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Port Klang Free Zone Woos More Oil And Gas Firms

From Umi Hani Sharani 

SAN JOSE (US), April 17 (Bernama) -- The Port Klang Free Zone (PKFZ) aims to attract more downstream oil and gas companies to invest in its facilities, especially since the industry is considered untapped in the Asia Pacific region, according to its sales and marketing assistant general manager, Azizul Annuar.

He said companies supplying products for offshore operations in the region will save more in terms of time, cost as well as port facilitation process should they operate out of PKFZ, which is owned and developed by the Port Klang Authority.

"The oil and gas industry is still considered untapped in the Asia Pacific and we want to take advantage of that by having overseas companies operating in the region through us," he told Bernama on the sidelines of Malaysia's trade mission to the United States.

The mission, led by International Trade and Industry Minister Datuk Seri Rafidah Aziz, began on April 8 in Miami, Florida, before going to Minneapolis in Minnesota. San Jose in California is the final stop.

Azizul said PKFZ, which started operations late last year and already has one oil and gas company as an anchor tenant, currently has 22 firm contracts with international companies using warehouses, assembly plants, manufacturing plants and other facilities at the zone.

PKFZ is an integrated 1,000-acre (405 ha) international cargo distribution and consolidation centre at Pulau Indah and is designed to promote entrepot trade and manufacturing industries involved in producing goods primarily for export.

"We believe there is a lot of potential in the oil and gas industry in the Asia Pacific, especially near the PKFZ. Being at PKFZ will enable companies to supply products for offshore operations in a shorter time," he added.

According to Azizul, PKFZ has already identified four Houston-based oil and gas companies, and two of them are interested to invest in Malaysia while a Minneapolis-based coating manufacturer is expected to invest about US\$3-5 million (US\$1 = RM3.43) in the next three months at the free zone.

"We are also trying to get a San Jose-based medical devices producer to be at PKFZ as it is striving to penetrate the Asian market," he said.

He said the company is ready to invest US\$7-10 million in up to five acres (two hectares) of land in PKFZ and is looking for a local joint venture partner to produce the medical devices.

Azizul said PKFZ's target is for around 70 percent foreign direct investment and gradually attract multinational companies to operate out of the free zone.

Besides oil and gas, he said, PKFZ is also looking to encourage investments in sectors such as logistics, assembly, automotive, pharmaceuticals, engineering, fabrication and petrochemicals.

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