

KUAH (LANGKAWI), NOV. 23 (BERNAMA)-- THE GOVERNMENT IS WILLING TO CONSIDER REQUESTS BY PROMET BERHAD FOR SPECIAL FISCAL AND GOVERNMENT INCENTIVES FOR THE DEVELOPMENT OF THE COMPANY'S \$3 BILLION INTERNATIONAL RESORT PROJECT IN TANJUNG RHU.

DATUK SERI DR MAHATHIR MOHAMAD SAID TODAY THE GOVERNMENT WOULD, HOWEVER, ONLY RESPOND TO THOSE PROPOSALS WHICH WERE CONSIDERED REASONABLE AND ACCEPTABLE.

HE WAS SPEAKING TO REPORTERS AT THE END OF HIS TWO-DAY OFFICIAL VISIT OF THE ISLAND.

PROMET HAD EARLIER PROPOSED THAT THE COMPANY BE GIVEN SPECIAL INCENTIVES TO ATTRACT FOREIGN INVESTORS TO INVEST IN THE MAMMOTH PROJECT? WHICH INCLUDE THE BUILDING OF 13 HOTELS? FOUR CONDOMINIUMS, A MEDICAL CENTRE AND AMUSEMENT FACILITIES.

THE PRIME MINISTER, WHO TOURED THE PROJECT SITE YESTERDAY, EXPRESSED SATISFACTION WITH THE PROGRESS ACHIEVED SO FAR.

HOWEVER, HE SAID THERE WERE STILL MANY THINGS THAT HAD TO BE DONE INCLUDING SPEEDING UP THE DECISION-MAKING PROCESS. --MORE  
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IT IS LEARNT THAT PROMET HAS YET TO APPROVE THE VARIOUS PROPOSALS AND BUILDING PLANS PUT FORWARD BY ITS 10 OTHER INVESTING PARTNERS, MOSTLY FROM ABROAD.

THE GOVERNMENT HAS SET UP A TASK FORCE HEADED BY THE DIRECTOR-GENERAL OF THE IMPLEMENTATION COORDINATION UNIT, DATUK YAHYA ABDULWAHAB, WHICH INCLUDES SENIOR GOVERNMENT AND PROMET OFFICIALS, TO SPEED UP WORK ON THE PROJECT.

DATUK SERI DR MAHATHIR ALSO REITERATED THAT THE PROJECT, THE COUNTRY'S BIGGEST RESORT PROJECT, WOULD BE VIABLE AND HIGHLY SUCCESSFUL DESPITE THE CURRENT INITIAL PROBLEMS FACED BY PROMET. HE DID NOT ELABORATE.

WHILE HERE, THE PRIME MINISTER ALSO HELD A CLOSED-DOOR MEETING WITH TOP PROMET OFFICIALS INCLUDING ITS CHAIRMAN, TAN SRI IBRAHIM MOHAMAD, TO DISCUSS THE VARIOUS ASPECTS OF THE PROJECT.

HE ALSO WENT ON A BOAT RIDE TO TOUR THE SURROUNDINGS. --MORE  
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PROMET'S PROPOSALS, CONTAINED IN A 50-PAGE REPORT SUBMITTED TO THE GOVERNMENT RECENTLY, INCLUDE AMONG OTHER THINGS, THE RELAXATION OF FOREIGN EQUITY OWNERSHIP IN THE PROJECT.

OTHER PROPOSALS ARE:

+ FLEXIBILITY OF PROCEDURES OF LAND TRANSFER TO VARIOUS OWNING COMPANIES.

+ OPEN-SKY POLICY ALLOWING ALL INTERNATIONAL FLIGHTS TO LAND DIRECT ON LANGKAWI.

+ PERMANENT RESIDENT STATUS IN MALAYSIA FOR FOREIGN INVESTORS INVESTING AT LEAST 91 MILLION.

+ PIONEER STATUS OR TAX HOLIDAY FOR ALL COMPANIES OPERATING IN THE RESORT AREA.

+ BANK NEGARA CLASSIFICATION OF THE PROJECT AS A PRODUCTIVE SECTOR TO ENABLE IT TO ENJOY PRIORITY LENDING AND AVAILABILITY OF LOCAL RINGGIT FOR DEVELOPMENT FINANCING.

+ ALLOWING HOTEL TAX CREDIT OF NOT LESS THAN 25 PER CENT OF ANY CAPITAL EXPENDITURE INCURRED ON HOTEL BILLING OF THE APPROVED STANDARD IN THIS COUNTRY. --BERNAMA

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