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Mahathir-Trade

PM SAYS SAUDI VISIT WILL SPUR GREATER COOPERATION

By: Zulkefli Salleh

RIYADH, Dec 8 (Bernama) -- Datuk Seri Dr Mahathir Mohamad said his four-day official visit to Saudi Arabia has been successful in forging closer and more meaningful ties between Malaysian leaders and businessmen and the Islamic kingdom.

The Prime Minister said he was confident the visit will pave the way for greater cooperation between the two countries in trade and investment as well as in the field of research and development.

"Saudi businessmen have shown keen interest in my suggestion that they make Malaysia a gateway to tap the huge potentials of the Asean economies," he told a news conference for Malaysian journalists here before wrapping up his visit by performing the umrah in Mecca last night.

He said it was logical that businessmen of the oil-rich kingdom use Malaysia as a springboard for production and distribution of their products in Asean since Malaysia is strategically situated in the heart of the region and has good relations with Saudi Arabia.

Malaysia, on the other hand, may use the Saudi market to sell its products in the Middle East, he said.

Saudi Arabia is Malaysia's largest trading partner in West Asia after the United Arab Emirates. Total trade between the two countries increased by 11 per cent to US\$566.4 million (RM1.4 billion) last year and averaged 12.7 per cent per annum over the past five years.

Dr Mahathir, at a dialogue with Saudi businessmen in Riyadh yesterday, said relations between Malaysia and Saudi Arabia have been good but remained rather static and confined to religious ties although there are vast potentials and opportunities in the economic and trade fields.

"This visit, having forged direct contacts between leaders of both countries, will take to a higher level our cooperation including in trade and investment," he said.

Dr Mahathir, whose delegation included four ministers, DRB-Hicom chairman Tan Sri Yahya Ahmad and Malaysia Airlines chairman Tan Sri Tajuddin Ramli, was accorded the highest Arab hospitality capped by meetings with King Fahd and Crown Prince Abdullah Abdul Aziz.

"The King has expressed keen interest that Saudi Arabia and Malaysia forge closer ties," he said.

He said King Fahd had asked about travel facilities between Saudi Arabia and Malaysia.

The matter was also raised in talks between the Prime Minister and Saudi officials as well as between Tajuddin and his counterparts.

Dr Mahathir said that the present twice weekly flights between the two countries were viewed as insufficient.

He said the absence of initiative was the reason why investment ties had remained static over the years.

There had been some Saudi investment in Malaysia after an investment seminar in Kuala Lumpur 10 years ago but there was no follow-up after that, he said.

Dr Mahathir said no specific joint-venture project was discussed during his visit but more such ventures will be encouraged because there is great potential in Saudi Arabia and vast opportunities in Malaysia.

Saudi Arabia, apart from being the world's second largest oil producer after the United States, is now a net exporter of wheat and has advanced research in agriculture.

The kingdom of 17.5 million population has also embarked on industrialisation to diversify its economy, particularly in telecommunications and electronics.

Its economy recorded a six per cent growth in gross domestic product (GDP) in the non-oil sector last year with non-oil exports reaching US\$4 billion (RM10 billion) the same year.

Dr Mahathir said there is a possibility of Malaysia and Saudi Arabia cooperating in the petrochemical industry since the kingdom has a lot of facilities in this field.

He said Malaysia is also interested to use certain training and educational facilities in Saudi Arabia.

The quota for Malaysia's Haj pilgrims was also raised indirectly in talks between Dr Mahathir and Saudi leaders to ease the backlog of intending pilgrims.

He said the Saudi government was constrained by the policy agreed by the Organisation of Islamic Conference that the Haj visa be given to only one per cent of each Muslim country's population per year.

However, he said, the Saudis have not yet made any decision on Malaysia's request to increase its annual quota of Haj pilgrims.

Dr Mahathir will leave Jeddah for Kuala Lumpur tonight, after another round of umrah and prayers at the Masjidil Haram. -- BERNAMA

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