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PM URGES MORE MSTA-INDON JV

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KUALA LUMPUR, June 18 (Bernama) -- Datuk Seri Dr Mahathir Mohamad today urged more Malaysian private companies to participate in joint-ventures with Indonesian companies towards boosting economic growth.

The Prime Minister said growth of the economies of both countries would then spillover to the rest of Asia, and East Asia.

"If we allow foreign investment from the East and West into our country, then we should also promote investments from neighbouring countries," he said.

He was speaking at the signing ceremony of a RM2.59 billion investment agreement between Malaysia's Construction and Supplies House Bhd (CASH) and Barito Pacific group of Indonesia here.

He said the CASH-Barito agreement stemmed from the existing close cooperation between the governments of both countries.

The agreement sees Barito, the world's largest producer of plywood, injecting its timber assets in CASH and emerging as the majority shareholder of the Malaysian company. It is the biggest cross-border acquisition on the Kuala Lumpur Stock Exchange. -- Bernama