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A good start in forging closer ties with Slovenia

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LJUBLJANA (Slovenia), Thurs: Malaysia and Slovenia are geographically far apart but are strategically located within their respective regions of South-East Asia and central and eastern Europe.

In view of this, the two countries can complement each other as a springboard to enhance trade relations with countries within the respective regional markets.

Slovenia, for example, can serve as a gateway for Malaysian businessmen to distribute and market their products to countries in central and eastern Europe. On the converse, Malaysia is accessible to the Slovenians to tap the potential of the dynamic South-East Asian markets.

Furthermore both countries need to expand their cooperation to venture into other countries, particularly in the Third World countries due to their small domestic markets. While Malaysia has a population of 20 million, Slovenia's population is merely the size of Kuala Lumpur, which is about 2 million people.

But with the small population, Slovenia has proved to be one of the new emerging markets in that region, as well as on the verge of being admitted to the European Union.

It was on this note that Prime Minister Datuk Seri Dr Mahathir Mohamad foresees the potential of Slovenia as a new trading partner for Malaysia.

Dr Mahathir's three-day official visit to Slovenia which ended yesterday, reflects Malaysia's commitment and aspiration to boost trade and diplomatic relations between both the countries. This was also well received by the Slovenians, especially their businessmen who had shown keen interest to forge business collaboration with their Malaysian counterparts.

Some of the Malaysian businessmen, who were in the delegation to Slovenia expressed their confidence and satisfaction with their meeting of Slovenian counterparts.

They agreed that the Slovenians are ready in the mood to enhance trade cooperation with Malaysia, which the Slovenians described as a country with great potential despite facing the turmoil in currency trading.

To the extent, even Slovenian Prime Minister Dr Janez Drnovsek expressed his confidence that Malaysia can tackle the currency crisis and remain as a prominent business partner with countries throughout the world.

However, due to lack of information, Slovenia is still regarded as a new and alien market for Malaysian businessmen, although Malaysia's diplomatic relations with Slovenians started on May 4 1992. It was also the same case to the Slovenians who have been and still trying to push up their economy since achieving independence in 1991, after the breakup of former Yugoslavia.

The signing of the Agreement on the Abolition of Visas between the two countries in August this year, provides an easier passage for both Malaysians and Slovenians to forge relations, especially in trade and industrial sector.

And physical contact between the two countries was further boosted following the signing of an Air Service Agreement during the Prime Minister's visit.

As Dr Mahathir commented, the Air Service Agreement will pave way for Malaysian airlines to fly into Slovenia, probably via Zagreb in Croatia, which means about an-hour connecting flight to Ljubljana, Slovenia's

capital city.

Malaysia Airlines had launched its inaugural flight on October 28 to Zagreb during the same time as the Prime Minister's visit.

In fact, Malaysia Airlines is also planning to expand its air service to Slovenia, either using the Zagreb or Vienna route in Austria. The airline is expected to send a team to Ljubljana next month to study such possibility as well as the passenger market in Slovenia.

If such air service materialises it would bring closer the relationship, especially in terms of trade between Malaysia and Slovenia.

In the past few years, Slovenia's trade exchange with Malaysia's reached 0.2 per cent of Slovenian total foreign trade.

According to the Slovenia's statistics for the first eight months of this year showed that exports compared to 1996 rose to US\$5 million (US\$1 = RM3.39) while imports from Malaysia showed a significant increase from US\$18 million in 1995 to US\$25 million last year, amounting to US\$16 million for January to August this year.

Malaysia's main exports to Slovenia, include natural rubber, which accounted for 47.6 per cent of the total exports, followed by automatic data processing machine (15.9 per cent), reception apparatus (9.6 per cent), motor cars (5.5 per cent) and the remaining were articles of apparel, electronic intergrated circuits, video recording, footwear, track and ski-suits and furniture.

On the converse, Slovenia's exports to Malaysia include gas and electricity meters, paper, motor parts, aluminium foil, pharmaceutical products, electrical items, newsprint, cigars and machine tools.

Future cooperation area identified include the car industry, machine, aluminium production and iron and steel industry. Overall, Malaysia has made a good start in forging greater relations and cooperation following the signing of the two agreements thus far.

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