

01/08/1998

PM: Visit helps to boost relations with Maputo

Ahirudin Attan in Maputo (Mozambique)

MAPUTO (Mozambique), Fri: Datuk Seri Dr Mahathir Mohamad ended today his visit to Mozambique, the final leg of his three-nation tour of southern Africa, saying there are still areas Malaysians can go into despite the economic problems back home.

At a joint press conference with President Joaquim Alberto Chissano, the Prime Minister said new areas of cooperation with Mozambique have been identified in banking, agriculture and property development.

In conjunction with his three-day official visit to this country, Bina Puri Holdings Bhd and Chase Perdana Bhd formalised a deal to develop 2,000 units of homes in this city involving a US\$50 million (US\$1 = RM4.14) investment.

International Commercial Bank, a privately-owned Malaysian entity, was also launched yesterday. Its chief executive officer, Mr Benedict Goh, said initial investments have reached US\$1.6 million.

Southern Bank of Malaysia, which acquired a controlling stake in one of Mozambique's largest banking networks last year, unveiled the local bank's new name and logo last night.

"Despite the problems we are facing back home, there are still things that Malaysians can do here," Dr Mahathir said.

At the Government level, an economic, scientific, technical and cultural cooperation agreement was signed today witnessed by both the leaders. Energy, Telecommunications and Posts Minister Datuk Leo Moggie signed for Malaysia, while the Mozambican Foreign Minister Dr Leonardo Simao signed for his country.

Dr Mahathir said Malaysia is also planning to import more from Mozambique to help address the imbalance in balance of payments. Production and purchase of Mozambican cashew nuts are being considered.

"I am satisfied with the outcome of my visit. It has helped to strengthen relations and I expect more interaction between us at the ministerial, official and private sector levels. The visit has also contributed to closer rapport between our two countries," he added.

Chissano, in his remarks, said although bilateral cooperation started only a year ago, much has been accomplished with Malaysia.

The President said he and the other southern African leaders also have a better understanding now on the currency problems facing Malaysia.

"It is a serious problem ... but you have people capable of dealing with the issue.

"We now know that your economic problems were not brought about by yourself but by external forces. However, your currency problems will not stop us from strengthening our relations for the future."

This morning, Dr Mahathir addressed Chissano's Cabinet and senior members of the civil service, including the central bank.

Asked on this, the Prime Minister said: "I was given the honour to share our experiences in many matters.

The attack on our currency was one area which I was asked to explain. I also learnt a few things from them with regard to their currency situation which may be useful."

Dr Mahathir is the first Malaysian Prime Minister to visit Mozambique. His southern African tour started with a working visit to South Africa followed by four days in Namibia for the Southern Africa International Dialogue.

In Mozambique, the Prime Minister was accompanied by a strong delegation of business leaders, including Petronas president Tan Sri Hassan Merican and Proton chief executive officer Tengku Mahaleel Tengku Ariff.

Dr Mahathir said there will be more visits by both private sector and government representatives to strengthen ties with Mozambique.

Malaysian companies with operations here spoke of opportunities to expand in the future.

Goh, the International Commercial Bank chief, said, "This is a long-term investment and we're looking at long-term business ... we see potential in construction and industries."

The bank employs 30 people and has one branch here.

Southern Bank has the bigger presence. The bank which it acquired last year, Banco Austral - austral is Portuguese for southern - has 148 branches countrywide and is fully computerised.

Malaysia's first property project in this country is in cooperation with Sir Grupo and the Maputo Municipal Council. The new township to be developed is called Zimpeto on 60ha of land provided by the municipality. Construction is scheduled to start this year.

(END)