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Parliament-Exports

MALAYSIA'S EXPORTS TO SOUTH AFRICA, WEST ASIA INCREASE

KUALA LUMPUR, Oct 8 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad told the Dewan Rakyat today that trade promotion missions which he headed to African and West Asian nations as well as to Central Africa and Central Asia had helped to increase Malaysia's exports to these places in the last three years.

Malaysia's exports to African nations had increased from RM1,219 million in 1994 to RM2,049 million last year.

In the case of the Middle East, exports increased from RM2,323 million in 1994 to RM3,833 million last year while to South America from RM2,187 million (1994) to RM2,659 million (1996), he told Datuk Haji Mohd Zihin Hassan (BN-Larut).

To Central Asia, total exports in 1994 amounted to RM178 million and increased to RM352 million last year, he said.

Malaysian companies had also invested in those countries in the property, hotel, telecommunication, agriculture, manufacturing and mining sectors, the Prime Minister said.

Total Malaysian investment in South Africa was valued at RM2,006 million, Zimbabwe (RM1,250 million), South America (RM627 million), India (RM800 million), Kyrgyz Republic (RM56 million) and Croatia (RM16 million).

The Prime Minister also told the House that 20 out of 65 Memorandums of Understanding (MoU) and joint-venture agreements signed by Malaysian investors with foreign governments and investors since 1995 could not be implemented.

Among the reasons were that the projects were found to be not viable from the feasibility studies that were made, the projects were beset with problems and also difficulties on financing the projects.

Other problems were the postponement of the projects due to new developments in the host nations and difficulty in abiding by regulations and policies introduced by foreign governments.

Dr Mahathir said to reduce such failures, it had been decided that all MOUs and joint-venture agreements with foreign partners be first registered with the Malaysian Government.

"For this purpose, a committee had been set up in the Ministry of International Trade and Industry to study and review every MOU and joint-venture agreement which were proposed to be signed with foreign governments," the Prime Minister said.

Replying to Lim Kit Siang (DAP-Tanjong) who wanted to know how Malaysia's currency crisis had affected the country's trade relations with other countries, the Prime Minister said, "One of the effects which can be seen is that when we invest in another country or when we compete with developed countries for privatised projects, our cost has increased by more than 20 per cent and thus making us less competitive."

"This will certainly hinder us from competing with developed countries and directly the depreciation of our currency will benefit developed countries when they compete with us," he said.

To a question from Yunof Meringking (PBS-Tuaran) Dr Mahathir said Malaysia was investing in developing countries as it believed that this would not only help develop the host country but also benefit Malaysia.

"This is our experience. When Japan invests in Malaysia and sets up factories, they provide many jobs...we become rich, our country develops because of this direct foreign investment. When we progress, we are able to

buy their goods and their investment becomes an incentive to develop our country," he said.

"When we become a developed nation, we become a good market for Japan and the same applies when we invest in South Africa and West Asia, our aim is to help them to become more developed and when they are developed they will buy our products," he said.

To a question from Datuk Haji Hanafi Ramli (BN-Jerlun) who wanted to know whether Western countries appreciated the good intentions of Malaysia in helping other developing countries, Dr Mahathir said: "I have made an assessment on Western countries appreciating our actions. I have stated and stated several times, I found none." -- BERNAMA

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