

01/03/1998

Brunei to invest more (HL)

Ashraf Abdullah

KUALA LUMPUR, Sat. - Brunei will increase its investments in Malaysia and will look into other potential areas into which it can venture, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

Dr Mahathir said the Brunei Investment Agency would look into the potential areas and consider with "due diligence" the possible investments in Malaysia.

Speaking to reporters after talks with Brunei's Sultan Hassanal Bolkihah at the Shangri-La Hotel, Dr Mahathir said no figures were mentioned on Brunei's possible investments in Malaysia.

The talks were followed by a luncheon hosted by Dr Mahathir.

Asked whether there were concrete proposals from Brunei on dealing with the current financial and economic situation in the region, Dr Mahathir said: "There were no concrete (proposals) but we worry that the fall in Asian currencies will trigger a lot of problems for all the countries.

"Among the problems is the possible migration of people from countries most affected by the currency crisis."

Sultan Hassanal Bolkihah arrived yesterday for an overnight working visit. He was accompanied by his younger brother Pengiran Jefri Bolkihah, who is the chairman of BIA.

Today's meeting was an extension to an earlier discussion between Sultan Hassanal Bolkihah and Dr Mahathir, who was in Brunei on a two-day working visit last week. Their talks centred around the current economic problems affecting the region.

Asked if Brunei would be able to invest in Malaysia within the year, the Prime Minister said he was quite sure that it would make an early decision on the matter.

"They might even buy shares in the local stock market for example. I don't know because everything is open," he said.

Dr Mahathir said it would take some time for the BIA "to consider with due diligence investing" in Malaysia.

The Prime Minister and Sultan Hassanal Bolkihah also discussed the proposed single Asean currency in the light of the financial and economic problems facing several Asian countries.

"But that is something that will have to come later," said Dr Mahathir.

He said Asean countries would first observe how the European Union implemented the single currency system and whether it worked.

Although there is still scepticism about the effectiveness of the euro, the EU has passed the point of no return for its introduction in the financial market on Jan 1, 1999.

Twenty billion notes in seven different denominations and 70 billion coins in eight denominations will be circulated in 2002.

Asked if there was general agreement between him and Sultan Hassanal Bolkihah that the Singapore dollar be used for intra-Asean trade, Dr Mahathir said there was no agreement on the matter.

"We don't reject that. On the other hand, we have never really thought of using the Singapore currency for this purpose," he said.

This morning, the Sultan visited the Bukit Kiara Equestrian Club in Damansara. He left for Bandar Seri Begawan later in the evening.

(END)