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PWE TO HOLD 45 PCT STAKE IN RM3 BIL PULP PLANT

KUCHING, Feb 16 (Bernama) -- PWE Industries Berhad, listed on the Kuala Lumpur Stock Exchange second board, would be holding a 45 percent stake in the proposed RM3 billion second paper pulp plant to be built in Bintulu.

Its chairman Tan Sri Ting Pek Khiing said construction work on the plant, which would be part of a new 10,000ha industrial park in Tanjung Kidurong, was to start immediately after its launching by Prime Minister Datuk Seri Dr Mahathir Mohamad on March 16.

The other 55 percent stake in the paper pulp plant would be held by its Indonesian-based paper and pulp producer joint-venture partner, he told pressmen reporters, here today. The name of the Indonesian company would be announced on March 16.

The plant would be able to produce one million tonnes of pulp on completion in between 18 and 24 months and the capacity could be increased to two million tonnes within a year after that, he said.

He said the plant was expected to provide 5,000 job opportunities and bring foreign exchange between US\$500 million (RM1.25 billion) and US\$600 million (RM1.5 billion) annually.

Last week, he said the plant would initially utilised 27 million tonnes of nonmerchantable wood and wood waste to be cleared from the Bakun Hydro-Electric Project's (HEP) site that would be submerged.

About 69,000ha of land, or about the size of Singapore, would be submerged when the Bakun HEP Dam is ready.

Ting said raw material from the Bakun HEP areas would last about six years for use by the pulp plant.

At the same time, he said the company would also be working closely with the state agency, Land and Custody and Development Authority and the natives, whose Native Customary Land (NCL) were left idle, to get involve in the project.

The company would embark on reforestation projects to plant fast grown Acacia mangium trees in the NCL to supply the project with its raw material when supply from Bakun HEP deplete.

The reforestation program would provide employment to another between 45,000 and 50,000 people, he said. -- BERNAMA

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