

MAHATHIR - ASEAN

78 (2)
KUALA LUMPUR, JUNE 7 (BERNAMA) — MALAYSIA'S US\$230 MILLION UREA PROJECT IN BINTULU — ONE OF THE FIVE ASEAN INDUSTRIAL PROJECTS — WILL COME ON STREAM IN 1983 NOW THAT IT HAS BEEN ACCEPTED BY THE ASEAN NATIONS WITH SLIGHT MODIFICATION, DEPUTY PRIME MINISTER DATUK SERI (DR.) MAHATHIR MOHAMAD SAID HERE TODAY.

DATUK SERI (DR.) MAHATHIR, WHO IS ALSO THE MINISTER OF TRADE AND INDUSTRY, TOLD REPORTERS ON HIS RETURN FROM THE ASEAN ECONOMIC MINISTERS MEETING IN JAKARTA TODAY, THAT THE INDONESIAN UREA PROJECT IN ACHEH WAS ALSO ACCEPTED AT THE MEETING.

THE PHILIPPINES WITH ITS SUPER PHOSPHATE PROJECT AND THAILAND WITH ITS SODA ASH PROJECTS, WERE STUDYING THE FEASIBILITIES OF THEIR ASSIGNED PROJECTS.

ACCORDING TO DATUK SERI (DR.) MAHATHIR, THE SLIGHT MODIFICATION MADE WAS THAT INSTEAD OF PRODUCING 1300 TONNE OF AMONIA A DAY IN EXCESS OF WHAT WAS REQUIRED TO PRODUCE 1500 TONNE OF UREA A DAY, THE PRODUCTION OF AMONIA WOULD BE SCALED DOWN TO 1000 TONNE TO A DAY TO PRODUCE THE SAME AMOUNT OF UREA. — BERNAMA MORE 1839/ZCM

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HE SAID THE ORIGINAL PLAN OF PRODUCING THE EXCESS AMONIA TO SELL TO A LOCAL COMPANY FOR THE PRODUCTION OF PHOSPHATIC FERTILISER, WAS NOT IN ACCORDANCE WITH THE ASEAN GUIDELINES AND AS A RESULT, THE MODIFICATION WAS MADE.

THE ADOPTION OF MALAYSIA'S UREA PROJECT BY THE ASEAN COUNTRIES ALSO MET WITH THE STIPULATION OF THE JAPANESE GOVERNMENT — THE MAIN FINANCIER OF THE PROJECT — AND NOW IT WAS UP TO THE FOUR ASEAN MEMBER COUNTRIES TO NAME THEIR AGENCIES TO PARTICIPATE IN THE PROJECT WITH PETRONAS, WHICH WAS MALAYSIA'S AGENCY FOR THE PROJECT.

HE ADDED THAT THE COST OF THE PROJECT, DID NOT INCLUDE THE COST OF INFRASTRUCTURE AS IN THE CASE OF THE INDONESIAN ACHEH UREA PROJEC, EXCEPT FOR THE RELEVANT ONES.

AS SUCH, THE BINTULU UREA PLANT WOULD HAVE A LOW CAPITAL AND OPERATING COST WHEN COMPARED WITH THE ACHEH PROJECT, EXCEPT IN THE COST OF LIQUEFIED NATURAL GAS. BUT ON THE WHOLE, IT WOULD BE MORE COMPETITIVE IN THE WORLD MARKET.

THE DEPUTY PRIME MINISTER SAID THE MEETING ALSO ANTICIPATED THAT THE PRODUCTION OF UREA WOULD BE IN EXCESS OF THE GROUPING'S REQUIREMENT BUT THE MEETING AGREED THAT MALAYSIA AND INDONESIA COULD SELL THE EXCESS UREA OUTSIDE THE REGION AT WORLD MARKET PRICE. — BERNAMA MORE 1840/ZCM

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ON SINGAPORE'S INVESTMENT IN THE OTHER FOUR ASEAN INDUSTRIAL PROJECTS SHOULD THEY GIVE UP THEIR DIESEL PLANT PROJECT, HE SAID THE MEETING AGREED THAT SINGAPORE SHOULD AT LEAST, MAKE A +NOMINAL INVESTMENT+ IN THE OTHER FOUR PROJECTS.

BY +NOMINAL INVESTMENT+ WAS A WANT A ONE PER CENT SHARE INSTEAD OF 10 PER CENT AS STIPULATED.

ON THE PREFERENTIAL TRADING ARRANGEMENT, DATUK SERI DR. MAHATHIR SAID THE MEETING ALSO ADOPTED THE 755 ADDITIONAL ITEMS, MAKING A TOTAL OF 826.

THE MEETING ALSO AGREED THAT EACH MEMBER COUNTRY WOULD SUBMIT ANOTHER 100 ITEMS AT FUTURE MEETINGS. BUT THE ITEMS WOULD BE MORE THAN 100 WHEN THE HARMONISATION PROCESS OF THE CODIFICATION OF THE ITEMS COME INTO EFFECT.

ON ASEAN DIALOGUES WITH THIRD COUNTRIES, DATUK SERI DR. MAHATHIR SAID THE ECONOMIC MINISTERS AGREED TO CONTINUE THEIR TALKS WITH THESE COUNTRIES EVEN THOUGH THE TALKS WITH JAPAN, AUSTRALIA, THE EUROPEAN ECONOMIC COMMUNITY AND THE UNITED STATES DID NOT MAKE HEADWAY. — BERNAMA MORE 1853/ZCM

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ASEAN, HE SAID, WAS A RELATIVELY NEW REGIONAL GROUPING AND AS SUCH, THERE WERE STILL SOME COUNTRIES WHICH DID NOT TAKE IT SERIOUSLY.

HOWEVER, HE ADDED THAT RECENTLY, THERE HAD BEEN A CHANGE IN ATTITUDE BY SOME OF THESE COUNTRIES, WHICH WERE REALISING THE SERIOUSNESS OF THE ASEAN COUNTRIES AS A REGIONAL GROUPING.

ON THE CONCORDE, THE DEPUTY PRIME MINISTER SAID THAT MALAYSIA'S NEGOTIATION FOR A BETTER AIR SERVICES AGREEMENT WITH BRITAIN AND THE BANNING OF THE CONCORDE OVERFLIGHT OVER MALAYSIAN AIR SPACE WERE +TWO SEPARATE ISSUES.+

+EVEN IF BRITAIN AGREES TO AMEND THE AGREEMENT TO MALAYSIA'S REQUEST, THE GOVERNMENT WOULD STILL BAN THE CONCORDE OVERFLIGHT OVER MALAYSIAN AIR SPACE IF IT IS NOT SATISFIED WITH THE ENVIRONMENTAL IMPACT OF THE CONCORDE,+ HE ADDED. —

BERNAMA 1855/ZCM

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DATUK SERI DR MAHATHIR AND HIS WIFE WERE EARLIER SEEN OFF BY THE INDONESIAN COORDINATING MINISTER FOR ECONOMY, FINANCE AND INDUSTRY, PROF. WIDJOJO NITISASTRO.

THIS MORNING THE DEPUTY PRIME MINISTER CALLED ON THE INDONESIAN VICE PRESIDENT TUN ADAM MALIK. — BERNAMA 2009/A1