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France praises Malaysia for being in control of problem

Mona Fairuz Nordin

FRANCE, the fourth largest European investor in Malaysia, yesterday reaffirmed its confidence in the country as an investment destination.

Besides expressing this confidence, French Minister of State in charge of Foreign Trade Jacques Dondoux also commended Malaysia's response to the regional economic problem.

"I am sure the problem (in the region) will not last long and Malaysia has so far been able to have full control of the situation," he said.

Dondoux said France has no plans to revise its investment in Malaysia and added that the country would continue to invest here.

"I know that several European countries have revised their investment in Malaysia, but that will not be the case for France," he said yesterday.

Dondoux who arrived late on Sunday is expected to call on Prime Minister Datuk Seri Dr Mahathir Mohamad this afternoon.

France is the fourth largest investor in Malaysia from the European Union after Germany, the United Kingdom and the Netherlands.

He was speaking to reporters after the signing of a memorandum of understanding between the Malaysian Industrial Development Authority and Agency for the International Development of French Technology and Trade or CFME-Actim.

The MoU is an extension of a 1990 Malaysia-France economic and technical co-operation pact, which was dissolved at the end of last year due to budgetary constraints.

It is for the transfer of French technology and promotion of industrial and technological co-operation.

The MoU was signed by Mida director-general Datuk Zainun Aishah Ahmad and CFME-Actim chairman Jean-Claude Karpeles in the presence of International Trade and Industry Minister Datuk Seri Rafidah Aziz and Dondoux.

"We already have investments in telecommunications (such as Alcatel) and we are now discussing opportunities in the multimedia sector," said Dondoux.

Other priority sectors include machinery and equipment, transport equipment industry, and agro-based industries.

Meanwhile, Rafidah said total trade between France and Malaysia in the first two months of 1998 amounted to RM971.6 million.

During this period, Malaysia exported products worth RM409.3 million to France.

Total bilateral trade in 1997 amounted to RM6.35 billion, with Malaysian exports amounting to RM2.097 billion and imports amounting to RM4.253 billion.

"We hope more French businesses will come and invest in Malaysia," Rafidah said at the signing ceremony, adding that at the end of 1997 there were 253 French companies in Malaysia.

Apart from Alcatel, other French companies in Malaysia include Thompson SA, Fichet Bauche, Mafipro Mapa Group of Companies, Jourbert, Michelin, Peugeot and Montagut.

CFME-Actim is a semi-private organisation with 45 per cent of its activities funded by the French Government and the balance from subscriptions from its members.

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