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Inno-Enhance signs pact to set up EPZ in Pakistan

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INNO-ENHANCE Sdn Bhd, a wholly-owned subsidiary of Larut Consolidated Bhd, has clinched a deal with the Punjab provincial authorities to develop a RM104 million export processing zone (EPZ) in Lahore, Pakistan.

The company signed a joint-venture agreement to set up the EPZ with Punjab Provincial Government and the Punjab Industrial Development Board in Kuala Lumpur yesterday. The ceremony was witnessed by Prime Minister Datuk Seri Dr Mahathir Mohamad and his Pakistani counterpart, Mr Nawaz Sharif.

Punjab Industries and Mineral Development Minister Muhammad Arshad Khan Lodhi signed on behalf of the provincial government, and Punjab Industrial Development Board was represented by managing director and chief executive officer Chaudhary Mohammad Ashraf. Inno-Enhance was represented by chairman Ahmad Apandi Johan and director Datuk Chan Ah Chye.

Larut Consolidated, in a statement issued after the ceremony, described the agreement as "another milestone" for the company.

Its involvement in the development of the EPZ is, among others, to assist a member of the Organisation of Islamic Conference (OIC) countries such as Pakistan in its economic and industrial development.

It is also to encourage Malaysian and foreign companies to invest in Pakistan and to enable local Pakistani investors to participate in their economic and industrial development.

The joint venture is part of the group's efforts to diversify its business activities, especially overseas.

Through the proposed EPZ, which is the second in Pakistan, the Pakistan Government will certainly be able to attract more foreign investors to come in and set up their own business or to locate their multinational companies for international operations in the designated zone.

It will positively encourage business opportunities for potential investors, thus generating thousands of jobs for the local people in Pakistan, Larut Consolidated said.

The proposed EPZ will be about 40km from Lahore and 4km from the nearest town of Raiwind. The first EPZ is in Karachi.

The new EPZ will cover about 200ha of flat agricultural land with an access road and next to the railway line running through Lahore and Karachi.

The EPZ will be a self-contained industrial development with modern infrastructure and facilities for custom clearance with the creation of an inland port. It will provide a railway siding, a road transport yard and warehousing facilities.

In addition to this, an independent power plant will be built, if necessary, to ensure adequate and reliable supply of electricity, housing for workers, and land of 0.20ha to 2ha lots and factory buildings.

The project will cost the group some RM104 million, which includes RM4 million for land acquisition and RM100 million for the full development and completion of the EPZ.

Larut Consolidated also plans to build factories or warehouses in the proposed EPZ in Lahore.

Inno-Enhance meanwhile is undertaking the upmarket RM2 billion project called Pulau Melaka. The project involves the reclamation of land to be transformed into Malaysia's first Twin Island City Centre. It will be linked to the existing developed coastline by two 300m bridges.

The waterfront development is a privatization project with the Malacca Government.

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