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China to invest in RM4b paper plant

CHINA is set to make its biggest investment outside the country when it agrees to participate in the building of a pulp and paper plant in Sabah which costs an estimated RM4 billion.

International Trade and Industry Minister Datuk Seri Rafidah Aziz said the agreement to build the plant was reached during the recent visit of Prime Minister Datuk Seri Dr Mahathir Mohamad to China.

Rafidah, who had accompanied the Prime Minister during the visit, said investors from China would hold 40 per cent equity in the project while discussions were underway to determine the local equity holding.

"The significance of this project will be our ability to establish an integrated pulp, paper and printing industry in the country.

"It would also assist in raising the gross domestic product of the country particularly in Sabah," she said.

Rafidah was speaking to reporters after a meeting with members of the Perlis Women's Affairs Authority in Kangar yesterday.

She said the Government had also taken several measures to encourage more Chinese investments.

Entrepreneurs from China will soon be allowed to obtain their visas at all the country's entry points instead of having to go through Beijing to do so.

Rafidah said the move would be accommodated by the setting up of consulates in several parts of China which would enable the Chinese investors to also get more information about investment opportunities in the country.

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