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KHALIL DENIES ALLEGATIONS OF FREE LAND FOR MEC CITY

KUANTAN, June 26 (Bernama) -- Pahang Menteri Besar Tan Sri Khalil Yaakob today denied allegations that 1,213.8 ha of land were given free to the developer of the Malaysia Electric Corporation (MEC) project at the Gambang Industrial Zone here.

Instead, he said, the developer was charged a certain amount based on rates for agricultural land.

Efforts were ongoing to settle the proper amount since the land's status was converted from agriculture to industrial, Khalil told reporters after surveying progress at the MEC City site.

He also denied claims that the state gave logging rights for the same size of land elsewhere to the developer.

A large portion of the site was formerly a disused and abandoned mine while the forest area concerned was less than 323.7 ha, he said.

The proposed MEC City is a modern and sophisticated one-stop international trade centre for made-in-Malaysia electrical appliances.

Jointly developed by the Pahang government (10 per cent), KLIH Holdings (60 per cent) and Khazanah Nasional (30 per cent), the RM4-billion project is to be completed in 10 to 15 years.

Prime Minister Datuk Seri Dr Mahathir Mohamad launched the first of five phases last March 17.

Khalil said 364.1 ha had so far been cleared with factories, offices and housing facilities already constructed on 242.8 ha.

Manufacturing operations commenced in May, producing up to one million air-conditioners a month. Production of refrigerators and fans will start in August at a capacity of 500,000 units and 1.2 million units a month respectively, he added. -- BERNAMA

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