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Bosnian assurance on investment sought

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MALAYSIA yesterday sought an assurance from the Bosnia and Herzegovina Government that investments and businesses by Malaysians will be safeguarded and given attention by the authorities there.

Prime Minister Datuk Seri Dr Mahathir Mohamad told the co-chairmen of the Council of Ministers of Bosnia and Herzegovina, Dr Haris Siladjic and Mr Boro Botic, that it's essential that their Government gives its assistance and cooperation in efforts to reconstruct Bosnia and Herzegovina.

Foreign Minister Datuk Seri Abdullah Ahmad Badawi, in briefing reporters after the meeting in Kuala Lumpur yesterday, said although Malaysia is aware that the situation there is not ideal for such ventures, it is essential that its Government gives its attention.

The Bosnian leaders, according to Abdullah, told Dr Mahathir that it is the desire of the state to provide protection in addition to encouraging investments to increase trade links.

"Dr Mahathir also requested the Bosnia and Herzegovina Government to take positive measures to further boost the confidence of Malaysian businessmen so that they will increase investments there.

"Dr Mahathir also expressed Malaysia's hope that the leaders will ensure that all conditions under the Dayton Peace Accord will be met by all parties in the state," Abdullah said.

The Prime Minister also told the Bosnian leaders that it is essential for all factions to observe the peace accord to ensure that the situation in Bosnia will return to normalcy, and that political stability will prevail.

"The Prime Minister stressed that if this could be achieved, it will be easier for Bosnia and Herzegovina to obtain assistance like investment and cooperation in the economic field and have ties in trade with the international community," Abdullah said.

He added that it is Malaysia's hope to participate in the reconstruction of Bosnia and Herzegovina but there is a problem currently as the Malaysian private sector is still apprehensive of its stability.

He said Dr Mahathir and the two leaders acknowledged that the economic situation in Bosnia is different from the Malaysian economic situation as Bosnia's experience in the economic field is linked with the socialist system.

Therefore, a change will have to be initiated to maximise the benefits to be derived by both parties from bilateral economic ties.

"We can hold workshops or training sessions for economic planners from Bosnia, including from the private sector, to familiarise themselves with economic planning and implementation in an open economy," Abdullah said.

Malaysia had helped Vietnam in a similar situation. Vietnam also lacked experience in an open economy because its previous economic system was based on the socialist system.

"Efforts in Vietnam had brought benefits and both the Bosnian leaders welcomed the suggestion that the same programme be applied to Bosnia," he said.

Trade between Malaysia and Bosnia and Herzegovina at present is still small. Two-way trade is valued at RM4 million a year and in Malaysia's favour. Malaysia's main export is consumer products.

He added that Malaysia has committed US\$12 million (US\$1 = RM2.66)

towards a bilateral project assistance programme which is on a government-to-government level.

Officials from the Economic Planning Unit in the Prime Minister's Department had gone to Sarajevo and has identified several projects.

"Several projects related to health and agriculture will be launched soon as both governments agreed on their suitability and priority," Abdullah added.

Malaysia currently has an investor in Bosnia and Herzegovina, which is the International Commercial Bank.

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