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LID-AFRICAN UNION

NEW AFRICAN UNION MAY BE A BOON FOR FOREIGN INVESTORS, TRADERS

By: Yong Soo Heong

LANGKAWI, July 29 (Bernama) -- The new African Union (AU) may provide better stability and greater appreciation for the business needs of foreign investors and traders, said Tan Sri Ramon Navaratnam, economic adviser to the Sunway Group.

Navaratnam, who is also a member of Suhakam, the Malaysian Human Rights Commission, was commenting on remarks that some local businessmen have become extra wary of investing in Africa because of their perception that the "rules of the game" often changed with changes in leadership.

However, with the recent formation of AU, African leaders are hoping to follow the European Union's path to peace, unity and prosperity. This is because Africa does not want to be left behind as most regions in the world are beginning to forge bigger economic blocs.

African leaders have come to the realisation that Africa must be united if it is to make its voice heard in the global economy. Hence, the formation of AU.

Over the long run, it is envisaged that AU will eventually have a common parliament, central bank and court of justice.

Navaratnam said as in all countries, there were always business risks.

"To be fair to our businessmen, I suppose Africa has more than its fair share of risks," he said. "But sometimes more risks mean more gains. So that's what our businessmen have to weigh and decide upon."

When asked on the contribution of the smart partnership dialogues like the Langkawi International Dialogue (LID), South African International Dialogue (SAID) and East African International Dialogue (EAID), he said these gatherings had contributed greatly to increasing business contacts.

Langkawi will host the Global 2002 Smart Partnership Dialogue from Thursday to Saturday where more than 400 participants, including heads of state and government, government officials as well as businessmen are expected to attend. LID 2002 also incorporates SAID and EAID.

In echoing the sentiment of Prime Minister Datuk Seri Dr Mahathir Mohamad, the prime mover of such smart partnership dialogues, Navaratnam, who is one of the participants at the coming LID 2002, said they had also created greater awareness of the potential for doing business and investing in Africa.

"If not for LID and particularly our prime minister, Malaysian businessmen would have not known about business prospects in Africa to the same extent, if not at all. As a result of LID and our prime minister, our businessmen have been able to meet African presidents and prime ministers and senior ministers quite easily," said Navaratnam who had attended all LIDs since its inception in 1995.

Referring to Malaysian corporate captains attending such dialogues, Navaratnam said most of them had been able to show the positive facets of Malaysia.

"Those who are capable, prominent and serious about exploring business possibilities in Africa -- as encouraged by our prime minister -- usually attend such dialogues," he said. -- BERNAMA

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