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Djibouti-Investment

DJIBOUTI TO CONSIDER FURTHER INCENTIVES FOR MALAYSIAN INVESTORS

KUALA LUMPUR, Aug 6 (Bernama) -- Djibouti, which already offers tax-free investment returns for up to 10 years, is willing to consider further incentives for Malaysian investors.

Djiboutian President Hassan Gouled Aptidon said his government was willing to discuss further the kind of incentives needed by Malaysian investors.

"We requested Malaysia to send to Djibouti a mission to explore the opportunities and discuss ways and means of how to accommodate their needs," he told a press conference at the end of his six-day official visit here today.

President Aptidon and his delegation which included two ministers, senior government officials and businessmen are here on a nine-day visit from Aug 1 and will be on a private programme for three days before leaving for China and Japan on Monday.

Stressing that "seeing is believing Djibouti", he was glad that a high level delegation from Malaysia would be visiting Djibouti soon.

Speaking through an interpreter President Aptidon said Djibouti's location itself at the Horn of the African continent, offered Malaysian investors a strategic gateway not only to the continent but also to the Mediterranean.

"I insist that Malaysian businessmen and investors come to our country to see for themselves the fields they can venture into," he said when asked what specific field was the best advisable for Malaysian investors.

He thanked the Yang di-Pertuan Agong Tuanku Ja'afar, Prime Minister Datuk Seri Dr Mahathir Mohamad and the government and the people of Malaysia for their hospitality during his stay here.

Asked whether the current economic slowdown Malaysia was facing could dampen Djibouti's interest in fostering closer ties, he said, "Absolutely not. This is just a temporary situation that Malaysia can weather and we are looking forward to a better future."

Djiboutian Minister of Commerce and Industry, Mohamed Barkat Abdillahi elaborated to the press later that any investment from US\$250,000 upwards would be tax free for 10 years in Djibouti and any amount lower for up to five years.

"With a population of about one million and a per capita of US\$800, we also offer a strategic location and a gateway to the East African market of 80 million people," he said.

He said apart from the fact that the Djibouti franc had remained at 117 to the US dollar since 1950, his country allowed free transfer of money out of the country and foreigners could hold 100 per cent equity in companies set up in Djibouti.

Djiboutian businessmen in the delegation, he said, were very impressed with the high quality and attractive prices of Made-in-Malaysia products and had discussed employing several Malaysians with expertise in several fields including manufacturing.

He said it was highly possible that manufacturing of finished goods for the African market would be a more attractive field for Malaysian investors to start off in Djibouti.

During the visit, Djibouti signed two agreements with Malaysia on the Promotion and Protection of Investment and on Economic, Scientific, Technical and Cultural Cooperation.

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