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Investment-China

CHINA INVESTS RM4.5 BILLION DI SABAH

By: Ali Mamat

BEIJING, Aug 18 (Bernama) -- A major state-owned company in China is investing RM4.5 billion in pulp and paper and forestry joint-venture projects in Sabah.

The joint-venture agreement between Fuxin Pulp and Paper Industries of China, Innoprise Sabah Sdn Bhd (ISSB) and Lion Forest Industries was signed at the The Great Hall of People here today.

It was witnessed by Prime Ministers Datuk Seri Dr Mahathir Mohamad and Zhu Rongji who had earlier held a meeting at the hall.

Dr Mahathir is on a three-day working visit to China starting today.

Foreign Minister Datuk Seri Syed Hamid Albar told Malaysian journalists after the signing ceremony that under the agreement, ISSB and Lion Forest Industries, a subsidiary of the Lion group, would hold a 60 per cent state in the joint-venture with Fuxin holding the other 40 per cent.

He said the paper mill with a 750,000 air dried tonne capacity and the 220,000-hectare forest estate would be located at Kalabakan, near Tawau.

China was represented at the signing ceremony by its National Planning Committee assistant director Shi Cheng Meng, ISSB by its chairman Tan Sri Datu Khalil Datu Jamalul and Lion group by its chairman Tan Sri William Cheng.

Two other agreements, in the fields of science and engineering, were signed at the same ceremony.

The agreements involved the Academy of Science Malaysia (represented by Science Adviser to the Prime Minister Tan Sri Dr Omar Abdul Rahman), Science Academy of China (represented by its head Ru Yongsiong) and the engineering Academy of China (represented by its chief Sung Jiang).

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