

# PM: Opportunities aplenty in Chinese market

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Malaysian business community should view the economic development underway in China in a positive manner and not be deterred by the diverse challenges posed by it.

With its huge domestic market and abundance of labour, Malaysian business community should make use of the opportunities to increase trade and investment cross flow, said Prime Minister Datuk Seri Dr Mahathir Mohamad.

He said although China was a competitor, it also presented much opportunities for Malaysian enterprises seeking overseas market and production facilities.

"The Malaysian business community has the advantage of understanding the Chinese languages and cultures and this advantage should be used effectively in facilitating business ties between both countries.

"Malaysian firms should also ally themselves with Chinese manufacturers in areas where the Chinese have technological advantage as this would help them to penetrate the Chinese market as well as other regional and global markets," he said when opening the Malaysia-China Economic

Conference 2002 at Sunway Lagoon Hotel yesterday.

The conference titled "Challenges - Impacts and Prospects" is organised by the National SMI Consultative Centre with the cooperation of the National Chamber of Commerce and Industry, the Malaysian

International Chamber of Commerce and Industry, and the Malay, Chinese and Indian Chambers of Commerce and Industry and various other bodies.

Since China has a substantial Muslim population estimated at about 60 million, Dr Mahathir said that Malaysian enterprises could

explore the possibility of supplying halal food for that particular market in China.

"Malaysian companies could also establish halal food outlets in China. In addition to halal food, we can also export other halal products such as cosmetics, toiletries and skin care items to China," he added.

He said there was also vast opportunities for the local business community in China's services sector such as in healthcare related services, education, tourism, franchising, telecommunications, consultancy services and management and logistics.

He said in the first six months of the year, China had emerged as Malaysia's 4th largest export market as well as import source.

"From China's perspective, in 2001, Malaysia was its 10th largest trading partner, 9th largest import source and 14th largest export market.

"For the six months of the year, we are China's 7th largest trading partner globally and the largest trading partner in Asean.

"This strong expansion of bilateral trade is a reflection of the potential that exists to further expand trade and investment linkages between the two countries," he said.

China's growth, he said, could contribute to the prosperity of neighbouring countries through the Asean-China Free Trade Agreement, which was being negotiated, with the context of a broad Asean-China co-operation framework.