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PSC GETS EGYPT'S SHIPYARD PRIVATISATION STUDY

KUALA LUMPUR, Nov 3 (Bernama) -- Penang Shipbuilding & Construction Sdn Bhd (PSC), a unit in the stable of companies under Datuk Amin Shah Omar Shah, is to prepare a report on the privatisation of Egypt's Alexandria Shipyard.

An agreement signed today with the Egyptian government requires the company to submit a business evaluation proposal for the yard within six months, from which Egypt will finalise the privatisation award, said Amin Shah, executive chairman of Business Focus Sdn Bhd, PSC's parent.

The proposal would cover facilities such as ship building and repair, steel fabrication, bonded warehousing, free-trade zone development and cold-storage, he said after the signing ceremony that was attended by prime minister Datuk Seri Dr Mahathir Mohamad.

PSC is preparing the proposal on the basis of a private concession for at least 30 years, domestic and international equity ownerships, as well as an eventual flotation sale and listing.

Foreign investors are allowed 100 percent ownership under Egypt's investment policy.

No definitive valuation on the yard exists yet. Amin Shah said: "There is no price at the moment, but we know indicative valuation by the Egyptian government is about US\$50 million (RM175 million)."

The yard sheltered in the western harbour of the port of Alexandria on the Mediterranean coast covers 400,000 sq metres and has a total quay length of 1.2 km.

Although an established one, "it needs a little bit of work," Amin Shah said. "The first preliminary report that we have done showed that it is very viable.

"We are also looking at normal commercial shipping activities. Other than the shipyard, we are extending into engineering works."

The yard has two building berths for cargo vessels of 20,000 deadweight tonnes (DWT) capacity and tankers or bulk carriers of up to 35,000 DWT.

Docking facilities can accommodate vessels up to 10,000 DWT in a small dry dock, and 85,000 DWT in the large modern dock.

The yard's mechanical slipway is served by a carriage with a lifting capacity of 600 tonnes, and a repair facility on two ways for all types of small vessels up to 1,500 DWT.

The quay is fitted with 4-tonne travelling cranes and a 25-tonne tower crane. - BERNAMA

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