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Pahang gets 10pc stake in RM4b MEC City project

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THE Pahang Government's 10 per cent stake in the RM4 billion MEC City, the national electrical appliances project, has been confirmed, Menteri Besar Tan Sri Mohd Khalil Yaakob said in Kuantan yesterday.

He said the State Government's investment would be made through State Secretary Incorporated.

"SSI has the money... All the land belongs to it," he said after witnessing the signing of an agreement between MEC and Telekom Malaysia Bhd for the provision of sophisticated, state-of-the-art telecommunications facilities to all development projects leading to and within the MEC City.

Khalil said this had been confirmed with president and chief executive officer of Kuala Lumpur Industries Holding Bhd, Datuk Seri Teong Teck Leng.

KLIH is the parent company of Malaysia Electric Corporation Bhd, developer of the national project. MEC has 60 per cent equity and Khazanah Nasional Bhd owns the remaining 30 per cent.

Asked if he was satisfied with the 10 per cent stake, Khalil said: "It is already a lot... Even the Terengganu Government gets only five per cent in Perwaja."

Chief operating officer of TelCo, Telekom Malaysia Dr Abdul Rahim Daud signed the agreement for the telecommunications company while Teong signed for MEC.

The project, to build Malaysia's electrical appliances capital, is being developed on a 1,200ha site in Gambang, Kuantan, over a period of 12 years and in five phases. It was launched by Prime Minister Datuk Seri Dr Mahathir Mohamad on March 17.

Khalil said the project would provide opportunities to local small and medium-scale industries under the vendor programme.

"They will support the needs of the main industries, including packaging, components for fridges like rubber parts and racks, motor compressors and cartons," he said.

He said the vendor programme would kick off simultaneously with the commencement of operations at the MEC City.

"MEC will consult the State Government, through its Economic Planning Unit. This is in line with efforts to create middle-class Bumiputera entrepreneurs," he said.

Khalil, however, said the selection of vendors would be made according to strict criteria.

He added that the State Government had plans to further develop Gambang.

"We have identified a 600ha site opposite the MEC City to be developed into an industrial area," he said.

A private company is also developing a 40ha site under phase one of the Kuantan Industrial Park at a nearby location.

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