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DPM: FIC agrees to maintain waiver for UEM following appeal

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THE Foreign Investment Committee (FIC) has agreed to maintain the waiver extended to United Engineers Malaysia (UEM) to make a general offer for the remaining stake not owned by it in Renong Bhd.

Deputy Prime Minister and Finance Minister Datuk Seri Anwar Ibrahim said the decision was made by FIC after reviewing an appeal from UEM via a letter dated December 31 1997, seeking the waiver.

In his written reply to Lim Guan Eng (DAP-Kota Melaka), he said UEM had claimed that it had misinterpreted the condition for exemption from making the general offer.

The company had defined the condition as approval for UEM and associated companies to acquire up to 50 per cent voting rights in Renong, excluding those already owned by other parties other than UEM and its subsidiaries prior to being granted the waiver.

Last year, UEM had made a proposal to acquire a controlling stake in Renong Bhd. Under Rule 34.2 of the Malaysian Code on Mergers and Takeovers, the acquiring company must then make a mandatory general offer to minority shareholders.

* THE economic slowdown, spurred by the regional currency crunch since last July, has dampened activities in certain key economic sectors.

Finance Ministry Parliamentary Secretary Datuk Dr Shafie Mohd Salleh said the affected sectors were property, construction, financial and manufacturing.

"Investors' wealth were also not spared and companies' investment funds have shrunk to the extent that it was difficult for them to disburse dividends," he said in reply to a question by Dr Tan Chong Keng (BN-Bukit Mertajam).

* MALAYSIA's logging practices will ensure a sufficient supply of timber in the country, Primary Industries Deputy Minister Datuk Hishamuddin Hussein said.

Replying to Akbarkhan Abdul Rahman (BN-Libaran), he said Malaysia has opted for selective logging against clear-felling when it comes to logging its forest.

"Under this practice, loggers can only harvest matured trees. This allows younger trees to grow faster to replace those that have been logged," he added.

To Akbarkhan's original question, Hishamuddin said the Government allows locals to import logs and sawntimber provided they are not re-exported without being processed first.

He added this will assist locals by ensuring sufficient timber supply to cater for their move to go further downstream.

* MALAYSIA will continue to become the leader in the world palm oil sector despite Indonesia's strong comparative advantages in the industry.

Deputy Primary Industries Minister Datuk Hishamuddin Hussein said although Indonesia has vast land and cheap labour, the bulk of its palm oil production is meant for domestic consumption.

Winding up points raised by MPs on the ministry during the debate on the Royal Address, he said nonetheless, Malaysia sees Indonesia as a competitor in the sector.

"The world edible oils and fats market is large enough for everybody. It is better for Malaysia and Indonesia to cooperate to become a joint force to be reckoned with in this sector," he added.

* THE Dewan Rakyat yesterday rejected a motion by Opposition leader Lim Kit Siang (DAP-Tanjung) to adjourn the House to discuss a new crisis of confidence in the country's judiciary system.

Lim alleged that the crisis arose from Prime Minister Datuk Seri Dr Mahathir Mohamad's remark on the court case of Lim Guan Eng (DAP-Kota Melaka) that could interfere with the MP's Federal Court appeal.

He said Dr Mahathir's comments on the matter in the local daily could discourage Federal Court judges from hearing Guan Eng's case because the Prime Minister has a say in judicial appointments.

Deputy Speaker Datuk Juhar Mahiruddin said although the motion was specific and of public interest, it is not urgent. Thus, he has rejected it.

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