

Putrajaya hopes ECRL deal promotes palm oil exports

PM says we will take advantage of the agreement to work out the purchase of more palm oil by China

by ALIFAH ZAINUDDIN

MALAYSIA will leverage on the renegotiated East Coast Rail Link (ECRL) deal to get China to buy more palm oil from the country.

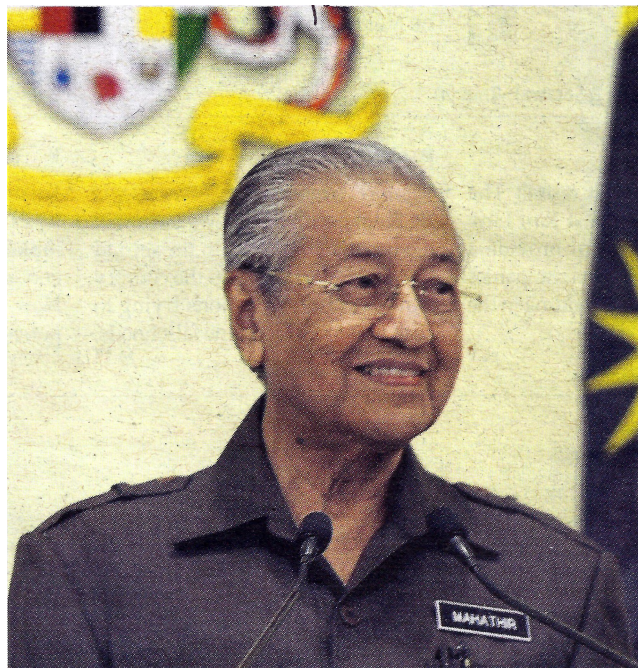
Prime Minister (PM) Tun Dr Mahathir Mohamad said while there is no direct link between the rail project and other issues, Malaysia will take advantage of the agreement to work out the purchase of more palm oil by China.

"That will happen," Dr Mahathir said at a news conference in Putrajaya yesterday.

Tun Daim Zainuddin, the country's lead negotiator on the ECRL, recently announced the ECRL would continue at a lower cost of RM44 billion compared to the original cost of RM65.5 billion.

He emphasised the renegotiation on the rail link did not touch on other matters such as palm oil.

Primary Industries Minister Teresa Kok, on the other



Pic by Ismail Che Rus

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hand, expressed hope that Dr Mahathir will raise the topic of palm oil exports to China at the One Belt, One Road summit in Beijing later this month.

It was previously reported that renegotiation of the ECRL may include a commitment from the Chinese government to purchase more Malaysian palm oil and direct more Chinese investments into Malaysia.

In March, the government revealed that China had agreed to bump up its palm oil purchase by 50% to around 4.7 million tonnes.

Malaysia exported 3.07 million tonnes of palm oil and palm products, worth a total of RM8.38 billion to China in 2018, up 7.3% from 2.86 million tonnes worth about RM9.39 billion in 2017.

China is Malaysia's third-

largest export market for palm oil after India and the European Union.

Dr Mahathir also shot down rumours the new ECRL deal had also involved efforts to extradite fugitive businessman Low Taek Jho, popularly referred to as Jho Low.

"It has nothing to do with Jho Low. But of course, we will seek the help of the Chinese government, if at all, he is in China," he said.

Several news outlets have claimed that Jho Low is being harboured in mainland China. The financier is wanted for his role in the multibillion-dollar scandal of the state investment fund 1Malaysia Development Bhd (1MDB).

Jho Low has been identified by investigators in Malaysia and the US as a key figure in the 1MDB case. Local authorities have issued an arrest warrant for Low, but his whereabouts remain unknown.

Malaysia has applied for an Interpol red notice to seek assistance from the United Arab Emirates, Indonesia, India, Myanmar, China and Hong Kong to detain Low.

The 37-year-old, whose Malaysian passport has been revoked, has denied any wrongdoing.