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YTL OFFICERS IN MEETING ON ZIMBABWE'S POWER ROW

KUALA LUMPUR, Sept 27 (Bernama) -- YTL Corporation Bhd's officers were unavailable for comment over Zimbabwe's Electricity Supply Authority (ZESA)'s request for the Zimbabwe government to cancel the privatisation deal worth RM1.5 billion, which the Malaysian company was bidding for.

"The right officers to comment are still at a meeting," said a secretary of the company.

When asked whether the meeting was called to discuss the row, she said: "Something like that".

YTL managing director Datuk Francis Yeoh was overseas, said his secretary when contacted earlier.

According to newsreport, the Zimbabwean state-owned power utility had asked the Zimbabwean government to cancel the privatisation of ZESA's Hwange Power Station in northern Zimbabwe to YTL as the authority was not informed of the deal.

ZESA's chairman Solomon Tawenga was quoted in the report as saying that the Malaysian proposal did not empower indigenous Zimbabweans in terms of the Zimbabwean indigenisation policy.

"The board observed with concern that the manner in which the (Malaysian) Letter of Intent had been developed, signed and submitted to the board represented a fundamental departure from the course of action which the board and (the) government had been following," he was quoted as saying.

The report said ZESA had invited bids for the project and a total of 19 companies had submitted tenders but only six were shortlisted with YTL at the bottom of the rankings after National Power of Britain and other European and American Firms.

YTL last week signed a letter of intent with the Zimbabwean government for the privatised deal. The government was represented by the permanent secretary of the Zimbabwean Ministry of Transport and Energy, P.M. Kodzwa.

It was also witnessed by Prime Minister Datuk Seri Dr Mahathir Mohamad who was there on a five-day visit to attend the World Solar Summit.

The privatisation of the Hwange power station is supposed to be undertaken by Africa Power Ltd in which YTL has a 51 percent stake, and It involves the leasing of the power station's existing six coal-fired units

- 4 X 120 megawatt and 2 X 220 MW - by ZESA to Africa Power which will undertake

to expand it by two coal fired units of 330 MW each, thus expanding its current capacity of 920 MW to a total of 1,590 MW.

It would be the biggest overseas investment so far by YTL. -- BERNAMA
JR FR