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FELCRA-PLANT

FELCRA BUILDING RM100 MLN PALM OIL REFINERY PLANT IN DUBAI

KOTA BAHARU, Oct 18 (Bernama) -- Felcra Bhd is in the process of building a RM100 million palm oil refinery plant in Dubai as part of its plans to spread its wings overseas.

Its chairman, Datuk Hamzah Zainuddin, said he had discussions with several companies in Dubai on the construction of the plant which would be the first owned by Felcra overseas.

"Our discussions began three months ago and hopefully by early next year, we can proceed to exporting crude palm oil and processing it there (Dubai)," he said after officiating Felcra's family day here today.

He said that initially, Felcra had received the green light from Prime Minister Datuk Seri Dr Mahathir Mohamad to build the plant in Oman but after a review, Dubai was found to be a more strategic re-export hub.

Hamzah said West Asian countries not only want Malaysia to continue to export CPO but to help build refinery plants in their countries.

He said if it was possible, these plants would also be build in Pakistan and India.

"This would enable us to carry out downstream activities and market the end products in the region," he said.

He revealed that Felcra do not own as refinery plants in Malaysia as there were many refineries owned by the private sector.

"We only produce crude oil and it is basically for the domestic market. The amount we export is very minimum," said Hamzah.

"If we were to sell refined oil, we have to use other people's refinery and the cost would have been too high then."

When asked when Felcra would be listed on the Kuala Lumpur Stock Exchange (KLSE), he said it was up to the government.

"The government owns Felcra. If it were to be listed on the KLSE, then it is the government's wish and strategy," he said.

On the dividends, he hoped it would be higher this year compared to last year.

Hamzah said the dividends paid out by Felcra last year to its 85,000 members was RM200 million.

Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi had earlier urged Felcra to help its members and those living in the rural areas to earn extra income.

When asked what measures Felcra had taken, Hamzah said efforts were being made to locate strategic locations in order to set up small and medium-scale industry nationwide to help these people.

"We are not looking at only planting padi but to see what else can be produced from padi," he said.

"For areas suitable only for planting fruits, we plan to set up factories to process these fruits so they can be exported."

Hamzah said the time was ripe for Felcra to help its members look for new sources of income instead of relying only on padi, rubber and oil palm.

He said Felcra had also ventured into breeding fresh water fish and tiger prawns in Johor, Penang and Sabah. -- BERNAMA

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