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Investment potential abounds as Kyrgyz starts development plan

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MALAYSIAN businesses will have more opportunities to invest in the Kyrgyz Republic as the country starts implementing its 10-year development plan.

Potential areas to invest include tourism, textile and processing of agriculture products, Kyrgyz President Askar Akayev said at a luncheon hosted by the National Chamber of Commerce and Industry of Malaysia (NCCIM) in Kuala Lumpur yesterday.

This is Akayev's second visit to Malaysia.

He said the republic has stepped up efforts to attract more foreign investment, including relaxing some of its immigration rules.

Akayev said Kyrgyz has also proposed to set up a free trade zone for Malaysian entrepreneurs.

Kyrgyz has a population of five million, of which 80 per cent are Muslims. The country is very dependent on agriculture, tourism and financial sectors, as well as small- and medium-scale industries.

Akayev said Malaysia's Prime Minister Datuk Seri Dr Mahathir Mohamad and the Malaysian Government helped Kyrgyz develop strategies for its 10-year Comprehensive Development Framework.

At the luncheon, he also witnessed an agreement-signing between NCCIM and the Chamber of Commerce and Industry of the Kyrgyz Republic.

NCCIM president Datuk Seri Abdul Rahman Maidin said the agreement will enhance exchange of information between the two parties, as well as improve cooperation in trade, science and technology through activities such as seminars and participation in trade fairs.

Abdul Rahman said the NCCIM will share its expertise and know-how to help the country in its economic development.

NCCIM has a combined membership of 200,000 with its constituent Malay, Chinese, Indian, and International chambers of commerce and industry.

Abdul Rahman said the two-way trade between Malaysia and Kyrgyz Republic is considered small, at about US\$400,000 (US\$ = RM3.80) in 2001.

"We can attribute the present low level of trade to untapped market opportunities," he said in his speech.

On Monday, Bank Negara signed a memorandum of understanding with the National Bank of Kyrgyz Republic to facilitate the promotion of trade and establishment of a correspondent banking relationship between the two countries under a bilateral payment arrangement.

Malaysia and Kyrgyz signed the Trade Agreement and Investment Guarantee Agreement in 1995, the Economic, Scientific and Technical Cooperation Agreement (1995) and the Double Taxation Agreement (2000).