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PM's visit a timely boost for gas project

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PRIME Minister Datuk Seri Dr Mahathir Mohamad's three-day visit to Thailand starting today is expected to provide a timely boost to the long overdue Thai-Malaysia Gas Pipeline project.

Petroliam Nasional Bhd (Petronas) president and chief executive officer Tan Sri Mohd Hassan Marican is in the delegation, and Dr Mahathir is expected to discuss the progress of the project with his counterpart Thaksin Shinawatra on Saturday.

Although the Thai Government had given approval in May for the project to start up, following a change in the US\$1.5 billion (US\$1 = RM3.80) pipeline's route, it is still opposed by affected villagers.

Thai media have in the past week been highlighting Dr Mahathir's visit, saying that the pipeline project was expected to a key discussion point in the bilateral talks.

Bangkok Post yesterday said the Malaysia-Thailand-Indonesia natural rubber pact and Thai-Malaysia border issues will also be raised.

Last week, the newspaper published an article saying that the Thai Government would reassure Malaysia of its commitment to proceed with the pipeline project when Dr Mahathir visits Thailand.

Thai Industry Minister Suriya Juengrungruangkij was quoted as saying Trans Thai Malaysia Co (TTM) - the PTT Plc-Petronas joint venture handling the project - has started negotiating the purchase of land from local residents

The pipeline and gas separation plant project, which is aimed at transporting and processing natural gas from the Joint Development Area (JDA), was agreed upon in February 2000.

Its construction has however been shelved for two years due to objections from environmental groups and local residents.

In addressing the concerns, the Thai Government has rerouted the pipeline by about 5km and directed that the landing site be relocated within a 5km radius of the originally proposed location.

Dr Mahathir's trip to Thailand begins with a visit to a ceramics plant and two other factories in Chiangmai. They are model Thai small- and medium-scale industries, and represent the country's "one tambon (village) one product" policy.

In the evening, Shinawatra will host a private dinner for Dr Mahathir at the Chiangmai University.

Dr Mahathir will leave for Bangkok on Saturday where he is scheduled to give a luncheon talk to Malaysian and Thai businessmen, followed by a bilateral meeting and an official dinner hosted by Shinawatra at the Government House.

The Prime Minister will return to Kuala Lumpur on Sunday morning.