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SUDAN-MALAYSIA

MALAYSIA'S PARTICIPITION IN SUDAN'S ECONOMY SET TO EXPAND

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KUALA LUMPUR, Dec 8 (Bernama) -- Malaysia's participation in Sudan's economy is expected to widen with plans to build a major hydro-electric project in the vast north African country.

Sudan's Minister of Industry and Investment Dr Abdul Halim Ismail Al-Mutafi said that both the governments were currently negotiating on the matter.

He said the proposed plan was also discussed by Prime Minister Datuk Seri Dr Mahathir Mohamad and Sudan's president Omar Hassan Al-Bashir at the sidelines of the ninth summit of the Organisation of Islamic Conference (OIC) in Doha, Qatar recently.

Dr Abdul Halim said the US\$700 million project would take place on the Nile River with an expected capacity to generate power of 2000 megawatts.

"The discussion has been very encouraging," he told Bernama recently.

Dr Abdul Halim was here recently to meet Malaysian businessmen and during his visit, he was also briefed by government agencies.

He said the proposed hydro-electric project, on the north of Khartoum was aimed at enhancing power generation and also irrigation.

On the other hand, Dr Abdul Halim said a major Malaysian mining company was also expected to invest in the mining sector in Sudan which was rich with gold, diamond and copper.

"The geological study has been completed and all parties concerned are still negotiating on various matters," he said.

On a wider scope, Dr Abdul Halim said Malaysia would also assist Sudan in formulating its Industrial Master Plan for the next 20 years.

"We have asked their assistance to improve our economy to become one of the best in Africa," he said.

Malaysia's role in Sudan's economy is currently visible with the national oil company, Petronas, which has been largely instrumental in helping Sudan to tap its oil resources and placing the republic among the ranks of oil exporting nations.

Petronas has invested about US\$800 million (RM3.04 billion) in the project, its single largest overseas investment to date.

Petronas's involvement in the petroleum industry was through a consortium named Greater Nile Petroleum Operating Company (GNPOC) in which its subsidiary, Petronas Carigali Nile Ltd, holds a 30 percent equity interest.

Other equity holders are China National Petroleum Corporation (CNPC) (40 percent), Talisman (Greater Nile) B.V.of Canada (25 percent) and Sudan's national oil company Sudapet Ltd with five percent.

Commenting on the latest development in the oil sector, Dr Abdul Halim said the consortium was expected to produce some 250,000 barrel of oil per day by the end of next year compared with 200,000 barrel per day now.

Dr Abdul Halim invited Malaysian companies to invest in the electrical and electronic manufacturing, information technology related field, food processing, road construction and other infrastructure projects.

He said Sudan was also keen on getting Malaysia's participation in the auto industry hoping that Malaysian companies would be able to set up their assembly plants there. He said the establishment of such plants would not only cater to its 30 million strong population but could become the gateway to nine bordering countries.

He further added that there was potential for Malaysian companies in

the country's meat industry, pharmaceutical, sugar-related and leather based industry, river transportation, textile, railways and cable and pipe manufacturing.

Sudan, located in the north-east corner of Africa is the largest African country (2.5 million square kilometers). Total trade between Malaysia-Sudan grew to RM113.5 million in 1999 from RM65.61 million in 1998. Malaysia's export was RM113.10 million while imports came to a mere RM400,000 in 1999.

Malaysia's export items to the country included palm stearin, palm oil, automatic data processing machines, natural rubber, electrical apparatus, resistors, printed circuits and parts. Its main import items meanwhile were pumps, compressors, fans and parts, plates, sheets, film, coil and strips of plastics, special yarns, textile fabrics and related products and paper and paperboard. -- BERNAMA

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