

Malaysia steadfastly committed to welcoming foreign direct investment

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By Ravi Nambiar

MALAYSIA is steadfastly committed to its policy of welcoming foreign direct investments into the country.

Prime Minister Datuk Seri Dr Mahathir Mohamad said this had not only served to spur economic growth and development in the country, but had also helped to create jobs for the people.

He said despite recent foreign attacks on the ringgit and the consequent economic slowdown, Malaysia was still committed to opening its doors to foreign investments.

"We will continue to lay out the welcome mat so that foreign investors can come and help develop our economy.

"We remain steadfast in our desire to continue with the country's industrialisation drive. We welcome investors, both domestic and foreign, to invest in the country," he said.

Dr Mahathir was speaking at the inauguration of the Titan Group's RM3.2 billion Phase II expansion programme in Pasir Gudang, Johor, yesterday.

The Titan Petrochemical Complex, valued at RM5.2 billion in total investments, has 10 state-of-the-art plants and associated facilities spread over 121ha at the company's two sites at the Pasir Gudang Industrial Estate and the nearby Tanjung Langsat Industrial Estate.

Titan Group is a joint venture between the US-based Chao Group and associates, who own 54 per cent, and Permodalan Nasional Berhad (PNB) through its wholly-

owned subsidiary, PNB Equity Resource Corporation Sdn Bhd, which holds the remainder.

Also present at the ceremony were Johor Menteri Besar Datuk Abdul Ghani Othman, PNB group chief executive Hamad Kama Piah Che Othman, Titan Group chairman Datuk T.T. Chao and Titan Petrochemicals and Polymers Bhd managing director James Chao.

At the ceremony, the Titan Group donated RM5 million in aid of the Yayasan Tun Ismail Mohamed Ali. A mock cheque for the amount was presented by T.T. Chao to Hamad Kama Piah.

Dr Mahathir thanked the Titan Group for its investments in the country, noting that from a small production facility it had grown to deserve its name as a "titan".

He pointed out that since independence, Malaysia had chosen to go big with foreign investments although this was not easy to realise as the country had "no knowhow, capital, knowledge of the market or technical skill" to industrialise.

But the decision to "open the doors" to foreign investors, he added, had put Malaysia on a strong footing with the creation of jobs and stimulus for the economy.

Dr Mahathir stressed that the Government's industrialisation drive had also benefited all sectors of the population as the Government had judiciously utilised the corporate tax derived from these companies to boost infrastructure, facilities and services for the people.

"In the case of the Titan petrochemical complex, the people also

have a share and ownership of the company through PNB, as its unit trust schemes are subscribed by more than seven million people.

"This is what the Malaysia Incorporated concept is all about... the Government working with the business sector to ensure they make substantial profits which can then be ploughed back for the benefit of the people," he said.

The Prime Minister hoped companies investing in "real businesses" involved in the production of goods and services would be able to survive the onslaught of the so-called "dotcom" companies whose shares have surged in stock markets worldwide.

"I hope companies like the Titan Group will not only survive the challenges of the information age, but also survive long after the bubble has burst on the dotcom companies," he said.

Earlier, James Chao hoped the success of the Titan Group in Malaysia would become a case study for other foreign investors keen on investments in Malaysia.

He said the country was a strategic centre for business opportunities and investments in the Asia Pacific region.

"We owe our success to the Malaysian Government for having invited and given us the investment opportunity to be a part of its fast-growing economy.

"Led by its sterling government, Malaysia has all the necessary resources, infrastructure and formula in place within the economy to help businesses develop and prosper," he said.