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UK tells its businessmen to boost ties with Malaysians

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THE UK is confident of Malaysia's economic recovery and its administration is urging British businessmen to forge trade and bilateral relationships with Malaysian counterparts.

Visiting UK Trade Minister Richard Caborn said the country recognises Malaysia's achievement in managing the financial crisis and pull the economy out of recession.

"We encourage our businessmen to continue forging trade and bilateral relationship with Malaysian counterparts.

"We have the confidence in Malaysia managing its economy effectively. You (Malaysia) have the vote of confidence from us," he told newsmen after meeting Minister of International Trade and Industry Datuk Seri Rafidah Aziz in Kuala Lumpur yesterday.

Caborn said the British Government is also confident about Malaysia's economy because measures to stimulate growth are in place.

Caborn, who arrived Kuala Lumpur on Monday, was on a visit to foster ties and improve trade relations between Malaysia and the UK. He left for Jakarta yesterday for a similar mission with Indonesia.

Noting that trade ties between the two countries are improving, Carbon said the British will continue to improve the strong position it has held for a long time to develop relations between Malaysia and the UK.

For instance, Malaysia-UK trade increased from RM15.4 billion in 1998 to RM17.7 billion last year. In the first six months this year, trade between Malaysia and the UK stood at RM8.8 billion.

During the same period, Malaysian exports to the UK were worth about RM5.8 billion, against imports of RM3 billion.

Malaysia's main exports to the UK include parts and accessories for office machines and automatic data processing machines, semiconductors and tubes, automatic data processing machines, electrical apparatus, resistors, printed circuits, switchboards, control panels, telecommunications equipment, furniture and radio equipment.

Malaysia's main imports from the UK include semiconductor devices, heating and cooling equipment, telecommunications equipment, measuring, checking, analysing and controlling instruments and apparatus, electrical apparatus, medical products, paper and paperboard.

Caborn said the feedback he has received from his visit to Malaysia will be discussed with British trade representatives to seek ways to improve trade between the two countries upon his return to the UK.

"Our businessmen will identify the new investment opportunities available in Malaysia," he said.

In the past two years, British businessmen have invested RM5.7 billion in Malaysia. "Malaysia's strong economic growth provides positive investment foundation for British companies to set up operation in this country," he said.

Caborn also said the British Government is looking forward to the visit by Prime Minister Datuk Seri Dr Mahathir Mohamad to Cambridge University next month.

"His (Dr Mahathir) visit will, among others, spur linkages between the university and the Multimedia Super Corridor.

"In fact, we have established a British education campus in Malaysia and look forward to the development of the education system in the country," he said.

Rafidah concurred with Carbon, noting that the positive policies and encouragement by the British Government will pave the way for an improvement in ties between the two countries.

In fact, Malaysia, which has a long-standing relationship with Britain, is the pick of many major British companies.

Rafidah said there are 172 manufacturing firms with British interests operating in Malaysia and another 255 British companies in non-manufacturing sector.

In term of reverse investments, she said there are already 27 Malaysian companies in the UK which serve as their regional offices for the European market.

"Their (British) positive investment policies and encouragement provide the opportunities to Malaysian entrepreneurs to increase investments in the UK.

"As for the British companies which have been in Malaysia for a long time, they will inspire other new companies from that country to invest in Malaysia," she said.

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