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GERMAN INVESTMENT TO TOP RM6 BILLION IN TWO YEARS

KUALA LUMPUR, March 26 (Bernama) -- Investment by German companies in Malaysia is expected to surge to RM6 billion in the next two years and software manufacturer BASF alone plans to invest RM1.2 billion, said Germany's ambassador to Malaysia Harald-Norbert Nestroy.

BASF is one of about 200 German firms which have production facilities in Malaysia with output meant for the local and overseas markets.

Nestroy told a press conference in conjunction with the coming visit of German President Prof.Dr Roman Herzog that because of Malaysia's robust growth over the past decade and a better prospect for the world economy, more German investment is expected in Malaysia.

He added that about RM1.617 billion had already been invested in Malaysia for the period 1980 to 1996.

President Herzog will arrive here on April 1 for a five-day visit to enhance bilateral cooperation between Germany and Malaysia.

He will be accompanied by his wife Christine, 100 German officials and 26 journalists.

The delegation will include three distinguished figures - the President of FC Bayern Munich Franz Beckenbauer, member of the European Parliament Prof.Dr Klaus Hansch and German theologian Prof.Dr Hans Kung.

Nestroy said the republic encourages its businessmen to operate in Malaysia as it would provide them with the experience and knowledge of doing business and exporting their products to China.

He said bilateral trade between the two countries last year totalled RM14 billion.

He said Malaysian exports to Germany for the first nine months of last year stood at DM3.41 billion (RM5.02 billion), compared with DM4.51 billion (RM6.63 billion) for the whole of 1995.

Imports from Germany for the first nine months of last year totalled DM2.99 billion (RM4.39 billion), against DM4.09 billion (RM6.01 billion) for the whole of 1995.

Malaysia is Germany's fifth largest trading partner.

Nestroy said German firms have expressed their interest in the Multimedia Super Corridor (MSC) and information system provider Siemen had been invited by Prime Minister Datuk Seri Dr Mahathir Mohamad to participate in the project.

"The MSC is something new. We are planning something similar in the central and rural areas of Germany," Nestroy said. -- BERNAMA

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