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GERMAN-MALAYSIA

GERMAN COMPANIES SATISFIED WITH MALAYSIA

KUALA LUMPUR, Sept 19 (Bernama) -- German companies are pleased happy with the situation in Malaysia and the way of doing business here, said Germany's Minister of Economics and Technology, Dr Werner Muller, today.

"My experience as a German economic minister is that when I go abroad, I get lots of letters before the visit to bring up certain specific problems with the authority on the spot," he said.

"However, this time I have not receive a single letter in advance of this visit nor have I heard any fundamental complaints from German industries to take up with the Malaysian authorities," he told a press conference at the end of the 8th Asia-Pacific Conference of German Industry here.

He was replying to question on the level of satisfaction among German companies with the situation in the region.

Meanwhile, Siemens CEO and chairman of the Asia-Pacific Committee, Dr Heinrich von Pierer, said German companies are satisfied with how well Malaysia has emerged from the Asian financial crisis.

"You only need to look at Kuala Lumpur and the many construction sites to see how things are moving and the good growth here," he added.

He said Siemens and its subsidiaries intend to invest RM3 billion in Malaysia in high technology areas over the next two and a half years and this would result in the Siemens workforce here increasing to 10,000 people from 7,000 now.

Therefore, he added that in the future, Siemens would contribute US\$1 billion to Malaysia's trade surplus.

He said Siemens would also be pleased to be involved in infrastructure projects in Malaysia if opportunities arose.

"The high level of investment reflected the company's satisfaction with situation in Malaysia," he said.

Overall, he said German companies have "controlled optimism" of the prospects of the region.

"In some countries, German companies like to see reform more quickly and deeply but there is no specific request (here)," he added.

In terms of politics, German companies also have controlled optimism in the region and want to see the ongoing reform to continue because "every Asia Pacific country has to realise it is in competition with other countries to attract investment."

"They are competing with various countries in the region and also those in Central and Eastern Europe," he added.

"Each country is responsible for ensuring its level of competitiveness and one part of this is a stable environment," he said.

Meanwhile, Dr Muller said Asia Pacific countries offer opportunities to German companies in all economic sectors, particularly in infrastructure and renewal of infrastructure because of the demand for the technical and financial strength of German companies.

"I think it is very important for German companies play a role here (the infrastructure sector) because the success in the area will contribute to success in the rest of the market," he added.

He also stressed that the German government would support German industries.

"It important for German economic policies to ensure that German industries are not worse than other industrial countries so that German

companies will not be at a competitive disadvantage," he added.

German economic policies are focused on encouraging German companies to intensify efforts, particularly in infrastructure, he added.

Touching on his discussion with Prime Minister Datuk Seri Dr Mahathir Mohamed and other officials, he said highlighted the importance of education and globalisation.

On education, Muller said he agreed that there is a need to encourage more foreign students, including Malaysians, to study at German universities because after they finished their studies and started working in their own countries, they can become "ambassadors" for German industries.

On globalisation and new World Trade Organisation round, he said there is an agreement on the need that Malaysia needs to face up to the challenges.

Malaysia, he said, is also aware of the opportunities for itself both domestically and in the world market.

"But Malaysia has asked for understanding as it wants to see globalisation is handled in such a way that it does not lead to a split in the society here," he added.

On the euro, he said its weakness at the moment should not exaggerated as there were times when the the US dollar was at a low of 1.30 marks as compared to 2.20 marks now.

"We in Germany have stability and no inflation. That is important for business and government. I am convinced that the euro will move up again and it won't be very long a time," he added.

The conference, which ended today, passed nine resolutions and one of them is that economic and political dialogue with countries in the Asia Pacific region is crucial for the future of the German economy.

German companies also want the use of technology opportunities such as e-business to be intensified for better co-operation with countries in the region.

German firms also want co-operation between universities, research institutions and on-the-job training programmes to be intensified so that Germany will once again be in great demand as a destination for study, research and training.

The next conference will be held in Japan in 2002. -- BERNAMA

MSL SHY