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Good progress on revived PSC project in Albania

Saiful Azhar Abdullah in Tirana
PENANG Shipbuilding & Construction Sdn Bhd's integrated housing project at Kamza Turn, about five km from the Albanian capital, has been revived after being abandoned in 1995.

Work resumed two months ago and the company has assigned its three officers from Malaysia to ensure the first 110 units of apartments are completed within four months.

The project is being undertaken by PSC's subsidiary, PSC Albania.

PSC Albania director Azhar Shah Omar Shah said the company had already invested about RM30 million on the project.

The integrated housing project took off in 1995, immediately after Prime Minister Datuk Seri Dr Mahathir Mohamad's visit to the country.

It was progressing well until two years later when the Albanian Government faced its worst political crisis following the collapse of its pyramid scheme.

The people of Albania rioted and stormed among others, PSC's housing project, destroying and stealing its machinery, and threatened its workers.

In view of the crisis which killed the political future of former Albanian Prime Minister Dr Sali Berisha, PSC Albania decided to abandon the project.

When Foreign Minister Datuk Seri Syed Hamid Albar, who was on a visit to Kosovo and Albania, visited the project on Tuesday, damage from the rampage was still visible.

The damage was estimated to be around US\$6.8 million (RM25.84 million).

PSC Albania is now seeking damages and compensation from the Albanian Government.

"We have submitted our claims. Almost all foreign investors suffered during the turmoil but ours was the biggest project affected by the crisis.

"We lost US\$2 million (RM7.6 million) when our machinery like cement mixers and trucks were stolen by the rioters," said Azhar, adding that so far the Albanian Government had not responded to their request for compensation although it was submitted three years ago.

PSC decided to resume the project after the Government of Prime Minister Pandeli Majko expressed support for the company to complete the project.

The project was 100 per cent owned by PSC after Albanian Housing Agency decided that it could not afford the cost of the investment for the project.

The project was located on an 18-hectare land which was then priced at US\$12.50 (RM47.50) per square metre.

However, only 3.8ha were owned by the local residents and they had been fully compensated for the land. The rest was owned by the Government and Azhar said PSC Albania had requested the Government to issue titles for the land.

"We will pay the Government of Albania for the land when the project is fully completed by handing over to them some of the completed property equivalent to the value of the land," said Azhar.

The project is divided into three phases. The present work is for Phase 1A involving 110 units which are almost completed.

The remaining apartment units and commercial development including the construction of a hotel, a supermarket and commercial units will only take

place if the demand is good.

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