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CHONG: BE SELECTIVE WHEN INVESTING IN THE PHILIPPINES

KUALA LUMPUR, Feb 12 (Bernama) -- Datuk Joseph Chong Chek Ah, who heads the Westmont Group of companies, which has extensive investments in the Philippines, today advised Malaysian investors to be cautious and selective when investing in a foreign country.

"Malaysian businessmen investing in the Philippines should be cautious and selective by choosing non-sensitive types of investments and avoid those which are of national pride and key economic importance or considered to be of historical significance," said the managing director in a statement here today.

While agreeing with Prime Minister Datuk Seri Dr Mahathir Mohamad that Malaysian investors should guard against being branded as "greedy" and that they be cautious, he said that not only were normal commercial risks inherent in financial investments but that different cultures, feelings, and parliamentary and legal systems should be considered.

Nationalistic pride of heritage and historical values should be taken into cognizance when investing in a foreign country, Chong, who is MP for Batu, added.

Chong's statement came in the wake of a recent decision by the Philippines Supreme Court to reject the winning bid submitted by conglomerate Renong Bhd to buy a 51 percent stake in the state-owned Manila Hotel.

Citing the "Filipino First" policy, which is enshrined in the Philippines Constitution, the court ordered that the Manila Prince Hotel, which had also tendered for the Manila Hotel, be declared the winner of the bid.

Chong said the Prime Minister's advice was not intended to discourage Malaysian investors from investing abroad but to urge them to be more careful when selecting the type of investments.

However, he is confident that the Philippines government welcomes foreign investments. He said President Fidel Ramos' administration was globalising and liberalising investments in an effort to turn around the country's economy.

"The Philippines as a country cannot afford to ignore the continuous role played by foreign investments in generating economic growth and creating wealth amongst the Filipinos.

"To shake foreign investors' confidence, which the Ramos administration is building, is to move astern the growing economy," he said.

Chong also said that the Westmont group has so far felt welcomed in the Philippines and has been comfortable with the cordial business climate and government regulations.

"We also find our Filipino colleagues friendly. They are an educated workforce and easy to work with," he said, adding that Westmont's investments in Westmont Bank Inc in the Philippines stood at RM100 million and that further investments would be made in the bank by way of increasing its present share capital from RM150 million to RM500 million within the next three years.

The company has also invested RM138 million in a 105-megawatt floating power barge and is looking forward to investing in a 115-megawatt barge.

It too has invested in the Philippines Racing Club Inc. Recently, it invested RM1.25 billion in the National Steel Corporation. -- BERNAMA

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