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Investment-Philippines

TABUNG HAJI BOOST FOR MINDANAO INVESTMENT

KUALA LUMPUR, Feb 20 (Bernama) -- An oil palm plantation joint-venture between the Pilgrims Management and Fund Board (Tabung Haji) and a local company in Mindanao in southern Philippines has been hailed as the first ever foreign investment in the predominantly Muslim region.

The 30,000-hectare project between Tabung Haji and Janoub Philippines Development Corporation also has an added significance: it is located in Lanao Delsur, described as the poorest region in the country and the Philippines' "last frontier".

Datu Haji Abul Khayr Alonto, the chairman and chief executive officer of the joint-venture company Tabung Haji Janoub Philippines Plantation Inc, told Bernama here today Tabung Haji would commit RM64 million to develop an initial 5,500 hectares.

"The land has been cleared and we are in the process of planting seedlings for the plantation," said Abul Khayr, who attended the company's board meeting here yesterday.

He said the project was very significant because for the first time since the establishment of the Republic of the Philippines, a foreign investor had come to Muslim Mindanao.

"Previously, there was not only zero foreign investment in Muslim Mindanao but also zero domestic investment from the big business concerns in Manila to our part of the country," said Abul Khayr, who is chairman of the Philippine Malay Chamber of Commerce and Industry.

He said credit for the Tabung Haji-led investment should go to Prime Minister Datuk Seri Dr Mahathir Mohamad and Philippine President Fidel Ramos, both of whom are taking a personal interest in the development of the long-neglected region.

According to him, it was Dr Mahathir's intention to eventually develop 300,000 hectares for oil palm plantations in Mindanao with Malaysian investments and the plans had received the full backing of Ramos.

"The areas for these plantations have been identified while prospects for Malaysian investments in other sectors in resource-rich Muslim Mindanao are tremendous," he said.

He said the key to the success of any foreign investment in Mindanao is the direct participation of the local people in the region itself as is being done through the Tabung Haji venture.

"Small and medium-size Mindanao entrepreneurs will be directly participating in this joint-venture," he said.

He also said that in the next five years, investments worth about RM4 billion were expected to pour into Muslim Mindanao, mainly from Malaysia and the Middle East.

Such investments were spurred by the signing of the peace accord last year which ended the protracted civil war in southern Philippines.

He said economic development in poverty-stricken Mindanao was crucial to the success of the peace accord and the people in the region looked forward to the key role which Malaysian investors could play to enable them to reap the peace dividends. -- BERNAMA

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