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Keep on investing, says Mandela

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SOUTH African President Nelson Mandela's special relationship with Prime Minister Datuk Seri Dr Mahathir Mohamad has provided Malaysian businessmen with the 'most favoured' tag in terms of securing contracts and business deals in South Africa.

So, when Mandela confirmed last year that he will step down after his term ends in 1999, there was a fear whether his successor would give the same attention to Malaysian businessmen.

However, the President put an end to any such fear, when he gave an assurance that Malaysian investments in South Africa will not be affected when he steps down.

Speaking at a luncheon hosted by the National Chamber of Commerce and Industry Malaysia in Kuala Lumpur on Saturday, Mandela urged Malaysian businessmen to continue to invest confidently in his country.

He explained that there is no reason for concern as the the South African Government is democratically elected.

Mandela said the new leadership, under his designated successor THabo Mbeki, will ensure all investments, including Malaysia's, are safe.

In view of this, the setting up of a Malaysia-South Africa Business Council on Saturday can be described as timely. It will certainly inspire more confidence in Malaysian investors who are looking at South Africa.

The establishment of the council will, among other things, strengthen growth in trade and investment between the two countries.

Based on statistics released by the South African authorities, Malaysian investments have been growing steadily since Kuala Lumpur established diplomatic relations with the republic in November 1993.

Malaysian investments in South Africa currently stand at US\$3 billion (US\$1 = RM2.48). Malaysia is South Africa's largest trading partner in Asean. In Asia, it is second after Taiwan.

The two governments also signed two agreements pertaining to trade and cooperation in the shipping and maritime-related activities.

The trade agreement can provide more opportunities for Malaysian and South African businessmen to set up joint ventures.

The other agreement, the Merchant Shipping and Related Maritime Agreement, will enable South Africa and Malaysia to work together to develop their respective shipping and maritime sectors.

Malaysia certainly welcomes such cooperation particularly as it wants to develop Port Klang into a regional shipping hub for South-East Asia.

The agreements, and the setting up of the council, will undoubtedly be followed by other efforts to ensure that ties between the two countries continue to strengthen.

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