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B E558 A A E

MAHATHIR-LOAN ㄨ'ㄨ'ㄨ'

BM

KUALA LUMPUR , DEC 16 (BERNAMA) -- DATUKSERI DR MAHATHIR MOHAMAD SAID TODAY THE JAPANESE GOVERNMENT HAS OFFERED MALAYSIA A LOAN WITH A FOUR PERCENT INTEREST RATE FOR THE PROJECT TO PIPE GAS FROM TERENGGANU TO THE PENINSULA'S WEST COAST.

THE PRIME MINISTER SAID THE OFFER WAS MADE BY JAPANESE PRIME MINISTER NOBORUTAKESHITA WHEN THEY MET IN MANILA.

DATUK SERI DR MAHATHIR SAID THEIR DISCUSSIONS WERE HELD IN A CORDIAL ATMOSPHERE AND FOCUSED ON THE QUESTION OF IMPROVING BILATERAL TIES.

THE MEETING WAS HELD AFTER THE ASEAN HEADS OF GOVERNMENT CONFERENCE WHICH ENDED YESTERDAY.

MALAYSIA WELCOMED JAPAN'S OFFER, AND THE AMOUNT WOULD BE DETERMINED THROUGH DISCUSSIONS AT OFFICIAL LEVEL. DATUKSERI DR MAHATHIR TOLD A PRESS CONFERENCE AT THE KUALA LUMPUR INTERNATIONAL AIRPORT ON HIS RETURN FROM THE PHILIPPINE CAPITAL.

HE SAID THE JAPANESE OFFER COVERED +EVERYTHING NECESSARY TO CHANNEL GAS TO THE WEST COAST+. -- MORE

1515MST 16 12 67

B E560 AAE

MAHATHIR-LOAN 2 KUALA LUMPUR ㄨ'ㄨ'ㄨ'

THE GAS PIPELINE PROJECT, ESTIMATED TO COST \$1 BILLION, WILL BE IMPLEMENTED BY PETRONAS, AND IN THE INITIAL STAGES WILL FUEL ELECTRICITY GENERATORS ON THE WEST COAST.

LATER, GAS WILL BE PIPED TO HOUSEHOLDS THROUGHOUT THE PENINSULA, THE SCHEME TO BE CARRIED OUT IN PHASES.

THE JAPANESE GOVERNMENT HAS ALSO OFFERED A US\$2 BILLION SOFT LOANS PACKAGE TO THE PRIVATE SECTOR IN ASEAN COUNTRIES THROUGH THE ASEAN-JAPAN DEVELOPMENT FUND (AJDF).

DATUKSERI DR MAHATHIR URGED MALAYSIA'S PRIVATE SECTOR TO ACT WITHOUT FURTHER DELAY BY THINKING UP PROJECTS THEY COULD UNDERTAKE WITH THE LOANS.

+OTHERWISE, THE MONEY WILL GO TO SOMEONE ELSE.+ -- MORE

1522MST 16 12 87

B E561 A A E

MAHATHIR-LOAN 3 KUALA LUMPUR ㄨ' a' ㄨ'

DATUK SERI DR MAHATHIR SAID NO MENTION WAS MADE OF THE AMOUNT MALAYSIA WOULD RECEIVE FROM THE AJDF AND AS SUCH THE PRIVATE SECTOR NEEDED TO SUBMIT THEIR PROJECTS SPEEDILY.

WHAT WAS SPECIAL ABOUT THE LOANS THIS-TIME WAS THAT THEY WERE FOR THE PRIVATE SECTOR AND NOT FOR INFRASTRUCTURAL PROJECTS BY THE ASEAN GOVERNMENTS, HE SAID.

HE SAID THE GOVERNMENT WELCOMED THE GESTURE AS THIS MEANT THE PRIVATE SECTOR HAD A CHANCE TO SECURE LOANS AT LOW INTEREST RATES.

HE HOPED THE MALAYSIAN PRIVATE SECTOR WOULD TAKE ADVANTAGE OF THE OPPORTUNITY BY SETTING UP JOINT VENTURES OR ON THEIR OWN TO BOOST INVESTMENT IN THE COUNTRY. -- BERNAMA

1534MST 16 12 87