

14 APR 2002

MOROCCO-OPPORTUNITIES

JV OPPORTUNITIES IN MOROCCO APLENTY FOR MALAYSIAN COMPANIES

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KUALA LUMPUR, April 14 (Bernama) -- The Kingdom of Morocco, which last year accounted for a dismal 0.01 percent of Malaysia's total global trade, offers a wide array of joint venture opportunities for Malaysian companies.

"I think there are a lot of areas where Moroccan businessmen and Malaysian investors can cooperate in," said Moroccan Ambassador to Malaysia Dr Badre Eddine Allali.

These sectors range from infrastructure, to construction of roads and ports, power generation, tourism, housing, transportation, as well as oil exploration and exploitation, he told Bernama in a recent interview.

Allali's interview comes just prior to Prime Minister Datuk Seri Dr Mahathir's three-day visit to Morocco starting April 15 aimed at taking trade and investments to a significantly higher plane.

He said that the country's political stability, favourable economic climate, relatively inexpensive labour costs and easy access to the European Union (EU) makes Morocco a market in the Mediterranean area worth to be considered.

Noting that Malaysians have already established some form of investment in his country, Allali said foreign investors would find the legal framework there very attractive.

The ambassador said his government offers certain incentives to foreign investments in some sectors of the economy.

"There are attractive packages, which includes the state or the government of Morocco sharing expenses with the investor in buying the land and also building the plants and so on," he added.

Another area of interest to foreign investors is in the privatisation of Morocco's public sector which started in the 80s resulting in the creation of a number of companies involved in the industrial and services sectors.

"The latest privatisation concerned the selling of a part of the shares of the capital of the national telecom company while more privatisation exercises will be coming in the near future," said Allali.

As for the country's manpower, he said Moroccans are known to be good labourers, highly productive and were relatively cheaper compared with others in the Mediterranean area.

But the minimum wage is about US\$150 (RM570) per month.

Apart from domestic demand, Allali said his country could act as the springboard for Malaysian exports into the EU which has a population of 300 million.

This was provided for by an agreement signed by Morocco with the EU to set up a free trade area by 2010.

Moving to Morocco-Malaysia trade ties, he said the two countries registered a modest trade volume of about US\$20 million (RM76 million) per annum.

"So, we hope, through the visit, and we know there is a large businessmen delegation accompanying the Prime Minister, there will be some good contacts with the business community in Morocco.

"And, I'm sure that with this visit, they will explore new avenues, new opportunities in the field of trade between the two countries," he said.

Roughly 100 Malaysian businessmen would be accompanying Dr Mahathir in his tour of the north African countries of Morocco, Libya and Bahrain, the only Arab island state in the world.

Morocco would be the first leg of the countries to be visited by the Prime Minister, followed by Libya and ending in Bahrain on April 21.

The ambassador said bilateral trade so far has been in Malaysia's favour.

Malaysia's exports to Libya ranges from electronics and electrical products as well as rubber while Morocco includes aluminium products, handicraft and canned food.

"Of course they can increase the exports (from Morocco) of canned food, frozen fish and canned fish, leather products, phosphates, fertilisers, phosphoric acid, citrus fruits also and some agro-industrial products," he added Allali. -- BERNAMA

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