RM25 million kenaf plant to start operations in 2019

January 23, 2018, KOTA BHARU: A RM25 million kenaf processing plant belonging to the National Kenaf and Tobacco Board (LKTN) is expected to begin operations in early 2019.

“The factory, located in the Saujana Furniture Industrial Park in Setiu, Terengganu, is in the final stage of completion and only awaits the delivery of the kenaf processing machines.

“With this new factory, more semi-finished kenaf-based products can be produced,” LKTN Director-General Samsuddin Noor told reporters after attending the LKTN’s Corruption-Free Programme oath-taking ceremony yesterday.

He said acreage of land dedicated to kenaf farming has expanded to 2,200 hectares and more parties are expected to take up kenaf cultivation.

Under the Kenaf Industry Master Plan, LKTN targets 2,000 hectares of kenaf cultivation from smallholders, with additional farming coming from the private sector.

“This is the correct time to grow the kenaf sector into a large-scale industry as the value chain for this sector is almost complete.

“Kenaf is a source new economic growth for the nation with strong global demand. Based on last year’s sales of RM2 million, we expect 2018’s sales to reach RM3 million to RM5 million,” he said. — Bernama