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Fund

RM25 MILLION FUND TO KICK OFF MALAYSIAN BUSINESS IN KYRGYZ

KUALA LUMPUR, July 21 (Bernama) -- Three Malaysian companies have created a US\$10 million (RM25 million) fund to finance small-scale projects in the Kyrgyz Republic, Malaysia Airlines chairman and chief executive Tan Sri Tajudin Ramli said today.

He did not identify the companies or the projects that would be undertaken but said the number of firms contributing to the fund might double later.

Tajudin, who led the 81-member business delegation which accompanied Prime Minister Datuk Seri Dr Mahathir Mohamad on his official visits of Kyrgyz and Kazakhstan earlier this week, was evaluating its achievement from the trips.

The businessmen returned home with Dr Mahathir and his official delegation last night on a chartered MAS aircraft.

Dr Mahathir had suggested that Malaysian businessmen use the Kyrgyz Republic as a base to penetrate the central Asian market and relocate their industries or venture into downstream activities in resource-rich Kazakhstan as part of their globalisation strategy.

Tajudin said the businessmen will take up Dr Mahathir's call that they develop the Kyrgyz hospitality industry in a big way using the approach that made Langkawi well-known as a tourist attraction.

"But we are going to do it as a group and not individually. We'll be doing a study to define who is to build the golf courses, the spas, the hotels and the like. One company should focus on one project and not grab all," he said.

While in Kyrgyz, Dr Mahathir, who described the republic's scenery as even more beautiful than that of Switzerland, spent a full day visiting scenic lakes, rolling plains, slopes of snow-capped mountains and hot springs which he said have yet to be exploited as tourist attractions.

Tajudin said the key to ensuring the success of Malaysian ventures to develop Kyrgyz's tourism would be to tailor the marketing strategy to international tastes.

"The market should not remain Malaysian. If we are just to cater to what Malaysians want then it will not happen," he said.

Tajudin also cited Kazakhstan's proposal to build a new capital as one that offers vast opportunities for Malaysian architects, infrastructure builders and service providers.

He said the trips to the Kyrgyz Republic and Kazakhstan provided exposure to the younger Malaysian entrepreneurs and enlightened them on the level of the countries' readiness in adopting market economy and in accepting foreign investment.

Of the two nations, he said, the Kyrgyz Republic is generally less-developed while Kazakhstan, despite being well-endowed in resources and the availability of a certain level of technology, still lacked managerial expertise.

Tajudin said because of the entrenched German presence in Kazakhstan's economic development since the country broke away from the former Soviet Union, one way for Malaysian businessmen to gain a foothold there is to team up with German companies.

He reminded Malaysian businessmen intending to venture into Kyrgyz and Kazakhstan to be mindful of the lessons learned in Iran where many projects were stalled after those who clinched deals failed to keep their promises.

Chief executive of the Malaysian Palm Oil Promotion Council, Tan Sri Mohamad Yusof Hashim, Berjaya Group chairman and chief executive Tan Sri Vincent Tan, Malaysian Mining Corporation Bhd chief executive Tan Sri Ibrahim Menudin and Bank Bumiputra (M) Bhd chief executive cum executive director Datuk Aziz Othman were among other members of the business delegation. -- BERNAMA

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