

27 AUG 2002

Mahathir-Investment

NEW STRATEGIES TO ATTRACT FDI'S TO BE ANNOUNCED IN BUDGET 2003, SAYS PM

PENANG, Aug 27 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today that the government will announce new strategies to attract more foreign direct investments (FDIs) during Budget 2003 to be tabled soon.

He said that the government had to make some adjustments to its strategies for the future in view of the stiff competition the country was facing from other countries.

The details of the strategies would be announced during the tabling of the Budget, he told a media conference after delivering his address at a luncheon held in conjunction with the 30th anniversary of the electronics industry in Penang here.

The Budget will be tabled in the Dewan Rakyat on Sept 20.

Dr Mahathir, who is also Finance Minister, said: "We will continue to pay heed to local investors' and foreign investors' opinions as we are aware that we are facing very stiff competition for FDI's."

He said that the government at the same time would also need to identify the alternate sectors of growth to ensure that the country continues to be competitive.

"The new growth areas could come from within or outside the country. We need to identify whatever that will contribute to the growth, and we will give it the full encouragement," he said.

Dr Mahathir said that there were several reasons why Malaysia was losing out on FDI's to other countries, among them being its distance from the original investor countries.

It could also be because many products from this country were sent to other countries more closer to their operational centres and also closer to the end-users' country.

With that being the situation, he said, Malaysia needs to find ways to compete with those countries by increasing its efficiency including logistics.

"All these matters will require thorough study," he said.

Dr Mahathir, however, said that the country had the full confidence of foreign investors because of its stable political situation.

He said that their confidence was based on the country's "people friendly" government, and the fact that it had not made unexpected or radical changes.

On the progress of information technology (IT) in the country, Dr Mahathir said that Malaysia was not too far behind other countries as some of its technologies were regarded as the first in the world.

Citing the example of the multipurpose card "MyKad", he said that although Malaysia was still new and does not have many experts in IT, the card had been recognised as the first in the world from many countries including developed countries.

"We are still new, we do not have many experts in IT. We will take a little bit of time," he said.

Dr Mahathir said that some of Malaysia's technologies were regarded as the first in the world. "Other countries are also coming here to find out how we manage the multipurpose card that we have introduced and the system of checking of passports developed by us now being installed in Los Angeles," he added.

-- BERNAMA

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