

28 OCT 1999
SOUTH-SOUTH CO-OPERATION
MANY NEW INVESTMENT OPPORTUNITIES IN AFRICA

By: Mohd Rizal Razalli

KUALA LUMPUR, Oct 28 (Bernama) -- The relatively untapped African continent offers many new investment opportunities for Asian investors in critical areas such as building infrastructure, said a South African minister.

Dr Essop Pahad, Minister in the Office of the President of South Africa, said investors can also explore opportunities in downstream and value-added activities in the mineral resources sector.

"Nigeria is one of the highest quality crude oil producers in the world and Angola also has plenty of oil reserves," he said.

South Africa, he said, remained the biggest producer of gold, platinum, diamond, aluminium and zinc.

Dr Pahad, who is in Malaysia to attend the Asia-Africa Business Forum which ends on Friday, said South-South co-operation, whose concept has been accepted, must adopt a more practical-oriented approach to ensure it can work successfully.

He said there were no problems in accepting the South-South co-operation concept in theory but such co-operation should have already taken firm and practical steps to ensure viable ventures.

South countries, he said, needed such co-operation.

South-South co-operation was mooted by Prime Minister Datuk Seri Dr Mahathir Mohamad.

Dr Pahad hoped that the South African and Malaysian governments would take the lead towards "practical acceleration" in South-South co-operation.

He said it was becoming a pertinent requirement for South-South countries to find ways for them to come together to discuss fundamental issues affecting the world economy.

He said if major South countries like China, India and Malaysia were able to sit down and work together, the impact of South-South countries on world development would be much greater.

Dr Pahad said one of the most important economic problems confronting South-South countries was the settlement of the debts of the poorest countries.

He said South-South countries should also address questions surrounding the reform of the global monetary system.

"Malaysia has been a front-runner on the question of the capacity of small and medium-scale countries in determining their own exchange rates," he said.

Malaysia has imposed selective exchange controls, including pegging its currency to RM3.80 to one U.S. dollar, to shield itself from rogue currency traders.

Dr Pahad said Malaysia's foreign exchange controls had already provided South-South countries with sufficient material for discussion.

He also said South Africa and Malaysia shared many common positions.

For example, he said during the recent Commonwealth meeting in Durban, Malaysia and South Africa shared common positions on all major issues confronting the world.

"But at the same time, we firmly stick to a firm understanding that in terms of internal issues, we will deal from our own perspective," he said.

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