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## Smart partnership gives Malaysia-Ghana ties a boost

Wali Mutazammil in Washington

WITH the current trend in the digital economy and high technology, doing international business finds new horizons and definition. In particular, international trading is no longer in accordance with the traditional concept of "winner takes all".

As we approach the new millennium, high technology combined with the concept of globalised markets have established new definition and ways of trade and investment. One unique way of promoting economic diplomacy has gained momentum through what is called today 'Smart Partnership'.

In the recent Langkawi International Dialogue 1997, The Right Honourable Prime Minister Datuk Seri Dr. Mahathir Mohamad offered his definition of a Smart Partnership.

He said that Smart Partnerships are based on 'prosper-thy-neighbour' and 'win-win' philosophy assisting our businesses and governments to re-engineer work processes as well as the mindset of the people.

Smart Partnerships can take place between many entities. Smart Partnerships can happen between government and the private sector, between nations and regions and even between cities, companies and individuals.

The Malaysia-Ghana Smart Partnerships flourished during the official visit of Dr Mahathir to Ghana in November of 1996.

Numerous Memorandums of Understanding were signed and Malaysia offered to assist Ghana in 53 infrastructure development projects that would be eventually privatized in Ghana.

This offer was later extended to another 69 enterprises that are open to foreign participation under Ghana's economic restructuring programme.

As Ghana is rich in natural resources - gold, timber, cocoa, rubber and other agricultural products - Dr. Mahathir encouraged the two countries to provide the opportunity for both sides to explore downstream manufacturing activities by using these locally available resources.

As a results of Ghana Investment Promotion Centre (GIPC) and the Malaysian government's efforts, by signing of a bilateral and three private sector agreements were also secured.

The bilateral agreement concerned the promotion and protection of investment while the separate sector agreements were on the development of an export processing zone, selected highways and mineral exploration in Ghana by Malaysian companies.

Over the last 15 years concentrated much of its effort on bringing reparation and economic stability to its environment.

In March of this year, the country celebrated 40 years of independent government and with a year 2020 plan as the objective, Ghana is looking forward to being the Gateway to African Economic Development in West Africa.

Welcomed by H.E. President Flight Lt. Jerry Rawlings, his leadership has opened doors to this new dynamics for economic change and have sprouted strategies to create programmes which are investment friendly.

Some of these strategies include, the creation of new laws which provide generous incentives, safeguards, as well as unrestricted reparation for genuine investors, and the creation of the Ghana Investment Promotion Center Act.

Those ongoing strategies appear to be working as is being witnessed by the many official and unofficial visits made by Malaysians to Ghana.

In the last twelve years since Ghana began its structural adjustment

programme, a combination of liberalising reforms as well as strict fiscal and monetary measures, have helped to produce an average real growth rate of 5 per cent and bring inflation from a frightening 120 per cent to 30 per cent.

In the last 18 months the Ghana Investment Promotion Centre (GIPC) has engaged a flurry of activities to create an identity to herself throughout Asia.

While giving particular attention to Malaysia, visits have transpired between the two Heads of State to one another's country. During Dr Mahathir's official visit to Ghana in November of 1996, numerous Memorandums of Understanding were signed and 53 major projects launched.

Among the projects finalised and currently in their implementation stages are TV3's GAMA Media Systems Ltd (GMS), Denko Sdn Bhd's investment in the Ghana Commercial Bank Ltd, and Business Focus Sdn Bhd's investment in the Tema Shipyard and 600 acres of Tema Export Processing Zone along with the acquisition and opening of the Metropolitan & Allied Bank (Ghana) Ltd.

Each of these projects not only stand to bring each country lucrative returns but reflect Malaysia's commitment to share it's development success with other developing nations.

Unlike other investors who have historically gained monetarily from rich in resource African countries, Malaysia is buying but also contributing to the development and future of West Africa.

This is reflected in the goals and design of these three distinctively different enterprises.

With it's generous investment offers, Business Focus Sdn Bhd, now owns a 60 per cent share in the Tema Shipyard and Drydock Corporation, (TSDC).

According to Datuk Amin Shah, the shipyard is an important milestone for both Business Focus and Ghana.

"In today's growing global economy, one of the signs that a nation is economically spreading its wings is when privatization of a large industry occurs and the best expertise is given the opportunity to effect it," he said.

With it's foundation in the shipbuilding industry this collaboration between Business Focus and Ghana will allow this nation to become a viable player in the West African shipping industry.

"It is a business we know well and have the best resources in terms of people and technology to share with Ghana," he added.

The shipyard is located in an industrial area adjacent to the Port of Tema and covers an area of nearly 50 acres with a dry dock facility of 100,000 dwt.

Denko Sdn Bhd, under the leadership of Datuk Nor Azah Awin who is no ordinary business person and with years of expertise in financial services and bringing life to failing enterprises, Ghana Commercial Bank Ltd will become another feather in this lady's purse.

Commended in Paris recently as one of the "Women to Watch in 97" along with numerous other awards recognising her entrepreneurial activity, Datuk Nor Azah feels that Ghana is ripe for foreign investment and will prove out to be an example of the changing face of African economics.

Denko's investment and gain of 40 per cent ownership in Ghana Commercial Bank Ltd, one of several commercial banks in Ghana, reflects Datuk Nor Azah's 11 years of banking expertise and confidence that this investment is one that she couldn't lose with.

Also, during Dr Mahathir's visit to Ghana, additional projects were launched such as the GAMA Media Systems Ltd, a television and broadcasting house joint venture between Sistem Television Malaysia Bhd and the Ghanaian government.

With the opening of the GAMA Media Systems Ltd. office in Accra, the introduction of Ghana's first commercial television station is made feasible.

This company is a part of TV3's expansion plans abroad. For it's Ghana operations, GMS has set up three companies. TV Network Ltd, Cable View Network Ltd ( a pay-TV station) and GMS itself which would operate Ghana's nationwide FM radio station.

According to TV3's managing director Zahari Omar 'his company aims to contribute to the development of Ghana's information and entertainment industry and help it become the best in West Africa.

In so doing, GMS and the Ghanaian government have signed a 70-30 joint venture company which involves US\$2 million (US\$1 = RM2.77) to acquire the assets of the state owned Ghana Film Industry Corporation (GFIC).

All of this was done in the record time of five months in which only two visits were made by the Ghanaian Information Minister Kofi Toboti Quayki and another two visits by his Malaysian counterpart Datuk Mohammed Rahmat to Accra.

Another result of GIPC's efforts and that of the Malaysian government is the signing of a bilateral and three private sector agreements.

The bilateral agreement concerned the promotion and protection of investment while the separate sector agreements were on the development of an export processing zone, selected highways and mineral exploration in Ghana by Malaysian companies.

These are just a few examples of the success stories connected with the efforts of the Ghana Investment Promotion Centre in Accra.

It is their intention to maximise from the knowledge gained as well as the good international relations that Ghana shares with Malaysians as a result of their already existing smart partnerships.

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