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SEPA HAPPY THE RM4.56 BILLION KALABAKAN PULP MILL PROJECT MOVED

KOTA KINABALU, March 14 (Bernama) -- The Sabah Environmental Protection Association (Sepa) today welcomed the statement by Prime Minister Datuk Seri Dr Mahathir Mohamad that the proposed RM4.56 billion pulp and paper mill joint-venture project in Kalabakan, Tawau may be moved to another state.

Sepa secretary-general S.M.Muthu said that it hopes the decision to withdraw from the joint-venture project would be formalised and immediate action taken to cease all activities occurring in the area.

"Steps also need to be taken to rehabilitate the affected areas that have been clear-felled or devastated through improper felling," he said in a statement issued here.

Sepa said this in response to local media reports quoting Dr Mahathir as saying that the project may be moved to another state because Beijing could not agree on the conditions set by the Sabah government.

The prime minister also said that the federal government would have to respect Sabah's stand in not budging an inch on the conditions because it had been entrusted to protect the interests of Sabah and its people.

Dr Mahathir was quoted as saying this in a special interview with editors and senior journalists from seven major Chinese newspapers at Putrajaya recently.

In August 1996, Sabah signed several memorandums of understanding (MoUs) with Chinese Fuxing Pulp and Paper Industries Ltd on the project.

-- BERNAMA

HAK RM