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MOKHTAR-FOREIGN

INVESTORS CONFIDENT WITH M'SIA'S ECONOMIC FUNDAMENTALS

KUALA TERENGGANU, March 10 (Bernama) -- Terengganu Menteri Besar Tan Sri Wan Mokhtar Ahmad today said that foreign companies continued to invest in Malaysia because they are confident with the country's economic fundamentals.

Although Malaysia and the region are facing economic slowdown, her strong fundamentals encouraged investors to continue to invest in the country, he said.

"I believe the move to invest in Malaysia is an excellent long term move and could spur economic and social activity, especially for those staying nearby," he said in his speech officiating a carbon dioxide processing plant which is owned by Hydrogas (M) Sdn Bhd, in Kerteh near here.

His speech was read by chairman of the state executive committee on Education and Human Resources Development, Datuk Abdul Rashid Ngah.

Wan Mokhtar said that Malaysia, under the leadership of prime minister Datuk Seri Dr Mahathir Mohamad, stressed upon the importance of policies to successfully achieve economic development in the country apart from encouraging economic growth among the private sector.

"The relationship between the government and the private sector is interconnected, when the private sector succeeds, the government can obtain various forms of taxes which are used for development in the country," he said.

However, he said that the rapid economic growth experienced by the country was derailed in the second half of 1997 in view of the regional financial crisis which needed an effective response to face various challenges which had emerged.

He said although the various strategies mapped out by the National Economic Action Council had been criticised by various quarters, "we have to be patient."

For Terengganu, Wan Mokhtar said the state government was continuously encouraging long term investments like those undertaken by Norsk Hydro, and believed that its businesses would expand and provide benefits to the state and surrounding areas.

He hoped that with the experience gained from its international operations, Hydrogas would provide the opportunity for locals to acquire the expertise.

"The Terengganu state government would continue to provide support to foreign investors, especially those who invest in the state's steel, gas and petrochemical industries," he added.

Norsk Hydro ASA of Norway, through its subsidiary, Hydrogas (M) Sdn Bhd, has invested RM45 million for a carbon dioxide plant near here to serve the local food industry. -- BERNAMA

SBS FR SHY