

POIC LAHAD DATU

***Your* Global Investment Hub**

**POIC as a catalyst for the development of
Sabah and for BIMP-EAGA**

ROSE PUN

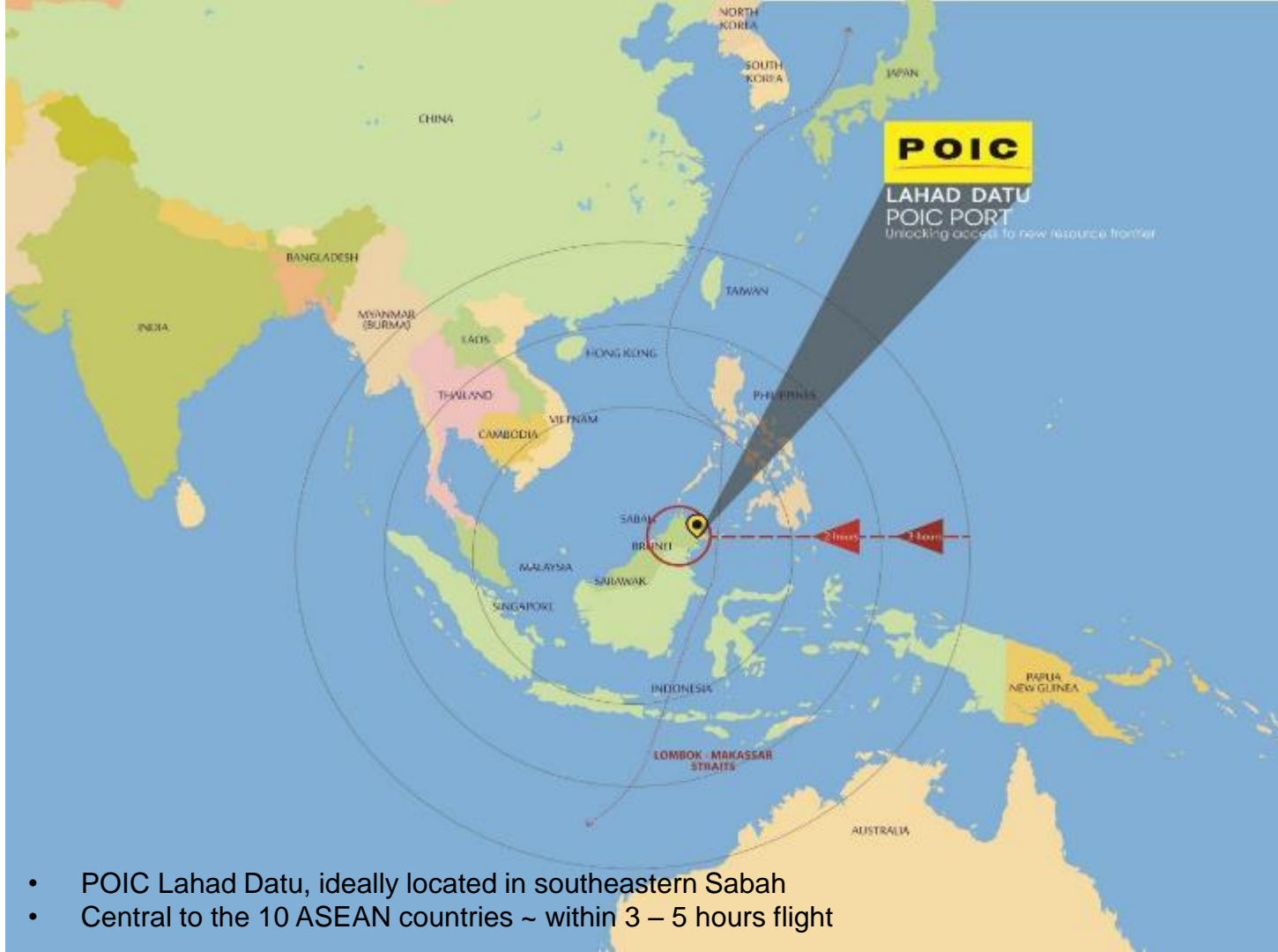


Presented at :
10th Philippine Ports and Shipping 2019
Sofitel Philippine Plaza, Manila
19 February 2019

Introduction

- **Part 1 - About our company ~ POIC Sabah Sdn Bhd**
- **Part 2 - description of the POIC Port Infrastructure**
 - **a catalyst for development of Sabah and BIMP-EAGA**

This is the second time POIC is presenting our port infrastructure in an international conference.



