

08 DEC 2000

Sudan-Malaysia

MALAYSIA'S PARTICIPATION IN SUDAN'S ECONOMY TO EXPAND

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KUALA LUMPUR, Dec 8 (Bernama) -- Malaysia's participation in Sudan's economy is expected to expand with plans to build a major hydro-electricity 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 details of the project.

He said the proposed project was discussed by Prime Minister Datuk Seri Dr Mahathir Mohamad and Sudan's President Omar Hassan Al-Bashir on 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 hydro project would be on the Nile with a projected 2000 megawatts generating capacity.

"The governmental-level discussions have been very encouraging," he told Bernama in an interview.

Dr Abdul Halim was here recently to meet Malaysian businessmen and government officials.

He said the proposed hydro project, north of Khartoum, apart from providing power generation facility would also help in irrigation.

Dr Abdul Halim also said a major Malaysian mining company was expected to invest in Sudan's mining sector which included rich gold, diamond and copper reserves.

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

Dr Abdul Halim said Malaysia would also assist Sudan in formulating a 20-year Industrial Master Plan for the country.

"We have asked for Malaysia's assistance to improve our economy so that it will become one of the best in Africa," he said.

Petronas 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 Sudan 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 per cent equity.

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

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

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

He said Sudan also wanted Malaysia to participate in the auto industry and he hoped 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 other African nations bordering Sudan.

He said there was potential for Malaysian companies in the country's beef industry, pharmaceutical, sugar-related and leather based industries, river transportation, textile, railways and cable and pipe manufacturing sectors.

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 exports amounted to RM113.10 million while imports totalled a mere RM400,000 in 1999.

Malaysia's exports to Sudan included palm oil, automatic data processing machines, natural rubber, electrical apparatus, resistors, printed circuits and parts. Its main imports were pumps, compressors, fans and parts, plates, sheets, film, coil and strips of plastics, special yarns, textile fabrics and related products and paper and paperboards.

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