

MAHATHIR-PAPER

FROM HASHIM MAKARUDDIN

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MUNICH, APRIL 23 (BERNAMA) — MALAYSIA PLANS TO SET UP A PAPER MANUFACTURING INDUSTRY IN THE FUTURE, DATUK SERI DR. MAHATHIR MOHAMAD SAID TODAY.

THE DEPUTY PRIME MINISTER AND MINISTER OF TRADE AND INDUSTRY TOLD POTENTIAL GERMAN INVESTORS THAT THERE HAD BEEN A PROPOSAL TO START A PAPER MANUFACTURING PROJECT IN SABAH.

THE PROJECT REQUIRED A TIMBER AREA OF ABOUT 300,000 SQ. KM AND WAS STILL IN THE INVESTIGATIVE STAGE.

HE SAID THIS DURING A QUESTION AND SESSION AT A SEMINAR ON INVESTMENT OPPORTUNITIES IN THE TIMBER-BASED AND PLASTIC CONVERSION INDUSTRIES IN MALAYSIA HERE HELD IN CONJUNCTION WITH THE THREE-DAY VISIT BY THE MALAYSIAN INVESTMENT MISSION.

REPLYING TO A QUESTION ON THE STATE OF THE PAPER MANUFACTURING INDUSTRY IN MALAYSIA HE SAID THAT A PRESENT, THE INDUSTRY WAS CONFINED TO PRODUCING WOOD CHIPS FROM RUBBER TREES.

THE WOODCHIPS, WERE EXPORTED TO JAPAN FOR THE PRODUCTION OF CERTAIN TYPES OF PAPER.

HE SAID MALAYSIA DID NOT HAVE A PAPER MANUFACTURING INDUSTRY AS YET. — BERNAMA MORE 1001/AZ

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HE FELT THAT THIS WAS ONE AREA WHERE GERMAN INDUSTRIALISTS SHOULD CONSIDER INVESTING IN MALAYSIA.

ABOUT 80 GERMAN INDUSTRIALISTS AND BUSINESSMEN ATTENDED THE SEMINAR.

DURING THE SESSION THE GERMANS SHOWED KEEN INTEREST ON THE INVESTMENT POSSIBILITIES IN THE TIMBER-BASED INDUSTRY.

THEY ASKED QUESTIONS RANGING FROM THE TYPES OF COMMERCIALY EXPLOITABLE SPECIES OF TIMBER AVAILABLE IN MALAYSIA TO ASSURANCES OF CONTINUED TIMBER SUPPLIES SHOULD THEY DECIDE TO INVEST IN MALAYSIA TO INCENTIVES GIVEN TO THE TIMBER BASED INDUSTRY.

REPLYING TO ANOTHER QUESTION, DATUK ABDUL MAJID KHAN, MANAGING DIRECTOR OF BENA HOLDINGS SDN BHD, WHOSE COMPANING IS INVOLVED IN TIMBER EXTRACTION AND MARKETING, TOLD THE GERMANS THAT WEST GERMANY IMPORTED ABOUT 70 PER CENT OF HARDWOOD TIMBER NEEDED BY ITS TIMBER-BASED INDUSTRY FROM MALAYSIA.

HE SAID THAT IN VIEW OF THE HIGH DUTY IMPOSED BY THE MALAYSIAN GOVERNMENT ON ROUND TIMBER EXPORTED FROM THE COUNTRY IT WAS MORE ECONOMICAL AND PROFITABLE FOR GERMAN INVESTORS TO SET UP THEIR PROCESSING ACTIVITIES IN MALAYSIA. — BERNAMA MORE 1004/AZ

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HE SAID THERE WOULD BE NO PROBLEM OF SUPPLY OF TIMBER FOR THEIR FACTORIES AS MALAYSIA COULD EASILY IMPORT IT FROM INDONESIA AND THE PHILIPPINES.

EARLIER, THE DEPUTY PRIME MINISTER AND MEMBERS OF THE MALAYSIAN MISSION VISITED THE HIMOLA COMPANY — AN INTEGRATED TIMBER AND PLASTIC CONVERSION FACTORY AT TAUFKIRCHEN, ABOUT 45 MILES FROM HERE.

DATUK SERI DR. MAHATHIR AND HIS GROUP WERE TAKEN ROUND THE FACTORY AND BRIEFED BY ITS MANAGING DIRECTORS, ENCIK H. ASCHER AND ENCIK M. BECKER.

THE COMPANY, ONE OF THE LARGEST INTEGRATED TIMBER AND PLASTIC CONVERSION FACTORY IN WEST GERMANY, PRODUCES UPHOLSTERED FURNITURE AND BEDS BOTH FOR THE HOME MARKET AND FOR EXPORT TO WESTERN EUROPE.

IT EMPLOYS ABOUT 2,000 WORKERS AND HAS AN ANNUAL TURNOVER OF ABOUT US\$1.4 MILLION.

TONIGHT, DATUK SERI DR. MAHATHIR AND MEMBERS OF THE MISSION WERE ENTERTAINED TO A BAVARIAN DINNER BY THE NATIONAL CONFEDERATION OF GERMAN FURNITURE AND WOODWORKING INDUSTRIES, THE BAVARIAN ASSOCIATION OF TIMBER AND PLASTIC CONVERSION INDUSTRIES AND THE GERMAN DEVELOPMENT COMPANY.

THEY WERE ALSO ENTERTAINED TO BAVARIAN CULTURAL DANCES.

— BERNAMA 1007/AZ