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PM: Malaysians can look forward to more ventures

Kamarul Yunus in Manama (Bahrain)

MANAMA (Bahrain), Tues: Malaysian entrepreneurs can look forward to more business ventures in Bahrain with the various investment incentives being offered by the Gulf island state.

Prime Minister Datuk Seri Dr Mahathir Mohamad said Bahrain, dubbed as the "Oasis of the Gulf", has adopted a range of investment incentives to attract greater foreign participation in its industrial development.

"These include allowing a 100 per cent foreign ownership of an industrial company or a company serving as regional distribution base," he said at a dialogue with the Bahrain Chamber of Commerce and Bankers, here today.

Dr Mahathir said the Bahraini Government has also put in place a seven-day "fast track" registration programme which makes it possible for a foreign country to mobilise staff and equipment before it has completed registration procedures.

"Such incentives will facilitate Malaysian companies wishing to do business in Bahrain," he said.

In addition, Dr Mahathir said Bahrain's well developed infrastructure offers a number of favourable conditions for foreign investors.

He said Bahrain provides conducive business environment, excellent communications network, extensive air links with the rest of the world, developed financial institutions and a skilled workforce.

Bahrain's Industrial Development Directorate and Bahrain Promotions Board also provide assistance to prospective investors, including introductions to potential local partners, market surveys and technical information.

Dr Mahathir arrived here yesterday from Kuwait City for a two-day official visit, after a three-day official visit to Kuwait.

On trade between Malaysia and Bahrain, Dr Mahathir said it has been growing steadily from US\$32.58 million (US\$1 = RM2.48) in 1992 to US\$39.88 million last year, a 23 per cent increase.

However, Malaysia exported 16.3 per cent less to Bahrain last year compared with 1995. Malaysia exported a total of US\$21.79 million worth of merchandise to Bahrain in 1996 against US\$26.04 million registered in 1995.

The bulk of Malaysia's exports to Bahrain consists of palm oil, timber and wood-based products. Palm oil constituted 29 per cent of the total Malaysian exports to Bahrain, while timber and wood-based products accounted for 17.3 per cent and aircraft fuel 8.4 per cent.

Dr Mahathir said Malaysia's imports from Bahrain for 1996 also dropped by 51 per cent from US\$37.2 million in 1995 to US\$18.09 million last year.

Major import items from Bahrain include non-agglomerated iron ores and concentrates, which contributed 36.9 per cent of the total imports from Bahrain, and aluminium 58.5 per cent.

Earlier today, Dr Mahathir delivered a speech at the Fifth Gulf Economic Forum annual conference.

The conference touched on several economic topics concerning the six Gulf Cooperation Council (GCC) states, including reforms, capital markets and attempts to diversify their oil-reliant economies. The GCC members are Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.

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