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Invest in Gulf countries, Malaysian firms told

Kamarul Yunus in Kuwait City

KUWAIT CITY, Fri: Malaysian entrepreneurs have been urged to spread their business activities to the Gulf countries as the recent events have shown that these countries are becoming more receptive to promoting mutual investments and ventures with countries in East Asia.

Foreign Ministry undersecretary for Africa, West Asia and Organisation of Islamic Conference, Datuk Deva Mohamed Ridzam Abdullah, said Malaysian businessmen should diversify into these new and potential markets instead of being over-dependent on business projects in Third World countries.

Citing the increase in trade between Malaysia and the Gulf countries, he said Malaysian businessmen should grab this opportunity as countries such as Kuwait and Bahrain have started to shift their attention from being pro-West in their dealings to East Asian region.

"There are many areas which could be developed and the visits by Prime Minister Datuk Seri Dr Mahathir Mohamad to Kuwait and Bahrain show how much respect such countries have for us," he told Malaysian journalists here today.

Malaysia, he said, is no longer looked upon as just an Islamic country but one that is among the most successful in diversifying and maintaining its economy, political and social standings.

Deva was elaborating on the five-day visit of Dr Mahathir here and Bahrain beginning tomorrow. Dr Mahathir is also scheduled to meet leaders and businessmen of both countries as well as initiate new ventures between both countries.

He said Malaysia's success in initiating and promoting the Islamic banking system, Multimedia Super Corridor and Malaysia Inc. had inspired the Gulf countries to emulate the nation's vision.

"In fact, the Kuwaiti Government is eager to learn how we carry out our privatization and would like to learn from us the management of public utilities. The utilities are highly subsidised now in Kuwait.

He also said areas which locals could venture into include oil-related fields, tourism and banking where Gulf countries have the edge.

On trade between Malaysia and the Gulf countries, especially Kuwait and Bahrain, Deva said the figure is expected to rise drastically in the coming years, particularly after the Prime Minister's visits to the two countries.

He said trade volume between Malaysia and Kuwait alone had increased from RM19 million in 1987 to more than RM200 million presently.

Kuwait is Malaysia's fifth largest trading partner in West Asia after the United Arab Emirates, Saudi Arabia, Egypt and Jordan.

Malaysian exports to Kuwait amounted to almost RM175 million last year, while imports totalled RM94 million. Trade between both countries had always been in Malaysia's favour since 1992 except 1995.

Malaysia's main exports to Kuwait are jewellery, heating and cooling equipment, television receivers and timber products, while its main imports are crude and refined petroleum.

Dr Mahathir is scheduled to leave for Bahrain from Kuwait on Monday for a two-day official visit. His last visit to Bahrain was in March 1982.

Malaysia's exports to Bahrain totalled RM55 million last year and comprised mainly palm oil, timber products and electronic equipment. Imports from Bahrain amounted to RM45 million with aluminium and iron ore products and aircraft equipment being the chief items.

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