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Pragmatic and flexible approach to woo private investors

JOHOR BARU, Tues. - The Johor Government will adopt a pragmatic and flexible approach to attract more private investors to the State.

Menteri Besar Datuk Abdul Ghani Othman said in this respect, the long-term benefits of these investments such as job opportunities and revenue to the State would be duly considered.

He said relaxing the regulations would also encourage creativity in the private sector, which could in turn contribute towards higher economic growth.

"In this respect, I fully agree with the Prime Minister Datuk Seri Dr Mahathir Mohamad's statement that we adopt lateral thinking and forgo early profits for more permanent benefits," Ghani said.

He was speaking after opening the "Malaysia and Canada Working Together In Smart Partnership" seminar here today.

In Malacca, the State did not impose any restrictions on investors wanting to invest in Malacca, Chief Minister, Datuk Seri Mohd Zin Abdul Ghani said.

"I have directed all agencies under the State Government to give all the needed incentives for them to invest. Our government agencies are not agents preventing investments coming into the country," he said.

Mohd Zin said this was reflected in the nominal fee on land premium for projects related to tourism, like the construction of new hotels.

"In addition to this, the State Government had also recently agreed to reduce land premium rates by 50 per cent on projects related to the construction of institutions of higher learning," he said, adding that the State Government realised the importance of investments and had taken the necessary steps to introduce incentives and cut down red-tape.

Mohd Zin was commenting on Dr Mahathir's statement that State Governments should adopt lateral thinking and forgo early profits from large-scale industries for a more permanent benefit.

He was speaking after sending off some 200 pilgrims for the haj from the Kota Melaka parliamentary constituency last night.

The State Government, however, would continue to monitor its departments, agencies and officers, to make sure that they do not misuse their powers in requiring more conditions to be implemented on investors.

"The State should not be imposing unusual conditions for its own benefit. However, if there is any government agency or officer taking such measures, they would be dealt with severely and proper action would be taken to rectify the situation," he said.

On land to be developed by investors, he said that the State Government did not have a problem selling land to potential investors as land was sold based upon the market price as the matter was referred to the Valuation and Property Services Department.

"However, the problem exists with private developers who have purchased this land. They may hike up their prices unnecessarily just to make quick profits and in this case their profit is the country's loss.

"Therefore, this irresponsible act had to be dealt with and the State Government may decide to introduce a guideline or index if needed to ensure some control over the matter," he said.

In Kuantan, Menteri Besar Tan Sri Mohd Khalil Yaakob said the steady flow of foreign investments to Pahang had shown that investors were happy with the conditions set by the State Government.

In supporting Dr Mahathir's call, he said an analysis by the Pahang Government had revealed that many investors were attracted to the State because of the competitive price of industrial land and the proximity to raw materials.

"In some cases, the State Government defers the payment of land premiums and an example is the MEC City project which is being carried out on a develop-now-pay-later basis," he said.

Khalil said the State Government had always been reasonable in its dealings with investors and that efforts to remove unnecessary obstacles were on-going.

"The State Government has also established a one-stop agency to deal with and solve problems faced by investors when dealing with the authorities," he said.

Feedback from investors has also shown they are satisfied and impressed with the efficiency of the relevant agencies and departments involved in the vetting and approval of their projects.

"The departments and agencies have been directed not to hold back applications to set up factories or the issuing of certificates of fitness to factory buildings if the documents are in order," he said.

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