

CNS7107

R GE 21-09 00159 EG806

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M'SIA KEEN TO TAP NORTH AMERICAN MARKET VIA MEXICO

Mahathir - market

from Syed Jamil Jaafar

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Dr. M.

ALTAMIRA (Mexico), Sept 21, (Bernama) -- Malaysia is looking into the possibility of going into tripartite investments in Mexico to tap the North American market.

Prime Minister Datuk Seri Dr Mahathir Mohamad said Friday what he had in mind was the manufacture of certain goods using Malaysian raw materials in partnership with Mexican entrepreneurs and using the technology of a third country.

+For example, in Malaysia we have a lot of Japanese investors producing goods using our raw materials,+ he said.

+Perhaps we can help those who come to Malaysia to also come to Mexico,+ he told a press conference here on the fourth day of his six-day official visit to Mexico.

Datuk Seri Dr Mahathir earlier toured the Altamira petro-chemical industries and container port terminal. -- more

♥21/09/16-44MST

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Mahathir - market 2 Altamira

He arrived here from Monterrey, Mexico's third largest city, in the morning after an overnight stay.

Responding to the questions on the proposed North America Free Trade Area (Nafta) which will group Mexico, the United States and Canada into a tariff-free market, Datuk Seri Dr Mahathir said the tripartite investment arrangement could be one way for Malaysia to tap the lucrative market.

He also spoke of the possibility of Malaysia on its own making investments in Mexico.

This would be in areas in which Malaysia had the expertise such as rubber, palm oil and the oleo-chemical industry.

+We can process palm oil, for example, into food product, cooking oil, soap and detergent in partnership with Mexican entrepreneurs for export to North America.

+Of course with the formation of Nafta (by 1993), certain conditions such as local content will have to be met. We will have to study this,+ the prime minister said. -- more

♥21/09/16-47MST

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Mahathir - market 3 Altamira

He said the formation of Nafta might affect foreign investments to Malaysia as the investors would turn to Mexico.

+But, on the other hand, we may become investors in Mexico ourselves,+ he said.

However, he added that Malaysia was not going into investments overseas in a big way.

At present, it had only some investments abroad such as in China.

Bilaterally, he said, Malaysia wanted more direct trading with Mexico.

He noted that some Malaysian goods exported to the United States were being re-exported to Mexico and at higher prices. -- more

♥21/09/16-49MST

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Mahathir - market 4 Altamira

+We want direct linkages with ports such as Altamira,+ he said.

Datuk Seri Dr Mahathir expressed confidence that Mexico, which had embarked on serious development efforts while maintaining free trade, would do well economically.

He said the rate of development in Mexico, which was not given much hope some years ago because of its galloping inflation and huge external debt, was noticeable under the government of President Carlos Salinas de Gortari.

Soon after arrival here this morning, Datuk Seri Dr Mahathir toured Mexico's largest petro-chemical plant, Petrocel.

Petrocel produces raw materials for the manufacture of polyester fibre, and among its buyers is Penfibre of Malaysia. -- more

♥21/09/16-53MST

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Mahathir - market 5 (last) Altamira

Petrocel also imports methanol, used in the making of synthetic fibre raw materials, from Sabah Gas Industries.

The prime minister and his delegation, including Datuk Seri Datin Paduka Dr Siti Hasmah, later visited another plant, Primex, which produces PVC (poly-vinyl-chloride).

The prime minister then left for Cancun, a resort city on the Yucatan Peninsula in the south-eastern part of Mexico, for a two-night stay to look at tourism development.

He will leave Cancun for New York on Monday to attend the United Nations General Assembly. -- Bernama