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CHONG-STEEL

SABAH TO MEET CHINESE OFFICIALS OVER RM4.56 BLN PULP PROJECT

KOTA KINABALU, March 27 (Bernama) -- The Sabah state government will send a special delegation to China at the end of April as a last-ditch effort to negotiate on the proposed establishment of a RM4.56 billion joint venture pulp and paper mill in Tawau, said chief minister Datuk Chong Kah Kiat today.

He said he had instructed Sabah Foundation Director Tan Sri Khalil Datu Jamalul and representatives of the foundation's investment arm, Innoprise Corporation Sdn Bhd, to pursue the matter with the relevant authorities in China.

"They (Sabah delegation members) will sit down and discuss with their counterparts once and for all. We want to know whether China wants to proceed with the joint-venture or otherwise," he told reporters after chairing a weekly cabinet meeting at Wisma Innoprise here.

Chong was asked to comment on the latest developments following Prime Minister Datuk Seri Dr Mahathir Mohamad's statement recently that the project might be moved to another state because Beijing could not agree to the conditions set by the Sabah state government.

Chong said the Sabah state government had also requested Primary Industries Minister Datuk Seri Dr Lim Keng Yaik to lead the delegation.

"It is appropriate that we have a senior minister as it has federal implications because it is a mega project. We are going to hear from the Chinese's side on this," he said.

Asked on the conditions set by the Sabah state government, he said, "As far as we are concerned, we have conditions, all sorts of conditions." They include equity participation, management of the eco-system, environmental considerations, management and control. -- BERNAMA

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