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LIM-CPO

M'SIA TO APPOINT MORE COs TO EXPORT CPO DUTY-FREE

KUALA LUMPUR, Aug 7 (Bernama) -- Malaysia is considering a larger number of exporters to export crude palm oil (CPO) this year tax-free, Primary Industries Minister Datuk Seri Dr Lim Keng Yaik said today.

Lim said he had written to Tun Daim Zainuddin asking the Finance Minister to approve the CPO amount and to entrust the former on the number of companies to be given concession to export without duty.

Last year Malaysia appointed four companies to export 400,000 tonnes of CPO duty-free as a strategy to reduce stockpile in the country that has pushed down palm oil prices.

Speaking to newsmen after the opening of the 21st International Union of Forestry Organisations (IUFRO) World Congress here, Lim said the four companies had failed to meet the 400,000 tonnes target he had recommended to be exported duty-exempted by end of last year.

Lim had represented Prime Minister Datuk Seri Dr Mahathir Mohamad in officiating the conference.

Asked on the number of exporters to be appointed, Lim would only say it would be higher than last year. To be grouped as a consortium, he said a few of them would likely be CPO refiners from Sabah and Sarawak.

Lim also said that Malaysia needed to fine tune its policy on export tax imposed on CPO or it might lose out its market share globally.

Malaysia, the largest producer of palm oil, produced 10.5 million tonnes of CPO in 1999.

CPO production in the first five months of this year had exceeded the amount produced in the same period of last year by over 150,000 tonnes.

In Jan-June 2000, palm oil prices hovered around RM1,050 to RM1,200 per tonne compared with RM1,473 per tonne in 1999. -- BERNAMA

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