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Dr M expects more meaningful ties with Kuwait

Kamarul Yunus in Kuwait City

KUWAIT CITY, Mon: Datuk Seri Dr Mahathir Mohamad ended his three-day official visit to Kuwait today confident of "more meaningful" bilateral ties.

The Prime Minister identified the finance and petroleum sectors as areas ripe for collaboration. Closer cooperation between Malaysia and the Gulf state can also be expected at regional and international levels, he told a press conference here.

He described the visit as "fruitful and meaningful". "The Kuwaiti Government has been very forthcoming, which makes me confident of more meaningful relations in the future."

Asked to elaborate on cooperation in the petroleum sector, Dr Mahathir said the respective national oil corporations, Kuwait Oil Co and Petronas, will start looking at possible joint ventures in upstream and downstream activities, in Malaysia and Kuwait as well as in third countries.

"There is also a possibility that Malaysia may buy more oil from Kuwait," he said, adding that oil currently constitutes some 80 per cent of Kuwait's exports to Malaysia.

In finance, Dr Mahathir said Kuwait's experience in the sector would be useful and suggested that Kuwaiti financial institutions look into possible equity participation in Malaysian projects, either in Malaysia or abroad.

"More Malaysian companies are going overseas and it would be useful if Kuwaiti financial institutions participate in these undertakings. They can buy equity or provide financing," he said.

Calling for more discussions on cooperation in the financial sector, Dr Mahathir said he was encouraged by the participation of at least one Kuwaiti financial institution in the Labuan International Offshore Financial Centre.

"One area that needs careful study is how Islamic banking procedures could be applied in project financing."

Asked what kind of treatment Kuwaiti investors can expect in Malaysia, Dr Mahathir said they will be welcomed in the same way as the other foreign investors.

On cooperation among Islamic countries as a bloc, the Prime Minister said more could be achieved when working in smaller groups.

Asked whether there was any discussion on the Palestine-Israel conflict in the light of Tel Aviv pressing ahead with plans to build a settlement on the Arab West Bank, Dr Mahathir said Malaysian and Kuwaiti leaders "see eye to eye" on the peace process.

"We did not formally discuss the issue but we stand by efforts to seek peace in the area," he added.

Dr Mahathir, who arrived here on Saturday, was accompanied by his wife Datin Sri Siti Hasmah Mohd Ali, several ministers and businessmen.

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