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Vast potential in ties with UAE

Hamisah Hamid in Dubai (United Arab Emirates)  
DUBAI (United Arab Emirates), Sun: Malaysia's relations with the UAE, particularly Dubai, will move onto a higher platform when both sides begin to reach out to one another.

The most pronounced cooperation is seen in information technology (IT) when their respective corporations entrusted with the development of IT and multimedia agreed to work together.

Multimedia Development Corp (MDC) and Dubai Internet City (DIC) signed a memorandum of understanding on Thursday, seeking to jointly explore projects, conduct cross-marketing and share experiences in IT and the formulation of cyber laws.

To kick-start the cooperation, an agreement was sealed on the same day between Malaysia-based AirportXchange, Dubai International Airport and DIC.

The pact will allow AirportXchange, the provider of e-commerce solutions for airport community, to spread its wings to the Gulf region through the IT infrastructure provided by DIC.

Prime Minister Datuk Seri Dr Mahathir Mohamad, who was here for a two-day working visit, discovered many business opportunities in the second largest emirate in the UAE.

He said Dubai's position as a regional distribution hub will serve as a platform for Malaysian-made products to markets in this region.

Dubai's Port Rashid, the largest port in West Asia and among the best in the world, could be a gateway for local products to penetrate the non-traditional markets of 1.5 billion people in the Gulf states, West Asia, East Africa, Russia, India and Pakistan.

Malaysia could also learn from Dubai's aluminium smelter - Dubai Aluminium Company Ltd - which was developed by indigenous technology.

Other areas which Malaysia and Dubai could team up in include gas-generated electricity and dissemination system, finance and tourism.

Speaking to reporters after his visit on Friday, Dr Mahathir said Dubai's aluminium smelting technology will be useful to Malaysia.

The multi-billion-dollar aluminium smelter has a capacity to produce 600,000 tonnes of aluminium annually.

It produces close to 100 value-added products under three main category, namely foundry alloy for automotive wheels, extrusion billets for construction purposes, and high purity aluminium for the electronics industry.

The spin-offs from the aluminium smelting complex are tremendous and its impact on Dubai's economy including direct gross outputs, capital expenditure and the multiplier effects of its purchases, is estimated to be more than US\$1.6 billion (US\$1 = RM3.80) annually.

"We are also impressed with their success in attracting tourists despite being covered mostly by desert... more than three million tourists while their (the UAE) population is only two million," Dr Mahathir told Malaysian journalists after visiting the world's most exclusive hotel, Burj Al-Arab.

Describing his visit as fruitful and exceeding his expectations, he said there are numerous activities in this emirate which Malaysia could adapt into its trade policy.

"But one obvious thing is that we don't know about the situation here, not only in Dubai, but also other Arab countries.

"They, too, do not know about Malaysia. So, it is important to organise visits to identify scopes of trade relations with them," he said.

Total trade between Malaysia and the UAE which stood at US\$1 billion (US\$1 = RM3.80) last year is still insignificant despite the UAE being Malaysia's largest trading partner in West Asia.

Malaysia's main exports to the UAE market include television receivers, jewellery, goldsmith and silversmith's wares, radio-broadcast receivers and palm oil. Its imports from the UAE include petroleum products, aluminium, gold, polymers of ethylene, manufactured fertilisers as well as pearls and gems.

Dr Mahathir had suggested cooperation in the petroleum industry, where Petronas' international experiences may be beneficial in the oil-rich UAE.

The visit by the Prime Minister can be said to be a turning point in trade relations between Malaysia and the UAE, specifically Dubai.

He has promised more visits by Malaysian ministers of trade and tourism and suggested local businessmen scout for opportunities in Dubai.

Though the UAE's population is small, the people's purchasing power is high as their per capita income is more than US\$16,000.

The country also offers good incentives for foreign investors, including no personal or corporate taxes.

With four international airports and six ports, the UAE covers more than 70 per cent of the re-export activities in the West Asia.

If Malaysia could find a niche in the non-traditional markets in this region, its exports would be shielded when the economic situation in its two biggest trading partners - the US and Japan - takes a downturn.

Similarly, if Muslim nations in West Asia could team up with their counterparts in South-East Asia, both sides will benefit from expanded trade dealings as well as the exchange of know-how.

Dr Mahathir had lamented how the Muslims had earlier failed to take part in the Industrial Revolution as their religious leaders discouraged them from acquiring the so-called secular knowledge.

He said it is essential for Muslims to be experts in all fields to develop their countries and not miss the boat for the second time in the Information Revolution.

Social and economic relations between Malaysia and the UAE is expected to be strengthened while Malaysia carves out a name in this region.

Response from participants during the Emirates International Forum's special session where Dr Mahathir delivered a keynote speech on challenges for Muslim nations in the 21st Century, showed how his leadership is well-accepted in this region.

Malaysia Ambassador to the UAE, Datuk Syed Hussain Al-Habshee, said the fact that Dr Mahathir has been invited for a second time to deliver a keynote address at the same forum is an honour to the country and his leadership.

The Malaysian Club (UAE) president Sabaruddin Ismail said people here speak highly of the Prime Minister and his leadership, while a taxi driver who lives here had described him as a real Muslim leader.

This speaks well for the country, which believes in friendly relations with others and practises a "prosper thy neighbour" policy.

It is also not too late for Muslims to join the IT bandwagon, provided they change their mindsets. Working together in the IT and multimedia field is one of the steps to reach the goal. Besides collaboration in areas like e-government, telemedicine, e-commerce, global manufacturing and smart cards; they will also work on Islamic e-banking to promote its application worldwide.

Malaysia and Dubai, after all, share some common background such as in the pace of development.

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