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Mahathir-Oil

MALAYSIA TO PROMOTE PALM OIL IN MONGOLIA

ULAN BATOR (Mongolia), Sept 9 (Bernama) -- Malaysia today offered Mongolia a credit facility of US\$5 million to buy its palm oil in a move to introduce the commodity to the country, Foreign Minister Datuk Seri Abdullah Ahmad Badawi said today.

He said the facility was extended to Mongolia at the bilateral talks between Prime Minister Datuk Seri Dr Mahathir Mohamad and his Mongolian counterpart, M.Enkhsaikhan here.

The Malaysian Prime Minister is on a four-day official here at the invitation of the Mongolian government.

"Since palm oil is not yet known to the Mongolian people, we want them to try it as an alternative to other edible oils with a view to exporting it if they find it suitable," he told Malaysian journalists accompanying Dr Mahathir on the visit.

However, Abdullah said, the Mongolian government had not stated whether they would accept the offer.

Malaysia today also signed a memorandum of understanding (MoU) on scientific and technical cooperation on palm oil applications in Mongolia with Khunstex Technology, a Mongolian food-processing company which will try to promote the oil in the country of 2.5 million people.

"Although the market for palm oil in Mongolia is small, may be it can serve as a half-way house for our exports in this area," said Primary Industries Ministry Secretary-General Datuk Harun Siraj who signed the MoU on behalf of Malaysia.

He said Malaysia plans to export to Mongolia palm oil initially in the form of solid fat mainly for making margarine and soap.

"As palm oil solidifies easily in cold temperature, we don't want Mongolians to think that the oil is inferior to other substitutes," he said.

He said the executive director of Khunstex, B. Khukhenkhu, would visit Malaysia soon to familiarise himself with palm oil including Malaysia's research on the commodity.

According to Harun, about 90 per cent of Mongolia's edible oil needs depends on imported animal fat. -- BERNAMA

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