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Malaysia a 'prized market' for UK

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BRITISH Minister for Trade Lord Clinton Davis says London considers Malaysia a "prized market" and as such enhancing bilateral trade relations is a matter of priority for the new Labour Government.

"We reciprocate the view of Prime Minister Datuk Seri Dr Mahathir Mohamad who said that Britain is Malaysia's most comfortable trading partner and we will utilise that confidence to the maximum," he told Business Times in an interview.

Davis, who was on a two-day visit to Kuala Lumpur earlier this week, said Britain is exploring several possibilities, especially private sector initiatives, of increasing trade with Malaysia.

The visit, which included discussions with Minister of International Trade and Industry Datuk Seri Rafidah Aziz, was the first by a British minister of the newly-elected Labour Government.

"Hopefully the ideas will receive the endorsement of our governments and that they would not involve the commitment of such things as economic assistance. It is important that we enhance our trading relations, particularly as far as small- and medium-sized enterprises (SMEs) are concerned," he said.

Not only will London seek ways to promote bilateral trade, but it would also like to see the two private sectors working together to capture new markets.

For example, he said, Malaysian and British companies could jointly explore and exploit the vast opportunities opening up in Eastern and Central Europe.

On changes being undertaken by the new Labour Government, Davis said the development processes of British export trade are under review through what it calls the "Export Forum".

"Rather than merely throwing out the window achievements of our predecessors, we believe there should always be room for reassessment," he said.

Britain will actively engage its private sector and look specifically at the role SMEs can play in enhancing bilateral trade relations. At the same time, London hopes to finetune the part of its administrative machinery which deals with trade.

On the broader front, Davis said Britain will look at its relationship with the World Trade Organisation (WTO).

"Currently, we have not been able to contribute directly to the activities of the WTO as Britain is only one of the 15 members of the European Union (EU) which has entrusted its commissioner, Sir Leon Brittan, with the appropriate mandate," he said.

As for regional trade, Britain is expected to concentrate on encouraging its SMEs to venture into the South-East Asian markets, Malaysia included.

Through the Department of Trade and Industry (DTI), Britain is providing support and information to its SMEs on tapping business opportunities across the region.

Early this year, the DTI launched its "South-East Asia Campaign" which is aimed at introducing 750 new SMEs to the region for each of the next three years through active promotions and seminars.

Directed at the SMEs which have reasonable track records and are well managed, the campaign hopes to encourage British companies, especially high-technology ones, to view the region not only as a market but also a

potential investment location.

"What we want to do is to work with them in a fairly detailed way to translate our interest in the region into concrete activity and to build upon the considerable success UK already has in the region," said the DTI's head of the South-East Asian section, Mr Brendan Doyle, who was also in the minister's delegation.

For the big companies, the British Government is of the view that they need less support as they already know the markets well.

Davis also noted that enhancing trade relations with Malaysia is timely in view of the massive infrastructure projects being undertaken ahead of next year's Commonwealth Games.

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