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Khazanah studying Fokker rescue proposal, says PM

KHAZANAH Holdings Bhd, the investment arm of the Malaysian Government, is studying a proposal to participate in the rescue of bankrupt Dutch aircraft manufacturer, NV Fokker, Prime Minister Datuk Seri Dr Mahathir Mohamad confirmed last night.

The Government, he said, is looking at the possibility but has yet to make a decision.

"We are looking at it. If it is feasible and viable, yes ... we are not denying anything," he told reporters in Kuala Lumpur after attending a Malaysia Inc dinner hosted by Chief Secretary to the Government Datuk Abdul Halim Ali.

Foreign reports had said Khazanah is negotiating with the aircraft manufacturer, in response to which Dr Mahathir said the company had approached the Government before the Hari Raya Puasa celebration.

Asked whether the Government was given a specific deadline to respond to the aircraft manufacturer's proposal, the Prime Minister said: "It is not a deadline but a limited time for us to study (the proposal)."

On whether any other local companies are involved in the possible participation in Fokker's rescue, Dr Mahathir said Khazanah is at present the only party involved. "It is just a meeting. We have not made any decision."

According to agency reports Khazanah and a group of international partners are studying the proposal to rescue the ailing Dutch company, which is one of the oldest names in the aircraft-manufacturing industry.

The company is ranked the fourth largest commercial aircraft manufacturer, after Boeing Commercial Airplane Co, Airbus Industrie and McDonnell Douglas Corp.

Meanwhile, Deputy Prime Minister Datuk Seri Anwar Ibrahim, speaking to reporters after attending a "Kongsi Raya" celebration at Balakong in Selangor last night, said the Government has not given a firm commitment on the proposal. "We are just looking at the proposal," he said.

Fokker's financial problem peaked last March when the company filed for bankruptcy following the withdrawal of its majority shareholder Daimler-Benz AG of Germany.

A consortium led by the Samsung Group of South Korea later aborted plans to rescue the company, putting the heavily indebted Fokker into a corporate graveyard.

However, it has been reported that a fresh rescue plan is being considered by a group, led by Andre Deleye, chairman of Dutch industrial company Begemann Group, which includes some Asian partners.

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