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Zimbabwe-Investors

INVESTORS URGED TO CHECK OUT OPPORTUNITIES IN ZIMBABWE

By: Abdul Muin Abdul Majid

VICTORIA FALLS (Zimbabwe), Oct 2 (Bernama) -- Malaysian companies should come to check out investment opportunities in Zimbabwe although there are projects which cannot take off due to inside and outside interference, Malaysian High Commissioner Ali Abdullah said today.

He said the Zimbabwean government was looking at ways to reduce bureaucracy in order to attract more foreign investments.

Ali also said Malaysian firms were looking closely at the proposed privatisation and expansion of the Hwange Power Station by infrastructure group YTL Corporation Bhd, a project which has been bogged down by such inside and outside interference.

"The Zimbabwean government has invited YTL to renegotiate its proposed involvement in the project. YTL representatives are expected in Zimbabwe anytime soon," he told Malaysian reporters covering the visit of Prime Minister Datuk Seri Dr Mahathir Mohamad to Zimbabwe to attend the Third Southern African International Dialogue, here.

Dr Mahathir arrived in Victoria Falls this afternoon.

"If the joint venture is successful, others will follow suit," he said.

On Oct 15, last year, Zimbabwe and YTL's subsidiary, YTL Power International Bhd, signed a letter of award for the US\$600 million project.

It involves the expansion of the existing Hwange Power Station by 600 megawatts through financing and developing two new 300 MW units to increase the capacity to 1,580 MW for the Zimbabwe Electricity Supply Authority (ZESA).

Ali said the problem encountered by YTL was due in part by other foreign companies eyeing the project as well as by requirements by International Monetary Fund (IMF) and donor agencies.

The IMF, he said, was of the opinion that it would be better for Zimbabwe to carry out a similar project in Gokwe costing about US\$1 billion in which the National Power of Britain had shown a keen interest.

"If the IMF does not release its financial assistance to Zimbabwe if the country does not fulfil its requirement, then it is said that other donor organisations would not come in to assist Zimbabwe," he said.

Ali also said a team from national car manufacturer Proton visited Zimbabwe recently to check out the market for Proton cars in this country.

He said another option being looked into was to assemble the cars in Zimbabwe.

On trade volume, Ali said only RM16 million worth of bilateral trade was registered last year.

Malaysia buys tobacco and food items from Zimbabwe while this country imports electrical, electronic goods and food products from Malaysia.

The envoy said one of the disadvantages of Zimbabwe was that it was a landlocked country.

He said there was a potential for barter trade to be developed between the two countries.

Ali, who started his tenure in Harare one-and-a-half years ago, is also accredited to seven other countries namely Zambia, Malawi, Tanzania, Uganda, Comoros, Seychelles and Mauritius.

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