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Right time for Malaysians to enter Myanmar's market

Kamarul Yunus

MALAYSIAN businessmen should capitalise on the current close relationship between Myanmar and Malaysia to open up their operations in the military-led country prior to the full opening of its market, Malaysian Ambassador to Myanmar, Datuk Mohamed Noh said.

When Myanmar opened its door fully, he said, Malaysians would stand little chance to succeed in penetrating its market because of the stiff competition from big economies like the US and Japan.

"We are not a big player. When Myanmar opens its market, we will not be able to compete with the giants, who are already making inroads worldwide.

"If we come in late, we may not be successful. Now is the right time for Malaysian companies to invest in Myanmar," he told Malaysian journalists who were on an eight-day visit to Myanmar starting April 17.

The visit was made possible following the meeting between Prime Minister Datuk Seri Dr Mahathir Mohamad and State Peace and Development Council chairman Senior General Than Swee during the former's visit to Myanmar in January.

Mohamed said since the PM's visit, bilateral relationship between Myanmar and Malaysia has strengthened further, and this has provided conducive environment for Malaysian companies to invest in Myanmar.

Since Malaysia is heading towards automation in its production, he said Malaysian companies should relocate their operations to Myanmar to take advantage of the cheap labour there.

Mohamed said Malaysian firms, although small, should invest in Myanmar and then build up their business.

"They should try to forge a close rapport with the right contacts to facilitate their business in Myanmar. With the close relationship between the two countries, we would not have problems in getting contacts with the Myanmar side," he said.

On the potential investment in Myanmar, Mohamed said Malaysians are encouraged to participate in Myanmar's plantation sector such as maize planting, and opening up palm oil estate in Southern Myanmar.

"There is also vast opportunity for Malaysians to invest in mining and manufacturing as well as the natural and human resources," he said.

According to the Myanmar Investment Commission, Malaysia is the fourth largest foreign investor in Myanmar, after Singapore, the UK and Thailand.

Since the introduction of the Foreign Investment Law in 1988, Myanmar has received cumulative investments worth US\$7.4 billion (US\$1 = RM3.80).

Malaysian companies have invested in various sectors of Myanmar's economy including the manufacturing and hotel industries.

For instance, hotels managed by Malaysians include the Ramada, Equatorial and MiCasa.

In the food production industry, one of the outstanding Malaysian companies which is trying to establish itself as the number one producer of noodle snack in Myanmar is Myanmar Mamee Double Decker Ltd.

Its general manager Micheal Chew Chin Teck said the company has invested US\$5 million to set up the factory in Mingaladon industrial area in Yangon.

With 130 local staff, the plant managed to produce about 5,000 boxes of several types of noodle and snack food a day.

"Our target is to register a growth rate of 60 per cent annually, and so far the company has been able to achieve the target.

"We aim to be the number one noodle and snack food company in Myanmar. Our competitor now is Thailand's Yum Yum. With the availability of various types of flavour for our noodles, we are confident of overtaking the number one spot this year," he said.

The construction of the Mamee plant in Myanmar commenced in 1996 and began operation in 1997.

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