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LID-Zimbabwe

MALAYSIA TO EXPORT AUTO MAKING TECHNOLOGY TO ZIMBABWE

LANGKAWI, July 29 (Bernama) -- Malaysia is gradually emerging from being a recipient of auto manufacturing technology to exporting the technology to Third World countries starting with Zimbabwe.

A Malaysian-Zimbabwe joint venture with majority Malaysian interests would set up a US\$30 million (RM78 million) plant manufacturing both cars and buses that could be exported to the fast growing Southern African region.

The joint venture company, Zimbabwe Automotive Manufacturer Pvt Ltd, is 75 per cent owned by Malaysian interests through Zimbabwe Automotive Industries Pvt Ltd and 25 per cent Zimbabwean interests.

Another agreement signed here today was between civil engineering group Promet Bhd and the Zimbabwe Republic Police Association, for the building of 10,000 units of police housing and administrative buildings in a deal worth RM200 million.

Both agreements were witnessed by Prime Minister Datuk Seri Dr. Mahathir Mohamad and Zimbabwe's President Robert Mugabe. The two leaders earlier had a half-hour bilateral meeting.

Speaking to reporters later, Dr Hassan Mohd Ali, the managing director of Zimbabwe Automotive Industries, said the plant located in the country's second largest city Bulawayo would probably manufacture 800-1,000 cc cars, with a capacity of 5,000 cars annually and a similar number of buses.

Before that, Malaysian-made cars and buses would be imported into Zimbabwe with the Zimbabwe government giving some preferential treatment in the import of these cars.

As for the other deal, Promet is undertaking the venture through ZinMal Promet, a joint venture in which it has a 70 per cent stake, with the remainder being held by ZimMal Holdings (Pvt) Ltd.

The housing development comprises about 10,000 residential units and its associated ancillary facilities in new and existing police camps in various locations and camps in the country. -- BERNAMA

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