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Mahathir-Sabah

SABAH'S RM20 BILLION REQUEST WILL BE LOOKED INTO

KOTA KINABALU, Jan 21 (Bernama) -- Datuk Seri Dr Mahathir Mohamad said today the federal government will look into Sabah's request for a RM20 billion allocation to finance its development under the Eighth Malaysia Plan (8MP).

The Prime Minister said the figure was 2.5 times more than the RM8 billion allocated before this.

"This we will look into according to our capability as well as the needs of other states...the needs of the federal government have also to be considered," he told reporters during a brief stopover here en route to Kuala Lumpur after a four-day visit to Osaka, Japan.

Dr Mahathir took the opportunity to meet Chief Minister Datuk Osu Sukam, several state cabinet ministers and elected representatives at the VIP Room of Terminal Two of the Kota Kinabalu International Airport, here.

Asked on the meeting, Dr Mahathir said they discussed among others Sabah's development allocation under the 8MP and several major projects, such as the pulp and paper mill and steel plant, which are in various stages of discussions.

Dr Mahathir was confident that the RM4.56 billion pulp and paper mill project in Kalabakan, Tawau would get off the ground as most of the key issues had been resolved.

The project will be a joint-venture involving Innoprise Corporation Sdn Bhd, Lion Management Sdn Bhd and China Fuxing Pulp & Paper Industries Ltd of China.

Asked about the project, Dr Mahathir said, "It's going on very well. There is only quite a minor issues to be settled and I think it can be settled...most of the issues have been settled."

Meanwhile, met by reporters later Osu expressed confidence that the agreement on the construction of the mill would be finalised soon.

Representatives from China are in Sabah to work out the details as there are several issues that they need to refer to their government.

"But, we are more or less have agreed on matters discussed," he said.

--BERNAMA

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