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Malaysia, Botswana sign IGA to deepen cooperation

Hamisah Hamid

MALAYSIA and Botswana yesterday signed an Investment Guarantee Agreement (IGA) to expand and deepen economic and industrial cooperation between both countries on a long term basis.

International Trade and Industry Minister Datuk Seri Rafidah Aziz said the bilateral trade between Botswana and Malaysia is very small, where Malaysian exports to Botswana last year was RM1.35 million, and between January and March this year the exports was only RM240,000.

Imports from Botswana, meanwhile, is negligible, she said. Rafidah said to date, there is no investment flow from either Malaysia or Botswana.

However, Chase Perdana Bhd and SP Construction Pty Ltd, have signed an agreement to form a joint-venture company for property development in Botswana during the Prime Minister Datuk Seri Dr Mahathir Mohamad's visit to the country last May.

"Business and investment opportunities in Botswana for Malaysian private sector include food processing, housing construction, consumer products, leather and leather-related industry, soda ash, joint-venture projects on tourism-related industry, airline, telecommunications and financial services," she said in her speech prior to the signing of agreement at the ministry in Kuala Lumpur.

Rafidah said the provisions in the IGA will protect investments made by investors of both countries.

"The agreement provides certainties and addresses the concerns of investors on matters pertaining to expropriation and nationalisation as well as repatriation of profits in terms of free transfer of income accruing to investment.

Rafidah said with the signing of the agreement, Malaysia has to date signed 54 IGAs.

Meanwhile, Botswana Minister of Foreign Affairs Lieutenant General Mompoti Merafhe identifies opportunities for Malaysian investors in areas such as construction and services, component manufacturing, transportation and distribution.

He said Botswana has a lot to offer to Malaysian businessmen due to its political stability and stable macro-economic conditions.

"Botswana is also located at the centre of South African region.

"We are selling Botswana, not as a single country but part of the South African market of 153 million people," he said.

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