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KUALA LUMPUR, SEPT. 19<sup>4</sup> (BERNAMA) — DEPUTY PRIME MINISTER DATUK SERI DR. MAHATHIR MOHAMAD SAID HERE TODAY THAT THE INDUSTRIAL COORDINATION ACT WOULD BE STREAMLINED TO MAKE IT LESS CUMBERSOME.

HE ADDED THERE WOULD NOT BE ANY DRASTIC CHANGE BUT ONLY ADJUSTMENTS TO MAKE ITS RULES AND REGULATIONS WITHIN THE MANAGING CAPACITY OF THE GOVERNMENT.

HE SAID SOME OF THE RULES AND REGULATIONS UNDER THE ACT WERE CUMBERSOME NOT ONLY TO THE INVESTORS BUT ALSO TO THE GOVERNMENT.

DATUK SERI DR. MAHATHIR, WHO IS ALSO MINISTER OF TRADE AND INDUSTRY SAID THERE HAD BEEN COMPLAINTS AGAINST THE ACT FROM THE PRIVATE SECTOR.

+THE ACT IS UNDER REVIEW AND THIS SHOWS THAT WE ARE NOT UNWILLING TO LISTEN TO THEM,+ HE SAID AT THE LUNCHING OF THE ONE-STOP AGENCY DESIGNED TO STREAMLINE THE APPROVAL OF INDUSTRIAL VENTURES.

— BERNAMA MORE 1930/ZCM

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DATUK SERI DR. MAHATHIR DENIED THAT THE ICA HAD BEEN A DETERRENT TO INVESTMENTS, EITHER FOREIGN OR LOCAL, AS PROVED BY THE MARKED INCREASE IN INVESTMENT APPROVALS DURING THE FIRST SEVEN MONTHS THIS YEAR.

HE SAID COMPARED WITH THE SAME PERIOD LAST YEAR, THE NUMBER OF PROJECTS APPROVED ROSE FROM 162 TO 195 AND INVESTMENTS OF THESE PROJECTS FROM \$261 MILLION TO \$470 MILLION.

MORE SIGNIFICANT, INVESTMENT IN EXPANSION AND DIVERSIFICATION OF EXISTING PROJECTS ACCOUNTED FOR AN INCREASE OF 190 PER CENT FROM \$49.6 MILLION TO \$145.8 MILLION.

THE PROPOSED FOREIGN CAPITAL INVESTMENT IN COMPANIES APPROVED FOR THE PERIOD ALSO SHOWED A HEFTY RISE FROM \$39 MILLION TO \$87 MILLION.

IN TERMS OF NUMBERS, FOREIGN OWNED AND JOINT VENTURE FOREIGN PROJECTS ROSE FROM 20 IN 1977 TO 41 WHILE WHOLLY FOREIGN OWNED EXPORT ORIENTED PROJECTS INCREASED FROM ONE PROJECT IN 1977 TO 13 THIS YEAR.

DATUK SERI DR. MAHATHIR ADMITTED THAT INVESTMENT BY LOCAL INVESTORS IN THE MANUFACTURING SECTOR WAS SLOW BUT HE SAID THIS WAS BECAUSE THEY HAD DIVERSIFIED THEIR INVESTMENTS OR HAD BEEN WAITING TO TEAM UP WITH FOREIGN INVESTORS. — BERNAMA MORE 1940/ZCM

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HE SAID THE MANUFACTURING INDUSTRY WAS RELATIVELY NEW TO LOCAL INVESTORS WHO HAD TRADITIONALLY BEEN CONFINED TO THE TRADING, CONSTRUCTION, PLANTATION AND MINING SECTORS OF THE ECONOMY.

IN THE EARLY DAYS, LOCAL INVESTORS CONCENTRATED LARGELY ON DOMESTIC MARKET ORIENTED INDUSTRIES BUT WITH THE RAPID INDUSTRIAL DEVELOPMENT, THEY NOW HAD TO LOOK TOWARDS EITHER JOINT VENTURE OPPORTUNITIES WITH FOREIGN TECHNICAL EXPERTISE AND EXPORT CONNECTIONS.

