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Go easy with red tape on projects, urges PM

Hamisah Hamid

PRIME Minister Datuk Seri Dr Mahathir Mohamad yesterday rapped state governments for dampening investors' interest by imposing too many conditions on projects.

This has resulted in delays of many investment projects which have already received approval from the Malaysian Industrial Development Authority (Mida).

Some investors, too, have been known to have withdrawn from the projects.

"If state governments have specific conditions (for projects' approval), they must inform Mida so that the investors will know what to expect.

"I want the state governments to set aside all these obstacles so that the projects can take off," he told a media conference after opening the Kedah Trade Centre at UBN Tower in Kuala Lumpur.

Dr Mahathir said the Cabinet, at its meeting last week, had directed all ministers to go through the list of projects under their respective ministries and ensure that these projects are implemented this year.

"We want to make sure that the allotted money for the projects is spent during that year," he said, adding that the Government is concerned about the ministries' project implementation as it is below the target.

He said he has directed all the state governments to cooperate with the respective ministries to expedite the implementation of projects in the states.

When asked to name which states are delaying project implementation, he said: "This is a general reference to all states. I am not accusing any states."

Asked what action can be taken against a ministry or a state government for failing to implement the projects, he said in jest: "Do you want me to shoot them?"

In his speech earlier, the Prime Minister expressed dissatisfaction towards ministries that have not spent the money allocated to them and the bureaucracy involved in project approval by state governments.

"By year-end, about 30 per cent of the allotted amounts are not spent. This will affect the economic development," he said.

He also advised all parties involved at the state level such as politicians, state leaders, civil servants and the private sector to cooperate to successfully implement the projects. "We must be business-friendly to ensure the success of all private sector projects," he added.

Red tape is turning investors away, especially in remote areas where there are communication problems. "For instance, I don't see why it is so hard to build a five-star hotel in Alor Setar (Kedah's capital)," he said.

The Prime Minister also talked about plans to develop Pulau Bunting and Bukit Kayu Hitam in Kedah as industrial areas.

He said Pulau Bunting can be turned into a port and industrial centre which is linked with a bridge and railway to the mainland.

Dr Mahathir, who visited Boeing's component manufacturing facility in Bukit Kayu Hitam recently, also proposed for Bukit Kayu Hitam to be developed as a large industrial estate, employing workers from neighbouring Thailand.

"We can make it a Free Trade Zone and the workers from Thailand can commute daily to the area. With such a workforce, I believe Bukit Kayu Hitam can be developed".

Dr Mahathir was later briefed on the status of several development projects in Kedah, including the extension of the Sultan Abdul Halim Airport, Kedah Agricultural College, Kedah Islamic University, Paddy Museum, Darul Aman Water Theme Park as well as new Alor Setar and Sungai Petani hospitals.

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