

09 APR 1996

MSIA'S HELP IN RECONSTRUCTING BOSNIA-HERZEGOVINA NEEDED

KUALA LUMPUR, April 9 (Bernama) -- Malaysia can play an important role in assisting Bosnia-Herzegovina in its reconstruction process, said Bosnia-Herzegovina minister of foreign trade and international communications, Neven Tomic.

He said that with its experience, Malaysia could explore the privatisation programme in Bosnia-Herzegovina that had been planned before the war.

Most of the projects involved the construction of infrastructure such as roads and railways, said Nevin after the opening of a one-day seminar on new business opportunities in Bosnia-Herzegovina here today.

"Malaysians can also take advantage of the east-west position of Bosnia Herzegovina to start production in the factories by establishing joint ventures or other kinds of partnership."

Malaysians, he added, could also buy land to venture into new businesses in Bosnia-Herzegovina using Malaysian technology and experiences.

At the same time, the cheap labour in the country could support the growth of the new businesses by investors, he said.

He said there were more than 2,000 planned projects that had been abandoned because of the war and the parties involved could not communicate with each other.

Tomic said these projects, ranging from agricultural farming to hydro electric power, could take off with the support of investors.

He hoped Malaysia could find suitable investors to participate in the projects.

"The banking system also needs to be addressed and we need to open branches. We also have currency problem," he added.

Earlier in his speech, Tomic said according to world experts, in the first three years, at least US\$5.1 billion (RM12.5 billion) was needed to reconstruct the country.

"Within this scope, we were promised a lot, but the money promised for the construction is coming very slowly and we hope that the second donors' conference, which is about to start in a few days in Brussels, will speed up the realisation of the given promises," he said.

Tomic said besides infrastructure reconstruction, the people of Bosnia-Herzegovina hoped to reform their economy system towards market economy, liberalisation and private property protection.

"Our enterprise "Energoinvest" had already signed contracts with partners from Malaysia and work on factory building in accordance with our technology has already started," he added.

Tomic also said that there were a number of joint venture contracts that involved Malaysia and his country but the Bosnians were having problems in getting bank guarantee.

He added that the visit of Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad and a business delegation to Sarajevo next week would see the signing of some new agreements and the strengthening of relationship between the two countries.

"Both countries will also have discussions on the payment system regarding business deals between the two countries," Tomic said.

A total of 145 delegates out of which 25 are from Bosnia-Herzegovina attended the two-day seminar. -- BERNAMA

DAB FR