

11 FEB 1997

Philippines-Investors

DON'T BE PUT OFF BY PHILIPPINE COURT DECISION, SAYS CHAMBER OFFICIAL

By: S. Durga Varma

KUALA LUMPUR, Feb 11 (Bernama) -- Malaysian investors should not be put off by a Philippines court "Filipino first" decision which overturned Renong Bhd's successful bid to buy a hotel in Manila.

This was because there were investment opportunities aplenty in the Philippines, Datuk V.K.K. Teagarajan, the vice chairman of the National Chamber of Commerce and Industry Malaysia (NCCIM), said today.

"Much more investments can be channelled into the Philippines, especially into Mindanao and the southern Philippines region," he told Bernama in an interview here today.

Teagarajan said there were investment opportunities in areas like shipbuilding and repair, property development, development of industrial estates, tourism, palm oil plantations, manufacturing as well as related commercial ventures.

He was responding to the recent decision made by the Philippines Supreme Court which voted 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 enshrined in the Philippines Constitution, the court ordered that Manila Prince Hotel, who had also tendered for the Manila Hotel, be declared the winner of the bid.

On Sunday, Prime Minister Datuk Seri Dr Mahathir Mohamad said the bungled deal would discourage Malaysian businessmen from investing heavily in the Philippines. Malaysia is one of the Philippines' biggest trading partners in Southeast Asia.

Philippine President Fidel Ramos, who criticised the court decision, called on Malaysian investors to continue to look to the Philippines as a favourable investment destination.

Said Teagarajan: "We must understand the feelings of the Filipino people and respect the decision made by the courts... some countries may like to have certain investments reserved for their own people."

He added, however, the Philippines was still keen to welcome investments in areas where there was no local participation and one such area where Malaysian investments could be injected into was in Mindanao.

He said: "A new era in Malaysia-Philippines relationship was established recently during the Manila dialogue last November," he said, adding that the way has been paved for more joint ventures and strategic investments between entrepreneurs from both countries.

"Malaysia is one of the largest investors in the Philippines."

He urged Malaysian investors who have been making a name for themselves in foreign markets not to be perturbed by the recent court ruling but to move on and seek new avenues.

Malaysian investments in the Philippines in recent years totalled RM482.5 million.

Some of the leading Malaysian companies which have invested there are Proton, Sime Darby Bhd, Renong, Metroplex Bhd, MBf Group, Leader Universal Holdings Bhd and Berjaya group of companies. -- BERNAMA

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