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Malaysia-Tanzania

MALAYSIA AND TANZANIA AGREE TO STRENGTHEN BILATERAL TIES

KUALA LUMPUR, Dec 11 (Bernama) -- Malaysia will seek to increase its exports of palm oil and Proton cars to Tanzania and explore the possibility of sourcing products, especially raw materials, from the east African country.

Foreign Ministry Deputy Secretary-General (I) Datuk Ghazzali Sheikh Abdul Khalid said this would be pursued under an agreement reached by the leaders of both countries today to strengthen existing bilateral ties via promoting trade, economic and investment ties.

He was briefing reporters after a two-hour bilateral meeting between Prime Minister Datuk Seri Dr Mahathir Mohamad and visiting Tanzanian president Benjamin William Mkapa at the Prime Minister's office, here.

"Both sides expressed interest to strengthen relations in the areas of economic, trade and investment.

"It is noted that while Malaysia, in its current economic circumstances, has limited capacity to invest in Tanzania, the opportunity for an increase in trade is there and needs to be explored," he said.

Malaysia's exports to Tanzania last year, mainly palm oil and rubber, reached RM84 million while imports of largely cotton, copper and tobacco were estimated to be worth RM40 million.

Malaysia has some US\$180 million in total investment in Tanzania where Malaysian companies such as Celcom and Golden Hope have joint ventures in operating a global mobile communication system service and in palm oil marketing, respectively. Other joint ventures include the International Bank of Malaysia and power generation by an independent power producer.

Ghazzali said Malaysia had exported some 30 Proton cars to the republic and was looking forward to exporting more, especially the re-conditioned cars.

He said both countries were also interested in forging cooperation in ports development and agriculture, especially in estate management where Malaysia has vast experience in rubber and palm oil plantations management and in cotton and coffee plantation management where Tanzania has expertise.

He said Tanzania, which is now embarking on market reforms after decades of centralised planning system, was divesting and privatising its huge public sector and was very keen to learn from Malaysia's successful experience.

Ghazzali said Tanzania was particularly keen to know how Malaysia was able to retain ownership and direction of its economic development while undertaking privatisation in the context of a free market economy.

Both leaders, he said, also renewed their commitment to the South-South Cooperation. Former Tanzanian president, Julius Nyerere, is the chairman of the South Commission.

He said Malaysia also expressed readiness to exchange experience with Tanzania on economic development.

In this regard, Malaysia would continue to provide training for Tanzanian officials under the Malaysian Technical Cooperation Programme.

Describing the current relations between Kuala Lumpur and Dar-es-Salaam as good and strong, Ghazzali noted that the foundation for this was laid during Nyerere's leadership.

Present were Primary Industries Minister Datuk Seri Dr Lim Keng Yaik, Minister in the Prime Minister's Department and Acting Foreign Minister

Datuk Dr Abdul Hamid Othman, Health Minister Datuk Chua Jui Meng who is the minister-in-attendance and Tanzanian acting Minister of Foreign Affairs and International Cooperation, Zakia Meghji.

-- BERNAMA

RV JK