

RM13 bln petrochemical plant project at POIC Lahad Datu

By Jenne Lajjun

KOTA KINABALU: POIC Sabah Sdn Bhd yesterday signed a term sheet agreement with Burel Industries to set up a petrochemical plant at POIC Lahad Datu.

The plant will produce naphtha, a petroleum by-product, into a variety of petrochemical products for the world market.

This will bring in RM13 billion in investment to Sabah and will provide 3,500 employment opportunities during construction. Once in operation, it will provide 500 direct employment and 1,000 indirect jobs.

Chief Minister Datuk Seri Panglima Shafie Apdal welcomed the venture and said he hoped the term sheet signed, which contained an agreed set of major terms and conditions between POIC and Burel, would pave the way for the eventual realisation of this mammoth project.

“With Burel, I see an emerging industrial direction in Sabah; something that the Warisan Sabah-led government is pursuing. Chemicals have become Sabah’s single largest key industrial sector and likely to be so going forward. To date, the largest single investment in Sabah is SAMUR in SOGIP, a petrochemical plant. Our natural gas



POIC Sabah chief executive officer Datuk Pang Teck Wai (left) shaking hands with Strategic Swiss Partners executive chairman Per N. Brantzag, who is Burel Industries financial advisor, and witnessed by Shafie and Madius.

has been the driver for other large successful industries in Sabah as in the Labuan Methanol and HBI plants,” he said.

He also said chemicals, whether from fossil source or oil palm, would continue to be the single largest and most important industrial sector in Sabah.

He added that the state

government will facilitate the endeavor which will bring jobs to the people of Sabah.

Meanwhile, Deputy Chief Minister Datuk Seri Panglima Wilfred Madius Tangau, who is also POIC Sabah board chairman, said his ministry supported the investment as it would have a notable impact in terms of

job creation and transfer of technology as well as impact on port logistics and expansion of outgoing cargo volume.

POIC Sabah Sdn Bhd was represented by its chief executive officer Datuk Dr Pang Teck Wai while Burel Industries was represented by its chairman, Per Brantzag.