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Forging stronger Mexican links

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MEXICO wants Malaysia to be its foremost port of call in this region, said Mexican Ambassador Ricardo Villanueva. It is from Malaysia that Mexico reaches out to the other countries in the region.

He pointed to the establishment of the Mexican Trade office in Kuala Lumpur, the appointment of a Naval Attache at the embassy, increased visits of cultural troupes and the first visit of its Foreign Minister, Dr Angel Gurria, last July as among the steps initiated to further cement the ties with the aim of reaching new heights in trade, investment and other areas.

The visit of Mexican President Ernesto Zedillo, which is scheduled for this year, is a culmination of diplomatic efforts taken at the highest level in Mexico to ensure the two countries enjoy a close and fruitful relationship.

"In general terms, our official point of view is that Mexico attaches great importance to Malaysia. We see Malaysia as a steady and long-term partner.

"Not only is there good cross-investment potential especially in view of Malaysia's growing economy, we also recognise the solid political system and the long-term economic policy that is spiralling the nation forward," he said as he sat relaxed in his office on the 27th floor of Haw Par building where the embassy is situated.

Describing Malaysia-Mexico relations as full of "unexplored potential", Villanueva said, whether in terms of trade, politics or people-to-people relations, the two countries have increasingly been noticing and realising each other's growing importance in recent years.

However, he said, there is a long way to go in exploring the endless possibilities for mutual benefit, which exist in areas as varied as agriculture, industry, telecommunications, tourism and even zoology.

A key momentum in bilateral relations, Villanueva said, came with the visit by Prime Minister Datuk Seri Dr Mahathir Mohamad to Mexico in 1991 which spurred many of the two countries' current initiatives.

Bilateral trade is firmly on the increase, shooting up from RM187.5 million in 1990 to RM1,032.5 million in 1994. Malaysian exporters have been very successful in the Mexican market, with a RM715 million trade surplus in Malaysia's favour in 1995.

The increase in trade is a far cry from the figures of 1987 when Malaysian exports to Mexico amounted to RM400 million while imports from Mexico was a mere RM35 million.

Mexico enjoys comparative advantages in products like steel, spare parts, electronic components, glass, construction materials, cement, food and beverages as well as chemical and petrochemicals.

Malaysia also has advantages in certain products for the automotive industry, electronics and in processed oils, among other things.

In telecommunications, Villanueva said, a bilateral agreement has been signed which, when put into effect, will open the door for transmission of TV signals using satellite synergies to "two of the world's most important markets - Southeast Asia and Latin America".

An additional potential, still not exploited, is the size and dynamism of the regional markets of Southeast Asia and Latin America.

As far as investment is concerned, Mexico offers advantages complementary to Malaysia's - an expanding internal market, abundant

labour, competitive infrastructure and production costs, strategic location to export to US markets and tax incentives for foreign investment.

Villanueva attributes much of the unexplored potential to lack of awareness among the business community and other relevant parties in the two countries.

"The fact is that we don't know enough of each other yet. Mexico's situation is complicated since insufficient news of its cultural diversity, industry and tourism reaches Malaysia," he said, adding that a key solution to this would be to hold more visits of specialised trade missions.

Villanueva is optimistic about several new areas of mutual benefit, including agriculture, forestry, rubber and palm oil and targeted tourism as another undiscovered asset.

"It's been our own fault not to exploit tourism enough. We have some of the most beautiful beaches in the world and we failed to boast about them to Malaysians," he said ruefully.

The embassy is also embarking on a programme to support Dr Mahathir's call for Malaysians to study Spanish and efforts of the Mexican Government have led to the posting of a Mexican professor at the Institute of Diplomacy and Foreign Relations.

Unfortunately, he added, the institute, Universiti Kebangsaan Malaysia and Universiti Putra Malaysia currently faced budgetary constraints which limited the scope of their Spanish language programmes.

The embassy also offers a yearly scholarship for study in Mexico - after a year-long immersion course in the language, since few universities in Mexico offer courses in English.

The possibilities for co-operation, Villanueva says, are endless including between institutions like Zoo Negara and Mexico's Zoologico de Chapultepec, which is said to be among the best designed zoos in the world.

Mexico is also among the countries which have developed the technology of generating energy from garbage, which has been suggested for adoption by Malaysia.

In view of this desire in both parties to explore ties, he says, obstacles like the halt of Malaysia Airlines' direct flights to Mexico City are only temporary hiccups.

"The bilateral Air Agreement is still in place, and the flights were temporarily suspended due to differences between the private airlines.

"Both Governments did everything in their hands to keep things going and the flights certainly helped break the vicious cycle of lack of communications and lack of trade between the two countries. We hope the private airlines will continue their efforts to get the flights off the ground again," he said.

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