

## PRESS RELEASE

KOTA KINABALU, Fri. (Feb 5, 2010) - The palm oil industrial cluster in Lahad Datu (POIC Lahad Datu) possesses the prerequisites to be developed as a regional business hub.

The deep-water harbour, existing and planned port infrastructure and the abundant commodity resources in eastern Sabah and the surrounding territories of BIMP-EAGA will continue to attract foreign interests.

These were the observations of Mr Hans Smits, chief executive officer of the Port of Rotterdam Authority, after a two-day visit to Sabah on Feb 1-2.

Smits was the highest ranked officer of POR to visit Sabah since the leading European port began negotiation with POIC Sabah Sdn Bhd, the developer of POIC Lahad Datu, in a partnership bid to develop Lahad Datu into an international maritime hub. His visit is seen as reciprocating a visit to Rotterdam by Chief Minister Datuk Musa Haji Aman last October.

He was accompanied by senior officials of POR in final rounds of negotiations with POIC and state officials on the formation of a 'special purpose company' to realise the ambition of making Lahad Datu a model of Rotterdam.

Also in the POR delegation were Mr Mike Beviss representing Odfjell, and Ms Jacoba Bolderheij from the Dutch Embassy in Kuala Lumpur. They were later joined by two officials representing the Daman Shipyards.

The visitors flew to Lahad Datu on Feb 2, and came away impressed with the the development of POIC Lahad Datu and its future prospects.

Odfjell is a Norway-based global logistics services supplier. The company was formed in 1914 and is specialised in transportation and storage of chemicals, vegetable oils and acids. It operates a fleet of vessels and 17 large tank storage terminals around the world, including Singapore.

Damen Shipyards has its headquarters in The Netherlands. The company was set up in 1927. It has more than 6,000 employees in its 30 shipyards and related companies worldwide.

Odfjell and Damen Shipyards are among global companies which have business dealings with POR in Rotterdam and the Port of Sohar, in Oman, which was developed with POR expertise. Both are exploring investment potentials in POIC Lahad Datu.

During his visit, Smits led the POR delegation on a courtesy call on Datuk Musa at Sri Gaya, the official residence of the Chief Minister, where they had a breakfast meeting. Also present was Minister of Industrial Development Datuk Raymond Tan and senior officials of POIC Sabah.

Meanwhile, POIC Sabah chief executive officer Dr Pang Teck Wai said he was satisfied with the progress of the intensive negotiations with POR and the interests shown by Damen Shipyards and Odfjell.

“We acknowledge that logistics infrastructure is the key to making POIC Lahad Datu a global port of call. Therefore, to be in the same room and be mentioned in the same page with global logistics service providers like Damen and Odfjell is a major breakthrough for us and we are grateful to POR for making it happen.”

Caption

*Chief Minister Datuk Musa Haji sharing a light moment with Mr Hans Smit, the CEO of Port of Rotterdam Authority, during a courtesy call at Sri Gaya in Kota Kinabalu on Feb 2. Mr Smit was presented a coffee table book of historical photographs of Sabah.*

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