SOME OF THEM, BEING MORE MOBILE, ALSO MOVED INTO OTHER SECTORS SUCH AS CONSTRUCTION AND HOUSING.

HE POINTED OUT THAT WHILE WHOLLY MALAYSIAN-OWNED PROJECTS APPROVED DECLINED FROM 91 TO 83, THE NUMBER OF JOINT VENTURES ROSE FROM 70 TO 99.

SIMILARLY, WHILE CAPITAL INVESTMENT IN WHOLLY MALAYSIAN OWNED PROJECTS DECLINED FROM \$55 MILLION TO \$48 MILLION, MALAYSIAN INVESTMENTS IN JOINT VENTURE COMPANIES ROSE FROM \$35.6 MILLION TO \$86.1 MILLION, UP 140 PER CENT. — BERNAMA MORE 1944/ZCM

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ON THE NEW UNIT WHICH WILL BE HEADED BY THE DIRECTOR GENERAL OF FIDA, DATUK SERI DR. MAHATHIR SAID IT WAS TO REDUCE THE NEED FOR INVESTORS HAVING TO DEAL WITH NUMEROUS GOVERNMENT AGENCIES FOR THE SETTING UP OF INDUSTRIES.

IT WILL BE STAFFED BY SENIOR OFFICERS FROM THE TREASURY, CUSTOMS AND EXCISE DEPARTMENT, IMMIGRATION DEPARTMENT, MINISTRY OF LABOUR AND MANPOWER, MINISTRY OF TRADE AND INDUSTRY.

HE SAID THESE OFFICERS WERE AUTHORISED TO GIVE ADVICE, GUIDANCE AND CLARIFICATIONS ON POLICIES AND PROCEDURES AND TO RECEIVE APPLICATIONS FOR APPROVALS.

THEY WOULD ATTEND TO PROBLEMS RAISED BY INVESTORS AND WOULD MAKE REPRESENTATION TO THEIR MINISTRIES OR DEPARTMENTS FOR SOLUTION.

THEY WOULD ALSO LIASE BETWEEN FIDA AND THEIR MINISTRIES AND DEPARTMENTS TO FACILITATE DECISION MAKING.

HE SAID THE SETTING UP OF THE UNIT WAS THE FIRST PHASE TO MAKE FIDA A ONE-STOP AGENCY FOR INDUSTRIAL DEVELOPMENT.

THE PROPOSED PACKAGE DEAL SYSTEM OF APPROVALS IN WHICH ALL RELEVANT APPROVALS FOR MANUFACTURING PROJECTS ARE TO BE GRANTED SIMULTANEOUSLY WILL BE THE NEXT PHASE. — BERNAMA MORE 1955/ZCM

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HE ADDED IN THIS CONTEXT, RECOMMENDATIONS WERE NOW BEING FINALISED FOR THE CONSIDERATION OF THE CABINET COMMITTEE ON INVESTMENT PROCEDURES TO BE STREAMLINED WITH THE AIM OF GIVING INVESTORS A PACKAGE DEAL APPROVAL.

UNDER THIS PROPOSAL, INVESTORS WILL BE ASSISTED TO APPLY SIMULTANEOUSLY FOR ALL APPROVALS NECESSARY TO SET UP INDUSTRIES, SUCH AS MANUFACTURING LICENCES, INCENTIVES DUTY EXEMPTIONS ON PLANT, MACHINERY, RAW MATERIALS AND COMPONENT PARTS, TARIFF PROTECTION, EXPATRIATE POSTS AND TECHNICAL AND OTHER RELATED AGREEMENTS.

+WITH THE SETTING UP OF THE UNIT AND THE IMPLEMENTATION OF THE PACKAGE DEAL APPROVAL, IA HOPE EVVERY INVESTOR STEPPING INTO FIDA WILL END UP WITH INVESTING SOMEWHERE IN THE COUNTRY,+ HE SAID.

— BERNAMA 1959/ZCM