- POIC Lahad Datu, ideally located in southeastern Sabah
- Central to the 10 ASEAN countries ~ within 3 – 5 hours flight

Part 1 : The Company ~ POIC Sabah Sdn Bhd

Background

- Setup in January 2005.
- Wholly owned by the state Government of Sabah under the purview of the Ministry of Industrial Development
- Responsible for establishing an industrial park – POIC Lahad Datu and providing necessary infrastructures - basic and specialized infra (Port & logistics)
- 4,400 acres of **integrated industrial complex** designed to cater to light, medium and heavy industries
- Catalyst – in spearheading the State industrialization effort starting with PO
- Encouraging other downstream activities such as O&G, food aquaculture & agriculture & supporting industries
- Bridge between private and public sectors in realizing industrial potentials.

WHY LAHAD DATU, SABAH?

- **Access to raw materials**
- **Natural deep sea port**
- **Location advantages**
- **Strategic shipping route**





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ACCESS TO RAW MATERIALS – located in the middle of the largest oil palm plantation region in Malaysia & very close to key producing areas of East Kalimantan & Sulawesi

At the vicinity of:

- ❑ 1.55 million hectares oil palm plantation(27%)*
- ❑ 130 CPO mills (28.9%)*
 - i. 37 mills within 50 km radius
 - ii. 85 mills within 100 km radius
 - iii. 113 mills within 150 km radius
- ❑ 14 palm oil refineries (27%)*
- ❑ 14 Palm kernel crusher
- ❑ 5.21 million tonnes of crude palm oil (CPO) production (30%)*
- ❑ 0.611 million tonnes of PKO
- ❑ 0.69 million tonnes of PKC
- ❑ 28 million dry tonnes of solid palm biomass.

Distance From Major Cities in Sabah To Lahad Datu		
		
KK	55 min	6 ½ hrs
TWU	-	2 hrs
SDK	-	2 ½ hrs

POIC Port area ~ Natural Deep Sea Port (20 meter) ~ one of the best natural harbours in the world ~ able to receive large commercial ship



