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SAFUAN-SOUTH AFRICA

SAFUAN & SOUTH AFRICAN PARTNER TO DEVELOP NEW SOWETO TOWNSHIP

By: Tham Choy Lin

JOHANNESBURG, Nov 10 (Bernama) -- Malaysian construction conglomerate Safuan Group was today formally awarded a joint venture contract worth 836 million rand (RM1=1.6 rand) to build a new township for 40,000 residents in Soweto.

The contract was awarded through its subsidiary, Safuan Group International Ltd, and local partner Sam Sisonke (Pty) Ltd here.

Safuan and Sam Sisonke will develop five of nine precincts of the Baralink project that will link the poor black ghetto to south Johannesburg.

The total project covering 1,200 hectares (3,000 acres) is scheduled for implementation in 33 months with Safuan providing most of the funding and a 160 million rand subsidy from the South African government.

The project award and launch was witnessed by Foreign Minister Datuk Seri Syed Hamid Albar, representing Prime Minister Datuk Seri Dr Mahathir Mohamad, and several local council mayors in Johannesburg.

Safuan Group executive chairman Datuk Matshah Safuan said Safuan was among 21 bidders for the Baralink project and when completed, it would be the first fully integrated township in South Africa.

"Today is indeed a historic day for Safuan Group International and its joint venture partner Sam Sisonke to initiate the first step of a synergistic relationship with the people and the government of South Africa through the Southern Metropolitan Local Council and the Greater Johannesburg Metropolitan Council," said Matshah.

Safuan Group had spent one and a half years laying the groundwork for the project beginning in May 1998 when the company visited the Greater Johannesburg Council at the invitation of the Johannerburg mayor.

Matshah said the decision to take the Baralink project was due to the high demand for affordable low and medium-cost housing, abundance of skilled labour in South Africa and the expertise of the Safuan Group in the industry.

The Baralink project will begin with the Elias Motsoaledi precinct. A total of 10,000 walk up apartments, 2,500 semi-detached homes, a developed boulevard for small business enterprises, supermarkets, community centres, schools, sports facilities, a mini-factory complex, a shopping centre and a small industrial development zone will be built.

The housing estate will be managed for seven years by Safuan Baralink South Africa (Pty) Ltd. -- BERNAMA

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