

MAHATHIR-INVEST

EMBARGO: FOR RELEASE AFTER 7.30 P.M. TODAY

FROM HASHIM MAKARUDDIN

MANCHESTER, APRIL 19 (BERNAMA) -- DATUK SERI DR. MAHATHIR MOHAMAD TODAY ASSURED BRITISH INVESTORS THAT THEY WERE WELCOME TO INVEST IN MALAYSIA BUT AT THE SAME TIME WERE EXPECTED TO MAKE A POSITIVE CONTRIBUTION TO THE GROWTH AND WELL-BEING OF THE COUNTRY.

THE DEPUTY PRIME MINISTER SAID MALAYSIA UNDERSTOOD THAT INVESTORS, FOREIGN OR LOCAL, DID NOT INVEST FOR CHARITY.

+YOU INVEST FOR PROFITS. YOU ARE WELCOME TO THESE PROFITS BUT WE EXPECT YOU TO BE EQUALLY PRAGMATIC,+ HE ADDED AT AN INVESTMENT SEMINAR HERE ATTENDED BY PROMINENT BRITISH INDUSTRIALISTS AND BUSINESSMEN REPRESENTING A WIDE RANGE OF INDUSTRIES.

ALSO PRESENT WERE OTHER MEMBERS OF THE MALAYSIAN INVESTMENT PROMOTION MISSION CURRENTLY ON A WEEK'S VISIT HERE AND LONDON WHICH INCLUDED 63 PRIVATE SECTOR REPRESENTATIVES.

DATUK SERI DR. MAHATHIR, WHO IS ALSO THE TRADE AND INDUSTRY MINISTER, SAID GOOD HARD-HEADED BUSINESSMEN DID NOT EXPECT TO GET EVERYTHING OUT OF THE SOCIETY IN WHICH THEY OPERATE AND GIVE NOTHING IN RETURN.

HE STRESSED THAT THE CONTRIBUTION TO MALAYSIA'S WELL-BEING WAS COMPLETELY ABOVE-BOARD. -- BERNAMA MORE 1310/YF

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MALAYSIA, HE ADDED, WAS OFFERING BRITISH INDUSTRIALISTS A PROFIT CENTRE IN EXCHANGE FOR THEIR ASSISTANCE IN THE COUNTRY'S SOCIO-ECONOMIC DEVELOPMENT.

TO THIS END, CERTAIN POLICIES AND GUIDELINES HAD BEEN DECIDED FOR EQUITY PARTICIPATION IN INVESTMENTS IN MALAYSIA.

THEY WERE NOT RIGID RULES AND WOULD NOT AFFECT THE SUCCESS AND PROFITABILITY OF THEIR BUSINESS +TO ANY GREAT EXTENT+.

DATUK SERI DR. MAHATHIR OUTLINED SEVERAL GUIDELINES APPLICABLE TO NEW PROJECTS AND TO SUBSTANTIAL EXPANSION OR DIVERSIFICATION OF EXISTING PROJECTS.

HE SAID MALAYSIA WOULD LIKE TO SEE MAJORITY MALAYSIAN EQUITY FOR INDUSTRIAL PROJECTS SUBSTANTIALLY DEPENDENT ON THE DOMESTIC MARKET.

FOR PROJECTS UTILISING IMPORTANT NON-RENEWABLE RESOURCES, PARTICULARLY AT EXTRACTION AND PRIMARY PROCESSING LEVELS, AT LEAST 70 PER CENT MALAYSIAN EQUITY INCLUDING 30 PER CENT BUMIPUTRA WOULD BE REQUIRED.

FOR PROJECTS MANUFACTURING SUBSTANTIALLY FOR THE EXPORT MARKET FOREIGN MAJORITY OWNERSHIP WAS PERMITTED.

IF THE CASE WARRANTED EVEN 100 PER CENT FOREIGN EQUITY MIGHT BE CONSIDERED, HE SAID. -- BERNAMA MORE 1314/YF

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+WE ARE PREPARED TO ACCOMMODATE ALL VIEWS AS LONG AS THE BENEFITS ARE FAIRLY SHARED BETWEEN YOU, AS INVESTORS AND MALAYSIA AS WILLING HOST, + DATUK SERI DR. MAHATHIR SAID.

HE SAID SOME COMPANIES HAD EXPRESSED THE FEAR THAT THOUGH INITIALLY THEY MIGHT BE APPROVED WITH AN EQUITY CONDITION ACCEPTABLE TO THEM THE GOVERNMENT MIGHT AFTER SEVERAL YEARS DECIDED TO CHANGE THE EQUITY CONDITION IN FAVOUR OF MALAYSIANS.

HE STRESSED THIS HAD NOT HAPPENED AND WOULD NOT HAPPEN IN MALAYSIA. THERE WOULD BE NO CHANGE IN THE RULES OF THE GAME MID-STREAM.

HE ALSO ASSURED THEM THAT THERE WOULD BE NO NATIONALISATION OR EXPROPRIATION OF INDUSTRIES IN MALAYSIA ALTHOUGH LEGITIMATE ACQUISITION THROUGH PURCHASE OF SHARES MIGHT BE DONE.

MIDA'S CHAIRMAN DATUK JAMIL JAN TOLD THE INDUSTRIALISTS THAT CONSIDERABLE POTENTIAL EXISTED IN MALAYSIA IN THE FIELD OF EXPORT ORIENTED INDUSTRIES, ESPECIALLY THOSE WHICH WERE LABOUR INTENSIVE AND UTILISING LOCAL RAW MATERIALS.

OTHER INDUSTRIES WITH SIGNIFICANT POTENTIAL AND WHICH MALAYSIA ALSO CONSIDERED AS PRIORITY WERE THOSE THAT PROMOTE THE DEVELOPMENT OF SPECIAL SKILLS AND NEW TECHNOLOGY, INCLUDING THOSE WHICH LEAD TO FURTHER INTEGRATION WITH EXISTING INDUSTRIES.

— BERNAMA MORE 1319/YF

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AMONG THE PRIORITY INDUSTRIES WHICH FOREIGN INVESTORS COULD CONSIDER ARE:

- + PROCESSING AND MANUFACTURING OF RESOURCE-BASED PRODUCTS UTILISING WOOD, RUBBER, TIN, PALM OIL, SAND AND CLAY.
- + MANUFACTURE OF PETROCHEMICALS AND OTHER CHEMICAL PRODUCTS.
- + MANUFACTURE OF PRECISION PRODUCTS INCLUDING MUSICAL INSTRUMENTS, PHOTOGRAPHIC AND OPTICAL GOODS, CUTTING AND POLISHING OF PRECIOUS STONES AND MANUFACTURE OF JEWELLERIES AND
- + MANUFACTURE OF INDUSTRIAL MACHINERY AND PARTS. — BERNAMA 1320 YF