20,000 acres
of land along
the
COASTLINE

Surrounded by
existing cluster of
POM & key PO
industrial
players

Deep &
Sheltered
Harbour –
20 meter

Sakar island –
NATURAL
Break Water

Sakar Island

POIC has the geographical *advantages*



BIMP-EAGA: East ASEAN Growth Area

B Brunei
I Indonesia
M Malaysia
P Philippines

Key Industries
Energy, transportation, fishing, agriculture

Proximity to Regions with large population

Population
60 million

an ideal international Transshipment Hub

Deep Sea port

Proximity to Resourceful BIMP-EAGA region

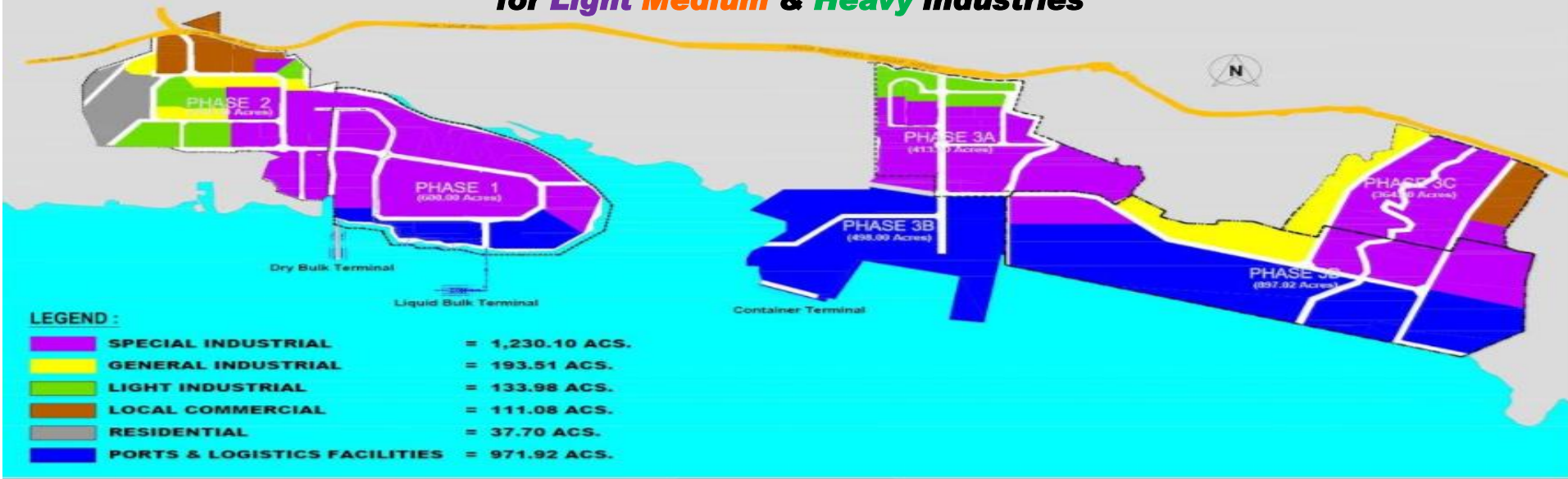
Untapped Shipping route

Centrality to SEA & ASEAN – leveraging & capitalizing our geographical location for logistic advantages

Part 2 – POIC's Port Business Model

- **Most concentration of port infrastructures in one location in Sabah ~ liquid, dry bulk, barges, containers**
- **POIC Port is designed to be the logistics distribution, bulk breaking hub**
