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Mahathir-Business

DR M URGES LEBANESE INVESTORS TO INCREASE THEIR PRESENCE IN ASEAN

By: Mokhtar Hussain

BEIRUT, June 17 (Bernama) -- Datuk Seri Dr Mahathir Mohamad today met the Lebanese business community and urged them to use Malaysia as a springboard for the production and distribution of their products in the Southeast Asian region which now has a population of nearly half a billion.

The prime minister said although some countries might have cheaper land prices, lower rentals and lower wages, Malaysia, on the other hand, could offer a stable, strong and business-friendly government with consistent policies, and a safe and healthy environment to help investors succeed without undue constraints.

"When the Asean Free Trade Area (AFTA) is fully implemented by the year 2003, there will be a single Asean market in which tariffs for Asean manufactured products will not exceed five per cent and with the majority attracting zero tariff," he said at a dinner hosted by the Lebanese Chamber of Commerce and Industry, here.

Dr Mahathir is on a three-day official visit to Lebanon, a west Asian nation which is rebuilding its economy after being plagued by civil wars and invasion by neighbouring troops.

The prime minister was accompanied by a business delegation which includes MAS chairman Tan Sri Tajudin Ramli, Arab-Malaysian Banking Group chairman, Tan Sri Azman Hashim, DRB-Hicom executive chairman Datuk Mohamed Saleh Sulong and Berjaya Group chairman Tan Sri Vincent Tan.

The prime minister said that last year the Asean economies had registered robust growth of about seven per cent and intra-Asean trade had amounted to some US\$130 billion (US\$1 = RM2.50)

"With the admission of Laos, Cambodia and Myanmar into this regional grouping, the 10-nation Asean will have a total population of half a billion,

"It is time that Lebanon involve itself in the Malaysian and Southeast Asian economies. Cooperation with Malaysians should help this process," he said.

He suggested that Lebanese manufacturing companies establish mutually beneficial joint ventures in several sectors with Malaysian partners.

The sectors are resource-based industries such as rubber, timber and palm oil, agro-based sectors like cultivation and processing of fruits and vegetables, ancillary and supporting industries to provide linkages to the established larger industries such as moulds and dies and manufacturing of industrial machinery and parts, tooling, machine tools and related engineering products.

Dr Mahathir said Malaysian companies were also interested to participate in various sectors of development in Lebanon such as infrastructure development, housing and construction, telecommunication networks, power generation and distribution, banking and financing sectors.

Apart from electronics and electrical goods, the prime minister hoped that Lebanese investors would begin to source other products such as building materials, chemicals, medical equipment and supplies, foodstuff, wood-based and plastic products, household items, automobile spare parts and accessories.

"I hope we can move ahead together in creating more value-added products from these items for export to the other emerging West Asian markets," he said.

Saying that his visit to Lebanon reflected Malaysia's earnest desire to

strengthen ties between the two countries, Dr Mahathir said the Malaysian government played a strong facilitating role in providing a climate conducive to trade and investment, which had attracted more than 3,000 manufacturing companies from over 35 countries.

Malaysia and Lebanon signed a bilateral Trade Agreement in 1995 to help traders expand their business in both countries.

Although favouring Malaysia, trade between the two countries is small, totalling RM16.5 million in the first three months this year. Last year, total trade was RM55.7 million.

Among Malaysia's exports to Lebanon are heating and cooling equipment and parts, tv receivers, fuel for aircraft, rubber products and processed vegetable oils while imports from Lebanon are printed matter and food-processing machines.

Currently, Malaysia Airlines flies twice-weekly to Beirut via Dubai while the Lebanese national carrier, the Middle-East Airlines, operates weekly flights to Kuala Lumpur.

Earlier, during the day, Dr Mahathir visited Solidere, the Lebanese company for development and the reconstruction of Beirut district, and was briefed by its chairman, Dr Nasser Chamaa.

The prime minister also visited the port city of Sidon to observe business opportunities for Malaysian firms.

He also visited the ancient monuments in the city, including the Grand Mosque and Sidon Fortress. -- BERNAMA

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