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Port Klang Free Zone to open ahead of schedule

By Surin Murugiah, 07 Dec 2005 7:56 PM

Port Klang Free Zone (PKFZ), the country's first fully integrated free commercial and industrial zone, will be open to investors about a month ahead of schedule in June next year.

PKFZ, modelled after Dubai's Jebel Ali Free Zone, is designed by JAFZA International, the consulting and management division of Jebel Ali Free Zone Authority. JAFZA will also be managing PKFZ when it is operational.

JAFZA director of international operations Chuck Heath said construction work at the site has been progressing smoothly.

He said the project, which was 74% completed, was slightly ahead of schedule.

Speaking to reporters at a media briefing in Petaling Jaya on Dec 7, Heath said JAFZA was in active negotiations with 33 companies from around the world as potential operators in the zone.

"To have 33 companies engaged in active discussions six months before commencing operations is encouraging. Several of them are in the final stages of talks and we hope to sign on a European multinational soon," said Heath.



(From left) JAFZA International's head of business development Samir Chaturvedi, Heath, PKFZ chairman Loh Chew June and Datuk Ahmad Bhari Abd Rahman chatting after the media briefing

He added that the companies included seven from Dubai and 23 from other countries.

Heath said the initial challenge for PKFZ was in creating global awareness but JAFZA had taken steps since November to intensify marketing activities.

"It will be a highly concerted effort over the next twelve months to promote it," he said.

Commenting on the success rate of such marketing efforts, Heath cited Jebel Ali's example, where the number of companies had multiplied from 50 in the first five years to some 5,000 after 20 years.

PKFZ chairman Loh Chew June said PKFZ would enhance Port Klang's position as the National Load Centre.

He said the appointment of JAFZA demonstrated the government's commitment to make PKFZ a successful catalyst for economic growth not only in Port Klang but also the entire Selangor coastal region.

PKFZ will have prepared industrial sites on which tenants can design and build light industrial units for factories or warehouses and office space at the PKFZ business complex.

The zone would also have other amenities like banks, post office, food court, parking complex as well as on-site customs and immigration facilities.

Among the incentives for companies in PKFZ are tax exemption on statutory income and capital expenditure, double deduction on certain export and research and development expenses as well as 100% profit repatriation.

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