- **The whole idea of building POIC port is**
 - ~ **is to transform Sabah into an industrialized, high income, developed economy (apart from social & political reason)**
 - ~ **to open up the potential of Sabah and the BIMP-EAGA region, to bring greater economic activities**
- **POIC ~ aims to create industries and build cargo**
- **For the purpose of getting started in industrializing Sabah, we are starting with palm oil and palm biomass sector**
- **Palm oil → 6 million MT**
- **Palm biomass → 30 million MT dry biomass**
- **Converting PO into high value added products ~ biochemical product**
- **Require container - without a container port we cannot go into higher value palm based products e.g oleochemical, biochemicals**

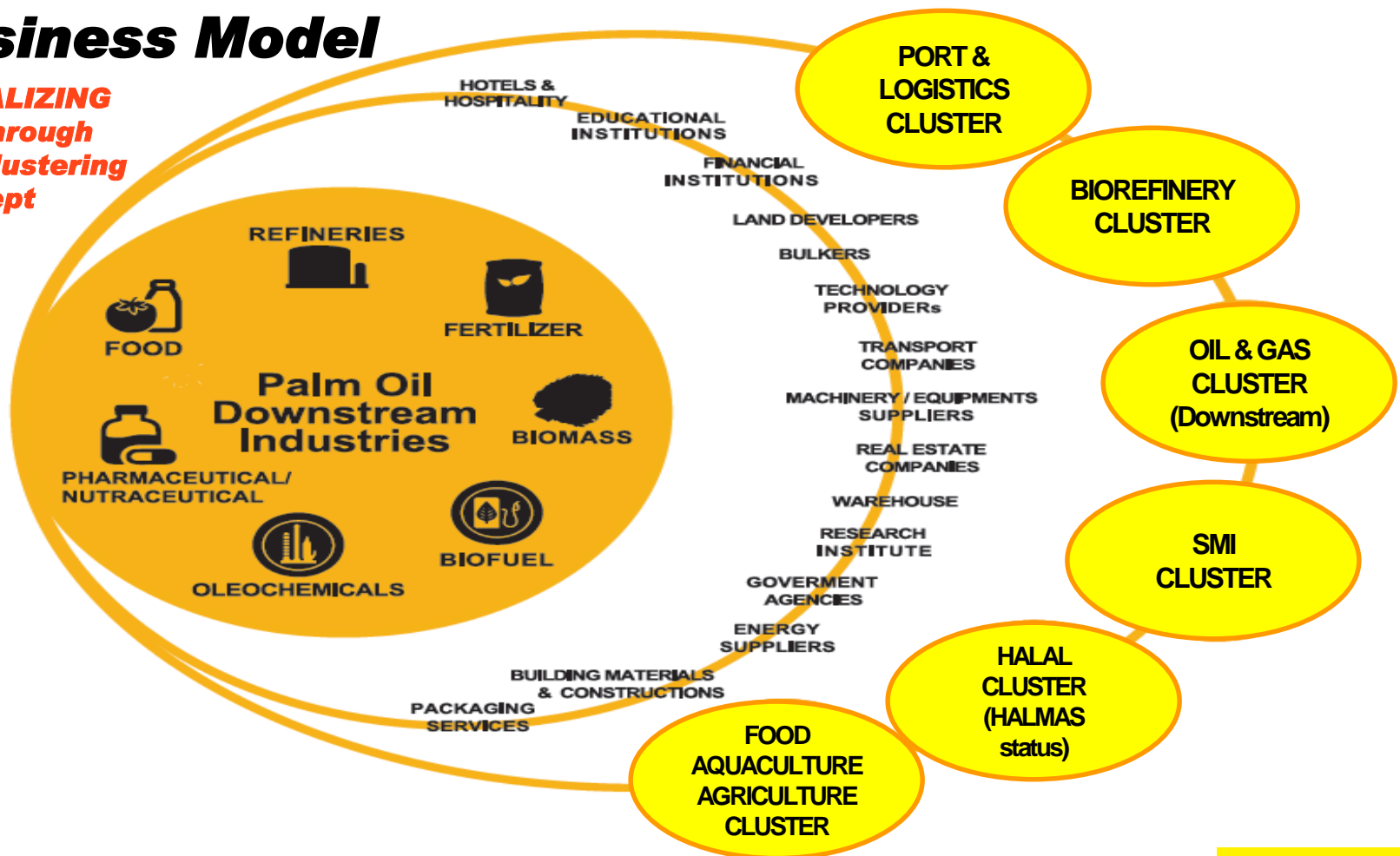
Large industrial area for development designed to cater for Light Medium & Heavy industries



