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Mahathir-YTL

YTL COULDN'T PROCEED WITH POWER PROJECT DUE TO OPPOSITION, SAYS PM

PUTRAJAYA, June 29 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said YTL Corporation Bhd could not proceed with a proposed power station project in Zimbabwe because certain quarters in the African country and outside were opposed to the idea.

He said that as a result, the infrastructure group had to back away from the project which would have boosted power supply in the country, besides further enhancing industrial development in the country.

Dr Mahathir was responding to a question posed by a journalist from Zimbabwe as to why some projects planned by Malaysian companies in that country had not been completed during a dialogue with 18 African journalists at his office here.

The Prime Minister said that YTL Corporation Bhd, a main board diversified company with extensive overseas operations, is one of the most profitable companies in Malaysia and was fully capable of carrying out its projects in Zimbabwe had it not been for the problems.

On Oct 15, 1998, Zimbabwe and YTL's subsidiary, YTL Power International Bhd, signed a letter of award for the privatisation and expansion of the Hwange Power Station.

The proposed privatisation involves the expansion of the existing Hwange Power Station by 600 megawatts through financing and developing two new 300 MW units to increase the capacity to 1,580 MW for the Zimbabwe Electricity Supply Authority.

"If not for the interference, YTL would have been able to complete the project in Zimbabwe if we can get away from some of the problems like the internal opposition," he said.

Dr Mahathir also cited another power station project in Tanzania which though completed could not be operated because "of people outside the country" interfering in the project.

However, he said some companies which have projects in African countries could be selling their assets as they could be facing financial difficulties due to the economic crisis.

For instance, the Malaysian company which planned to establish a free trade zone in Ghana was also facing financial difficulties.

Nevertheless, he said Malaysia was committed to enhancing South-South economic cooperation with African states as evidenced by the building of low-cost housing projects in Namibia and even training their officers here on ways to manage a housing scheme.

--BERNAMA

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