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Keng Yaik: Russians may be invited here to sign palm oil pact

IPOH, Mon. - The Government will invite Russian officials to Kuala Lumpur to sign the palm oil credit and payment arrangements between both countries if the deferred official visit by Prime Minister Datuk Seri Dr Mahathir Mohamad to Moscow is cancelled.

Primary Industries Minister Datuk Seri Dr Lim Keng Yaik said the signing ceremony would be held in Malaysia to expedite the RM190 million deal.

The event was scheduled to be held in the Russian capital last week but was temporarily shelved due to events in the United States.

"The Ministry will invite the Russians, including its senior Central Bank officials, to sign the deal without any delay," he told reporters after attending a dinner to commemorate the opening of the Kanthan Baru Gerakan branch office yesterday.

Under the agreement, Malaysia will supply 200,000 tonnes of crude palm oil and Bank Negara would first settle payment to the local millers.

The Russian Central Bank would in return collect payment and reimburse its Malaysian counterpart.

Dr Lim, who is Gerakan president, hoped the Indian and Chinese Governments would expedite the RM10 billion double-tracking projects stretching from Seremban to Johor Baru in the South and Ipoh to Padang Besar in the North.

The Indians have been offered the northern sector while the southern section to the Chinese.

"They have agreed to build the railway lines in exchange for palm oil," he added.

The barter trade between Malaysia and the top two palm oil consuming nations are among the measures adopted to maintain the primary commodity price in the volatile international market.

Others are providing credit facilities to importing countries, encouraging smallholders to undertake replanting and burning of excessive crude palm oil for electricity generation.

Dr Lim cautioned that smallholders and estate managements should not be complacent just because the commodity price had gone up to RM1,300 per metric tonne over the last two months.

"Now it is about RM1,000 and it may dip down as the last quarter is known as the highest productivity months," he said.

Dr Lim said planters could expect prices to remain firm only if they strictly adopted measures outlined by the Government in April.

Earlier in his speech, Dr Lim said the US and its citizens should work out an appropriate approach in fighting terrorism and not display hatred towards any race and religion.

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