Phase	Land Area	Activities	Status
1	600	Liquid based, bulking, port & logistics, supporting industries	Developed
2	550	Fertilizer, supporting industry, commercial, residential, port & logistics	Developed
3A	413	Biomass, bio-refinery cluster, SMI, supporting industry, warehouse, port & logistics	Developed
3	2,837	Bio-refinery, ship building & repair, food, port & logistics, SMI, commercial, supporting industry	Future development

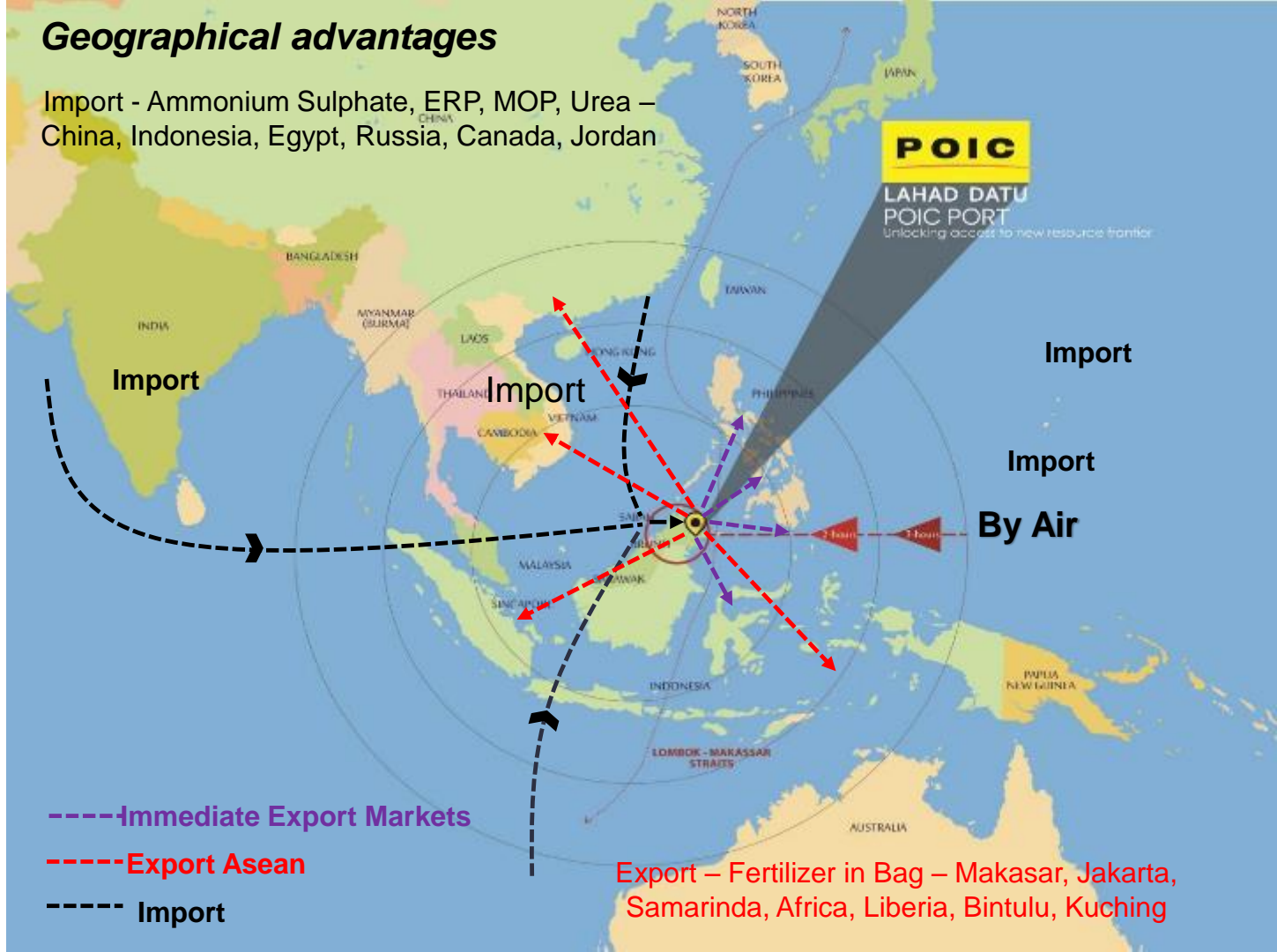
Our Business Model

**INDUSTRIALIZING
SABAH Through
Industrial Clustering
Concept**



Geographical advantages

Import - Ammonium Sulphate, ERP, MOP, Urea –
China, Indonesia, Egypt, Russia, Canada, Jordan





