

## Press Clipping

Port Klang Free Zone

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PORT Klang Free Zone (PKFZ), a multi-billion ringgit Government commercial and industrial free zone, is keen to attract local investors to set up their businesses there.

This is contrary to a popular notion that PKFZ only prefers foreign investors.

PKFZ director Tan Sri James Alfred said the company did not have any ideal ratio for the number of local investors against foreign ones.

"It is on a first come first serve basis," he told *StarBiz*.

He said local companies would be given the same incentives as the foreign investors. This included export incentives, research and development assistance and investment tax allowance.

"This is an advantage, especially for export-based local companies.

More importantly, the locals can take advantage of PKFZ's location in Pulau Indah, Port Klang, adjacent to Westports and Northport, two of Malaysia's best ports in terms of efficiency and connectivity to-date.

"PKFZ is also well linked by land and air.

"Malaysian investors can reduce 80% to 90% of their transportation costs and travelling time to and from the ports although they have licensed manufacturing warehouses (LMW) elsewhere," he said.

LMW status permits raw materials, components and machinery used in the manufacturing process to be exempted from import duties and sales tax.

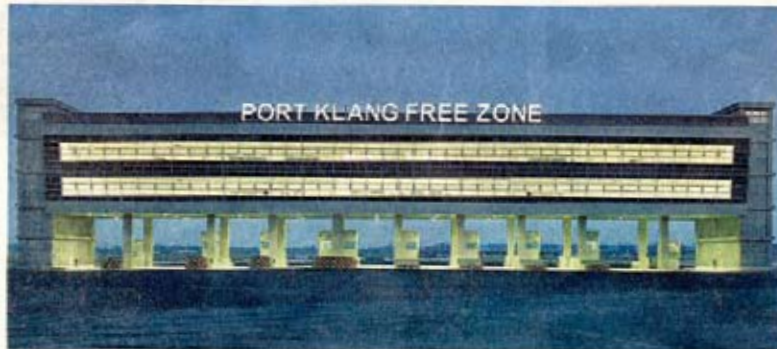
Moreover, Alfred said, the local companies could explore new business opportunities with the foreign multinationals there.

Alfred, who is also Federation of Malaysian Manufacturers of Selangor chairman, said that as an industry representative on PKFZ's board, he was confident the project would provide a conducive business environment to investors.

"PKFZ offers three business infrastructures - build and lease for light

# Port Klang Free Zone seeks local investors

They will enjoy same incentives as foreign companies



PKFZ Customs Complex of ten lanes



Tan Sri James Alfred

industrial units, lease and build for open land as well as office units in our office complex.

"In addition, our lease agreements that range from one to 30 years are flexible for any kinds of businesses," he said.

Alfred said PKFZ was in the midst of developing a one-stop centre to facilitate a shorter time frame for business approval.

"We plan to place all related Government agencies at our one-stop centre in PKFZ," he said.

Although the one-stop centre has yet to be established, PKFZ had proven itself capable of accommodating the setting up of foreign companies at the zone in three days.

"Additionally, we will also have

»PKFZ is well linked by land and air«

TAN SRI JAMES ALFRED

banks, clinics and a supermarket outside the free zone in PKFZ for the convenience of our tenants and people in Pulau Indah," he said.

Alfred denied that PKFZ was deemed a loss-making entity due to its assumed cost overruns.

"At the end of the day, the 1,000-

acre land still belongs to the Government.

"After just a year in operation (as at November 2007), PKFZ has managed to attract 39 investors with RM729.4mil worth of investments," he said.

PKFZ's key performance indicators stated that it would be self-sustained operationally in three years and achieve an 80% occupancy rate by 2012.

Alfred said PKFZ would not only be an economic powerhouse but also spur spin-off effects in the surrounding businesses and community.

"It will create many job opportunities and public facilities for the people of Pulau Indah. As the number of workers increase, it will revive

many of the abandoned housing projects there.

"The ports, haulage and other supporting businesses will be able to service multinational needs in PKFZ," he added.

Alfred said PKFZ had not lost any credibility to market and manage the project successfully despite the dissolution of the management agreement between Jebel Ali Free Zone Authority and the zone.

He stressed that PKFZ was not a white elephant.

"The KL International Airport, Proton, Westport and Port of Tanjung Pelepas were deemed to be white elephants before.

"Look at where they are now. They are very successful projects," he said.