

06 JUL 2001

Malaysia-UAE (Special Report)

MALAYSIA-UAE RELATIONS GROWING FAST

By: Shakir Husain

DUBAI, July 6 (Bernama) -- "We don't know each other very well." That was what Prime Minister Datuk Seri Dr Mahathir Mohamad said when asked to comment on Arab-Malaysia relations during his visit to Dubai in late April this year.

However, the prime minister's landmark visit underlined a new willingness on both sides to develop a close partnership. If the trend continues, the two countries are set to become a model of Malaysia's ties with West Asian countries.

"This relationship is going to be a multi-faceted one, covering not just trade but also social and cultural ties," says the Malaysian ambassador to the UAE Datuk Syed Hussein Al Habshee.

Important UAE leaders who have visited Malaysia in recent months include Dubai's Crown Prince and Defence Minister General Sheikh Mohammad Bin Rashid Al Maktoum and Ruler of Sharjah Sheikh Sultan Bin Mohammad Al Qassimi.

The International Islamic University of Malaysia awarded the Sharjah ruler an honorary doctorate in recognition of his scholarly works.

"Such high-level visits can play an important role in strengthening our relationship with the UAE," according to Syed Hussein, who came to Abu Dhabi as Malaysia's first resident ambassador in August last year.

The Malaysian mission opened in the capital in 1983. The UAE embassy in Kuala Lumpur was set up in October 1995.

The momentum in relations between the two countries is a relatively new phenomenon however.

"The relations have picked up pace only in the last six months or so," the Malaysian ambassador told Bernama.

And some results are already visible. In May, Malaysia's Perkapalan Mesra was awarded a RM1 billion (US\$ 270 million) project by Dubai to build the first stage of a mega plan to construct two artificial islands.

The Palm Islands tourism project is worth few billions of ringgit and includes many hotels, thousands of homes and tourist facilities.

"We want Perkapalan to deliver on time and set an example so that other Malaysian companies could benefit from this goodwill," Syed Hussein said.

Business ties are a top priority as Malaysia sees the UAE as a gateway for its exports to markets in the West Asian and North African regions.

Dubai, one of seven emirates that make up the UAE, is a well-established centre of international commerce in West Asia.

Inaugurating Malaysia's trade centre in Dubai in May, International Trade and Industry Minister Datuk Seri Rafidah Aziz urged Malaysian companies to take advantage of the emirates' massive commercial network.

"The West Asian region is an important emerging market for Malaysia. In 2000, Malaysia's trade with countries in the region grew by 52.7 per cent to US\$3.4 billion (RM12.92 billion), compared with US\$2.2 billion in 1999.

"However, it accounts for only 1.9 per cent of Malaysia's global trade," she said. The UAE is Malaysia's largest trading partner in the region.

Malaysia wants to offer itself as an alternative to Europe and the United States in offering goods and service to Gulf Arab countries.

Dr Mahathir told a local newspaper: "Arab countries deal mainly among themselves or with European countries. You don't really know much about East Asia. This is why you don't know that we too can provide what others

have been providing you."

"For example, most oil-producing countries assume that only Europeans and Americans - and probably the Japanese - have the expertise in the oil industry. Our own national petroleum company (Petronas) operates in 25 countries.

"We produce oil in many countries, we do downstream and upstream activities and we have even bought over the biggest petroleum company in South Africa. I know we have the capacity which can be beneficial to both of us."

Tourism and cultural links are also expanding with Malaysia making a concerted effort to woo tourists from West Asia.

The UAE took a major step recently by doing away with visa requirement for Malaysian citizens. Now it is a hassle-free travel between the two countries.

Malaysia Airlines (MAS) -- in collaboration with a UAE organisation that organises marriages of Emiratis -- has introduced a package under which people getting married at its mass weddings will have their honeymoon in Malaysia.

MAS has even offered to provide a special honeymoon aircraft to newlyweds if the number of couples going to Malaysia exceeds 70.

The first such batch of honeymooners is expected to be in Malaysia in mid-August.

During their trip, the couples would also be offered a chance to emulate the traditional Malaysian wedding.

Malaysia this year took part for the first time in the Dubai Shopping Festival and Arabian Travel Market.

Its participation in an international furniture exhibition was second largest with 80 companies.

Pahang Menteri Besar Datuk Seri Adnan Yaakob and Tourism Malaysia's Director General Abdullah Jonid led two important delegations to showcase Malaysia's tourism and business potential.

Such contacts are being developed at various levels. The Multimedia Development Corporation Sdn Bhd (MDC) and Ajman University for Science and Technology (AUST) of the UAE are cooperating in the development of future intelligent zones and in areas like "smart schools," telemedicine, electronic commerce and cyberlaws.

The UAE and Malaysia have also agreed to work together in the cooperatives and agriculture sector.

"We need continuous exchange of visits by political and business officials to consolidate the relationship further," Syed Hussein said.

Politically, Malaysia looks at the UAE as part of an Arab bloc that can influence international politics in favour of Muslims.

Rafidah told Bernama in Dubai that the countries in West Asia could act as a group and succeed in shaping the World Trade Organisation agenda and oppose protectionist measures of Europe and the United States.

She said the talk of Islamic solidarity must translate into action and work both politically and economically. The UAE and Malaysia are on course.

-- BERNAMA

SK ES RYN