Agri Borneo Fertilizers Sdn Bhd



Behn Meyer & Co (M) Sdn Bhd



Hextar Solutions Sdn Bhd



Felda Agricultural Services Sdn Bhd

Largest Fertiliser Cluster

1.3 million MT
Combined Capacity at
POIC Lahad Datu



Union Harvest (East Malaysia) Sdn Bhd



Sabah Softwood Hybrid Fertilizer Sdn Bhd



Perkasa Bahagia Sdn Bhd



Wilmar Fertilizer Malaysia Sdn Bhd

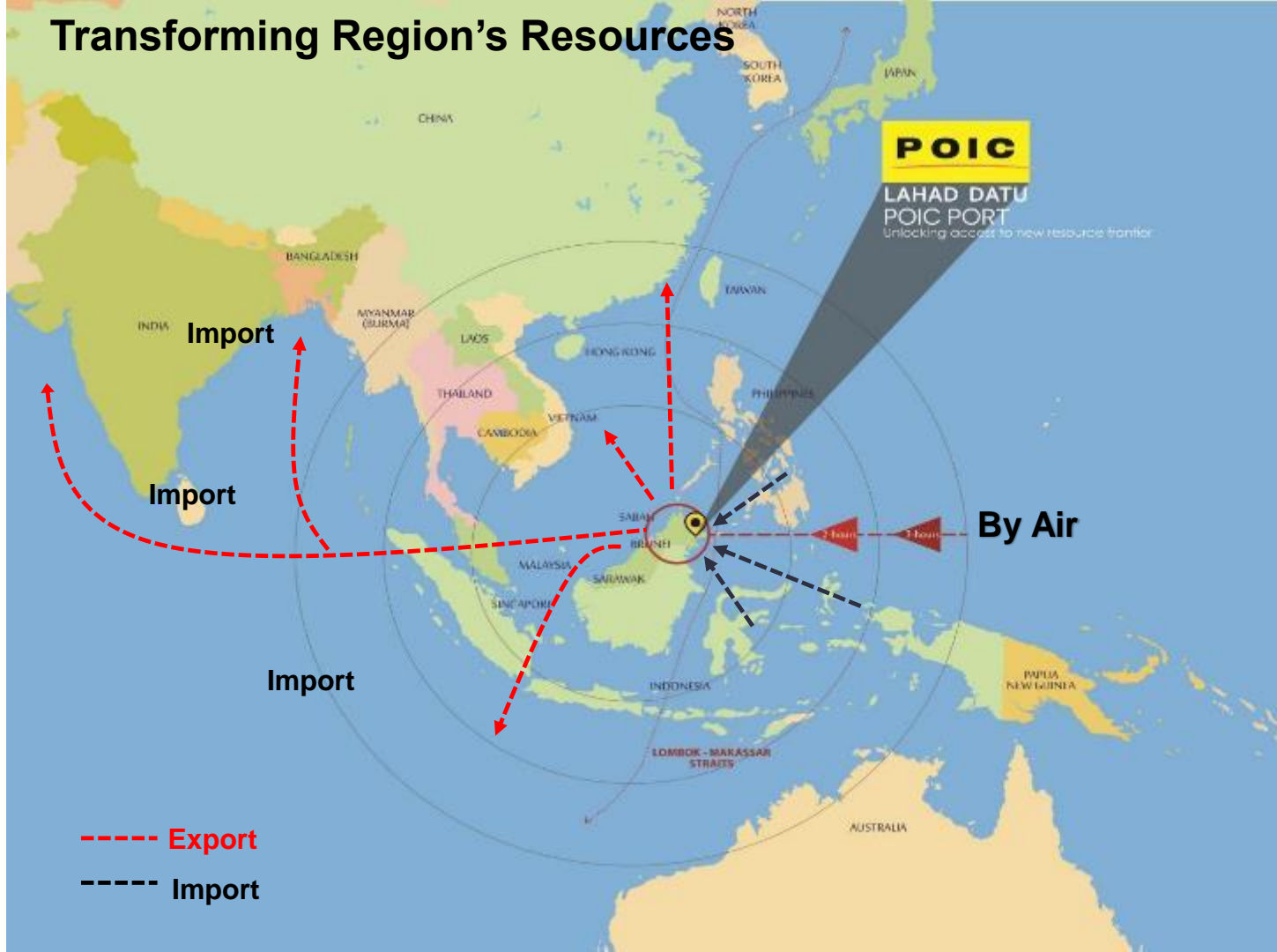


Bulkchem Logistic Sdn Bhd

❖ **Sunnite Timur Sdn Bhd**

❖ **Excelwin Biotech Sdn Bhd**

Transforming Region's Resources



RESOURCE POTENTIALS OF THE BIMP-EAGA REGION

OIL PALM PLANTATION AREA

INDONESIA 12.0 MIL HA

MALAYSIA 5.7 MIL HA

SABAH 1.6 MIL HA

Total: 19.3 MIL HA

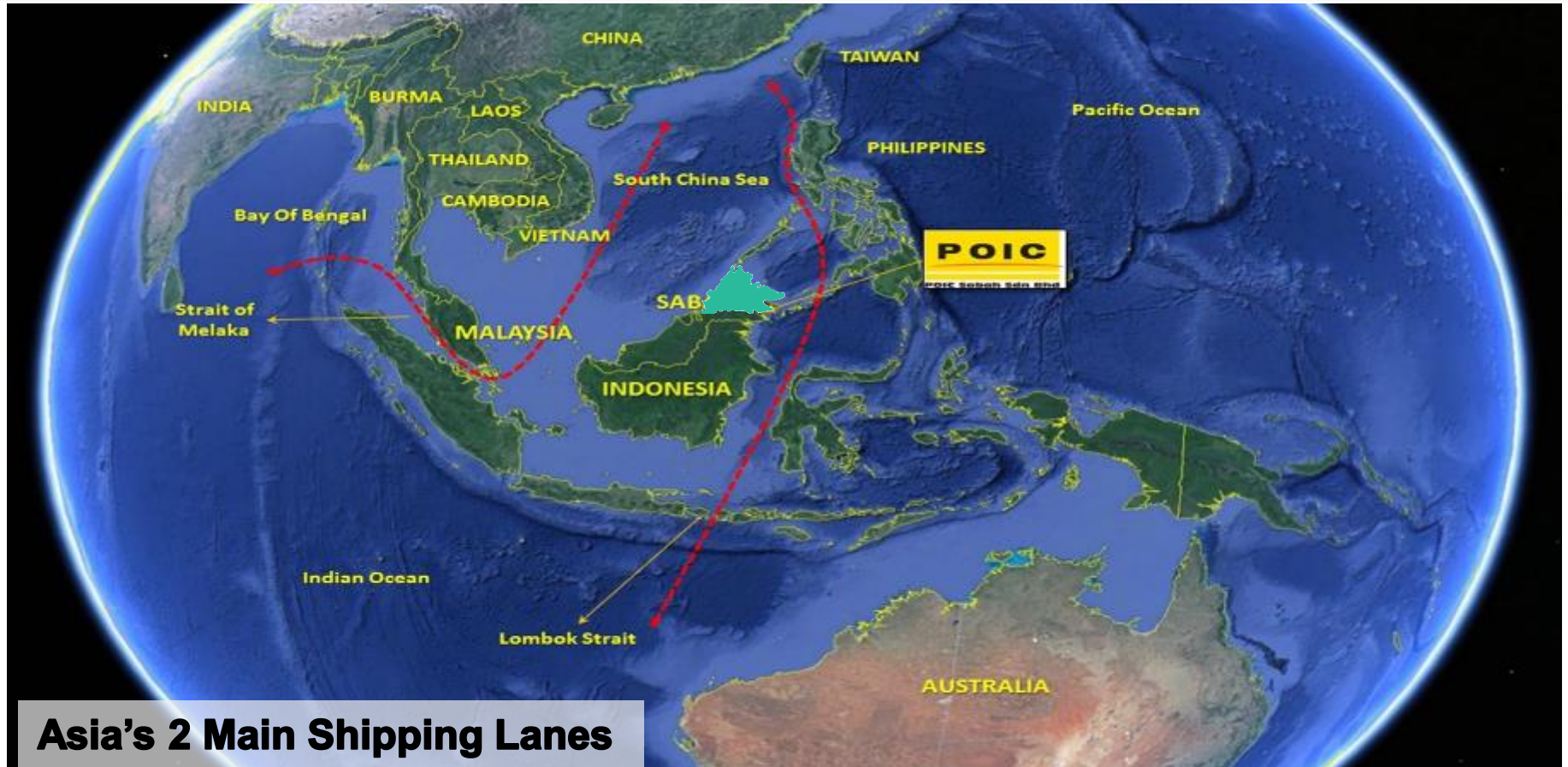
-  OIL PALM
-  FISHERIES
-  MINERALS
-  PETROLEUM

POIC Port & infrastructures (Warehousing, tank terminals & industrial land) ~ explore the possibility to source, consolidate and add value to Asia's last major resources rich frontier of Sulawesi, Kalimantan, Irian Jaya, PNG and the Southern Philippines.



POIC PORT

- Situated in the most direct shipping route from Australia to China, Japan, Hong kong, Korea and Taiwan
- Capture logistics potentials of the **Lombok – Makassar Straits** as Malacca Straits is to Singapore



POIC Port Infrastructure

Dry bulk terminal

Max Vessel – 40,000DWT

**Transfer
Tower**

**2-Bulk Un-
Loader Crane**

**Barge
Berth**

**Berth #2
Draft 10.8M**

**Berth #4
Draft 10.8M**

**Conveyor
on Gantry**

**Berth #1
Draft 12.8M**

**Berth #3
Draft 12.8M**

Storage:

- Warehouse Bulk Cargo/Bagged fertiliser
- PKE/PKS warehouse

FERTILIZER HANDLING

Conveyor



Grab & Hopper



Loose Bags



Weighbridge 60 ton



POIC

POIC Sabah Sdn Bhd

Liquid bulk terminal

Allows direct pumping by shipper via interchange

- Cargo Handling: 10 inch pipelines – Five
- Air Compressor – 14 bars capacity for pigging pipeline
- Hot Water Boiler for pipe cleaning
- Pipeline & Interchange Facility



