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Government to help oil palm growers hit by Indon freeze

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THE Government is looking to help Malaysian firms with oil palm estates in Indonesia which may be affected by the freeze on new projects by the Government there, said International Trade and Industry Minister Datuk Seri Rafidah Aziz yesterday.

She said Prime Minister Datuk Seri Dr Mahathir Mohamad had brought to the attention of President Suharto the predicament of Malaysian companies.

"In fact, Datuk Seri Dr Lim Keng Yaik (Primary Industries Minister) and I have written to our counterparts about the matter.

"We are waiting for a favourable reply from Indonesia," she said.

The freeze was to re-strategise and redistribute the oil palm plantations and rationalise between local and foreign investments.

Thirty-four companies have investments in Indonesia, of which 19 are caught in different stages of getting final clearance for their ventures.

The companies are said to have spent between RM100,000 and RM10 million on feasibility studies.

There are four million hectares in Indonesia cultivated with oil palm, mainly concentrated in Sumatra and Kalimantan.

Half of the total area is owned by foreign investors, the majority of them Malaysians.

On Malaysians who have invested overseas, especially in countries reputed for political instability, Rafidah urged them to be resilient and think of their long-term benefits of being there.

She said any internal conflicts in the countries would have an effect on the business community, but it was only temporary.

"They (the businessmen) will be suspicious because their investments are at stake," she said after opening a surau and holding a dialogue with residents of Kampung Serapoh near Parit, 50km from Ipoh.

Rafidah, who is also MP for Kuala Kangsar, said this in view of the political situation in Cambodia where Malaysian investors have investments totalling RM5 billion.

Rafidah said Malaysian businessmen should not set foot on foreign soil if they did not have a long-term plan.

"Those who are involved in buying and selling will stop temporarily and will resume their activities after peace prevails.

"Our advice to them is to be resilient and wait for the long-term returns."

Rafidah said businessmen should take challenges in the form of calculated risks.

"And for this reason, businessmen should make in-depth studies of the political situation in a particular country before they decide to invest."

She said there were vast business opportunities in countries whose current political situation was unstable but Malaysian investors had not moved into them.

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