

21 JAN 1998

Colombia-Trade

COLOMBIA SEEKS TO EXPLORE DIRECT TRADE WITH MALAYSIA

By: E.Sivabalan

KUALA LUMPUR, Jan 21 (Bernama) -- Colombia, one of Latin America's fast emerging economies, has expressed interest to import more Malaysian-made products and services which have become much cheaper now in view of the depreciation of the ringgit against the U.S. dollar.

Colombia's ambassador to Malaysia Arturo Infante said today Malaysian engineering firms could offer their services to Colombia at a lower and better rate compared with other countries.

He said the companies could participate in the privatisation projects of ports, airports, railways, roads and generation of electricity to be undertaken by his government.

"Malaysian expertise could be used in these projects and many Malaysian companies have shown interest," he told Bernama in an interview, here, ahead of the four-day visit by Colombian Foreign Minister Maria Emma Mejia to Malaysia beginning Saturday.

Infante said a Malaysian company was currently bidding for a road project in Colombia.

He said that despite the financial turmoil affecting the region, including Malaysia, Colombia could still engage in direct trade with Malaysia.

"We can engage in import and export," the ambassador said.

Infante said he had held discussions with top Petronas officials on the possibility of the national oil corporation carrying out oil explorations in Colombia.

"Malaysia has good reserve of gas but not oil. We have oil and so we can swap," he said.

He also said that Malaysian and Colombian companies could form joint ventures to tap the opportunities in the palm oil sector.

Colombia, with 140,000 hectares of oil palm plantation compared with Malaysia's 2.7 million hectares, is the fourth largest producer of palm oil, producing 400,000 tonnes per year. Malaysia produces nine million tonnes annually.

Infante said that to allow Colombia to have bargaining power in the international market, the country aimed to increase its annual palm oil output to one million tonnes.

"Malaysian companies are interested because they see clearly the markets (for palm oil) like in China and India which consume a lot of palm oil," he said.

He said Colombia was located in "the best position" to expand palm oil exports to South and North America.

"Currently, we are discussing (with Malaysia) at experimental level for some business deals to expand our palm oil production," said Infante.

He said Colombia would be looking for assistance from the World Bank to back up its projects.

Infante also said that in 1996, Colombia had spent US\$1 billion in fighting drug problems.

On Mejia's visit, he said she would call on Prime Minister Datuk Seri Dr Mahathir Mohamad and also hold talks with Foreign Minister Datuk Seri Abdullah Ahmad Badawi and Primary Industries Minister Datuk Seri Dr Lim Keng Yaik. -- BERNAMA

ES JK