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Mahathir-Croatia

LET'S EXPLORE INTERNATIONAL MARKET, DR MAHATHIR TELLS CROATIANS

By: Mokhtar Hussain

ZAGREB, April 18 (Bernama) -- Datuk Seri Dr Mahathir Mohamad today suggested that Croatia use Malaysia as its base to source consumer products and industrial inputs from the dynamic East Asian region.

On the other hand, the prime minister urged Malaysian companies to seek joint ventures with their Croatian counterparts to enable them to tap the Western European markets in anticipation of Croatia being admitted to the European Union in the near future.

He said the Croatian business community should explore Malaysia's capability to cater for the consumer and industrial requirements of Croatia and its neighbouring markets.

"Malaysia's competitively-priced products could substitute for many manufactured goods which Croatia currently sources from elsewhere," he said at the opening of the Malaysian Products Exhibition at the Zagreb Spring Fair, here.

He said that since Croatia and Malaysia were countries with small domestic markets, it was imperative for both countries to have a global outlook to achieve growth.

"Let us therefore explore ways of working together in the international market," he said.

The prime minister also said that the Malaysian and Croatian private sectors could complement each other in the fields of tourism, housing and infrastructure development.

He urged the Malaysian private sector to heed the call by the Croatian government to rebuild and upgrade hotels around the scenic Adriatic Sea.

He said the tourism industry centred on the Mediterranean coast, which was worth US\$5 billion annually, needed infusion of new capital urgently.

Dr Mahathir said there were also prospects for housing development in Croatia which the Malaysian private sector should look into as it would contribute directly to other economic spin-offs.

The prime minister said: "The Malaysian experience in housing development could be shared with that of Croatia. The development and redevelopment of housing would have spill-over effects on the rest of the economy, helping to stimulate infrastructure investments which would eventually contribute towards increased activities in the Croatian economy as a whole".

Dr Mahathir also acknowledged Croatia's experience in engineering and shipbuilding which was once ranked fourth in the world.

"We understand that these industries are facing problems resulting from the loss of traditional markets. I would like to invite these industries to explore business possibilities in Malaysia through joint ventures with their Malaysian counterparts," he said.

He added that as the East Asian region was expected to be the fastest growing region in the world by year 2000, it would be strategic for Croatian companies in these fields to complement their technical capability with Malaysia's market knowledge to develop business partnerships in the region.

"In as much as Malaysia wishes to participate in the rebuilding of Croatia, we would like Croatian companies to partake in Malaysia's many privatised projects and other business opportunities that are expected to emerge as the country moves into higher technology industries," he said.

He said although bilateral trade between Malaysia and the former

Yugoslav state was relatively small, it had risen by 23 per cent from US\$5.12 million in 1994 to US\$6.31 million. (US\$1 is equivalent to RM2.50)

Malaysia had a low import tariff regime which the Croatian businessmen should take advantage of by exporting more to Malaysia, he added.

The prime minister had earlier symbolically opened the exhibition by beating a gong in the presence of his counterpart Zlatko Matesa.

He also officially launched the Proton Wira 400 Series here making Croatia its 31st export market.

Both the prime ministers then witnessed the signing of agreements between the Malaysian and Croatian private sectors which involved the National Chamber of Commerce and Industry Malaysia and its Croatian counterpart, Pesaka Endau Sdn Bhd and EIKA, MRCB and NIVA Holding, and EXIM Bank and NIVA Petrol.

Present were International Trade and Industry Minister Datuk Seri Rafidah Aziz, senior government officials and several captains of Malaysian companies.

Twenty-eight Malaysian companies are participating in the five-day exhibition. -- Bernama

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