FGV Eyes Opportunities in ECRL Project

ECRL Project Team Visits FGV Logistics Facilities in Kuantan Port

Felda Global Ventures Holdings Berhad (FGV) is keen to offer its expertise in providing an integrated logistics services with parties involved in the development of the East Coast Rail Link (ECRL) project.

FGV Group through its Logistics & Others (LO) Sector recently invited a delegation from ECRL to visit its Felda Transport Services Kuantan Depot Open Yard Facility and Felda Johore-Bulkers Kuantan Warehouse in Kuantan Port, near Gebeng.

FGV's Officer-in-Charge Dato 'Khairil Anuar Aziz said since ECRL's construction would be based in Kuantan before being expanded to Kelantan and Selangor, FGV has the advantage to provide logistics services for the project as its facilities are either in or close to Kuantan Port.

"We are looking to support the project in terms of providing transportation services to carry equipment and building materials along the entire stretch of the ECRL project. We can be amongst the one-stop logistic centres for the project.

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projects

“FGV has the experience and a proven track record in its ability to provide integrated logistics services such as for the Mass Rapid Transit (MRT) and other mega infrastructure projects,” Dato’ Khairil said, adding that it is estimated that 10% of the seven-year construction period of the ECRL project would involve logistics support.

FGV’s Officer-in-Charge Dato ‘Khairil Anuar Aziz receiving delegation from ECRL to visit its Felda Transport Services Kuantan Depot Open Yard Facility

In announcing the high-impact ECRL project under the 11th Malaysia Plan (RMK-11) involving the construction of a 688 kilometre rail track, the Government has also expressed its commitment to provide opportunities for local companies and local contractors.

Dato’ Khairil said while the Plantation and Sugar Sectors remain as core businesses for the Group, the expansion in the LO Sector will provide a good supplementary income to the Group.

“There is great potential for FGV’s logistics business to expand both locally and overseas and one of them is through strategic collaboration with leading companies in the related industry.

“This will generate more stable income to FGV and reduce dependency especially on the Plantation Sector and indirectly provide sustainable returns to shareholders,” he added.

Earlier this year, FGV had structured its business into three main sectors, Plantation, Sugar and LO to streamline the management process and increase accountability, aimed at improving operational and management focus, and enhancing clarity and reporting accountability. This will also drive greater synergies by grouping like businesses under a fully integrated value chain.

Currently the FGV logistics businesses include multi-modal transport operations (MTO), freight forwarding, cargo transport, bulk storage tank, warehousing and operation of liquid terminal operations at the port.

In terms of logistics assets, FGV has nearly 500 trucks, 15 transport hubs, two warehouses, two jetty and nine bulking facilities with a total capacity of over 900,000 MT.

“At the global front, FGV’s joint-venture with the Westbury Group, Pakistan to expand an additional 38,000 MT storage tank capacity in Port Qasim is on track with some 15,000 MT completed in May. Insya-Allah, the entire project will be completed by the end of the year. Similarly, we are also looking at opportunities for such collaborations in Indonesia.

“We are on the right track to strengthen our logistics business. FGV will continue to explore opportunities and potentials available to enhance the Group’s future earnings,” he said.

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