech Wai at the oil jetty in POIC Lahad Datu.



One for the album ... *the Sarawak state government delegation with POIC officials in front of the oil jetty at POIC Lahad Datu..*