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AUSTRAL-CPO
AUSTRAL TO BUILD 2ND PALM OIL REFINERY IN S'WAK

KUCHING, July 8 (Bernama) -- A crude palm oil refinery complex costing RM50 million will be built at the Kidurong Industrial Area in Bintulu to enhance Sarawak's palm oil industry, said Austral Enterprises Bhd's managing director, Dr Radzuan Abdul Rahman.

The refinery, which is expected to be in operation in 2004, would be undertaken by a joint venture company, Austral Edible Oil, to be jointly owned by Austral and Lembaga Amanah Kebajikan Masjid Negeri Sarawak (LAKMNS).

This will be Austral's second refinery in Sarawak. Its first was built in Miri.

The second refinery complex would be strategically sited on an eight-hectare site near Bintulu Port where most of the oil palm estates are located along the Bintulu-Miri Road, Dr Radzuan said at the signing of a memorandum of understanding between Austral and LAKMNS here. It was witnessed by Prime Minister Datuk Seri Dr Mahathir Mohathir Mohamad, Sarawak Chief Minister and LAKMNS chairman Tan Sri Abdul Taib Mahmud and Austral chairman Datuk Mohd Zuki Kamaluddin.

Austral, a subsidiary of Permodalan Nasional Berhad (PNB), was represented by Dr Radzuan while LAKMNS, a welfare trust, was represented by Sarawak State Secretary and LAKMNS honorary secretary Datuk Amar Abdul Aziz Hussain.

Dr Radzuan said 60 percent of the CPO to be processed at the new refinery would come from 14 estates owned by Austral. The rest will come from government-owned and other privately-owned estates.

He said the refinery would initially have a daily processing capacity of 1,000 tonnes of CPO.

Dr Radzuan said Austral was the first company to have responded to the Sarawak state government's call to pioneer the establishment of estates in forested areas in 1980s.

To date, he said Austral had spent almost RM0.5 billion to develop 14 estates and three palm oil mills.

Austral provides jobs to 2,700 people in Sarawak and its estates cover 36,542 ha or 10 percent of the oil palm hectarage in the state. -- BERNAMA
CJ RDY SHY