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Malaysia and Poland ink deal for 48 PT-91 tanks

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KUALA LUMPUR, Fri. - Malaysia and Poland today signed a RM1.4 billion contract for 48 PT-91 main battle tanks today.

The contract includes the export of palm oil, rubber and other local goods to Warsaw in exchange for military technology and training.

Defence Minister Datuk Seri Najib Tun Razak described today's ceremony as a landmark in relations between both countries, attributing it to Prime Minister Datuk Seri Dr Mahathir Mohamad's visit to Poland in March last year.

"There will be an economic offset reaching up to 60 per cent, where 30 per cent of the total value will be in the form of exported commodities and the rest in transfer of technology," he told a Press conference after the signing ceremony.

Due to the huge amount involved, Najib said payments to Poland would extend into the Ninth Malaysia Plan, which was expected to start in 2006.

Najib had earlier witnessed two signing ceremonies, the first between the Defence Ministry and FTE Bumar Limited, manufacturer of the PT-91 tanks, and the second was an industrial cooperation agreement between MMC Defence Sdn Bhd and FTE Bumar.

Ministry secretary-general Tan Sri Hashim Meon represented the Government in the first ceremony, while MMC Defence's chairman Tan Sri Azizan Husain signed the second.

Poland's delegation was led by Defence Minister Jerzy Smajdzinski, FTE Bumar president Roman Baczynski, FTE Bumar director-general Artur Trzeciakowski and secretary of state for the Polish Treasury Andrzej Szarawarski.

Najib announced that Malaysia would buy 48 tanks and 14 support vehicles such as recovery vehicles.

"The first will arrive in February 2006 and the final batch exactly a year later."

It was learnt that in terms of breakdown, the first batch would comprise nine tanks, followed by 12 units in May, nine in August, three in November and 15 for the final batch in January 2007.

MMC will acquire the necessary technology related to the maintenance, local assembly and logistics support for the tanks through a transfer of technology programme.

Najib said 150 military officers would be sent to Poland from next month to learn how to operate the tanks, which was an upgraded version of the Russian-made T-72 main battle tank.