Bulking Installation



Tank size	Tank material	Tank Dimension		Coating		Heating Coil			Insulation
MT		Overall Height (M)	Diameter (M)	Internal	External	YIN	Material	Stirrers	
2,000 x 10	MS	22.86	11.64	Yes	Yes	Yes	SS	Yes	No

BARGE BERTH



**Berth 1 – Draft 5M
[Max Vessel – 8,000DWT]**

Dedicated berth for barges to discharge:

- Heavy project cargo
- Bulk raw materials
- Sand, Gravel
- Export of bagged fertilizers

POIC CONTAINER TERMINAL

- **Ship design capacity up to 65,000 DWT**
- **Design Capacity ~ 250,000 TEU's**
- **Phase 1- to handle 50,000 TEU's per year**

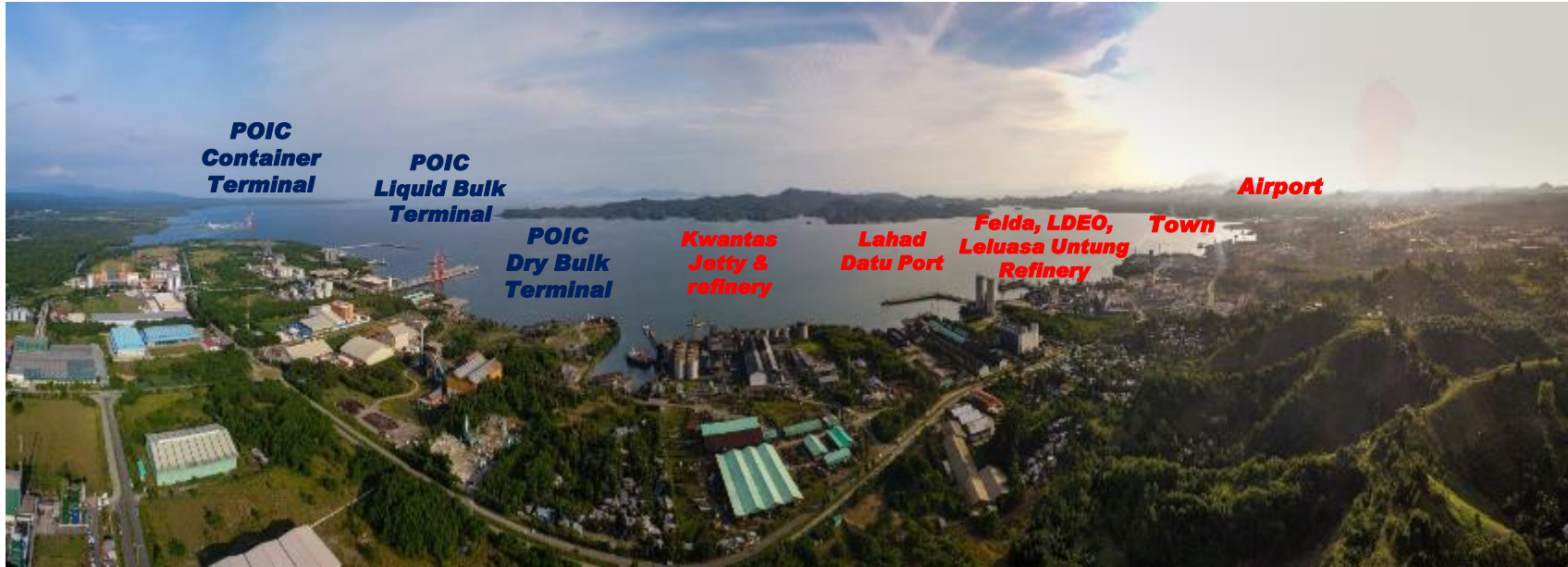
BERTH NO	LENGTH	DRAFT (M)	MAXIMUM VESSEL SIZE (DWT)
1	308	15	65,000

STORAGE FACILITIES	NO. OF GROUND SLOTS
Inbound yard	624
Outbound yard	624
Empty container yard	232
IMDG yard	85
Reefer yard	34



OUR PROGRESS AND WHERE WE ARE TODAY...

POIC LAHAD DATU ~ An Emerging Port City



Thank You



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