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EXCLUSIVE-INDIA

M'SIAN BUSINESS TO GAIN FROM SECOND INDIA-ASEAN BUSINESS SUMMIT

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KUALA LUMPUR, Aug 8 (Bernama) -- The Second India-Asean Business Summit, to be held in New Delhi and Mumbai early next month, is expected to receive good response and interests from Malaysian entrepreneurs.

This is because of the positive follow-up from the first business summit, which was held in New Delhi and Hyderabad in October 2002, saw an increase in trade and information of projects between India and Malaysia as well as that of other Asean countries.

Indian High Commissioner to Malaysia, Mrs Veena Sikri, in an exclusive interview with Bernama here yesterday, said the business summit involved real discussion and meaningful interaction.

To be held on Sept 4 to 5 in New Delhi and Sept 6 in Mumbai, this business summit is jointly organised by the Ministry of External Affairs, government of India, the Federation of Indian Chambers of Commerce and Industry (FICCI) and the Confederation of Indian Industry (CII).

"The (Indian) industry felt it is ideal to have business interaction. Prime Minister Datuk Seri Dr Mahathir Mohamad attended the first business summit and it was a success with Dr Mahathir urging India to use Malaysia as the gateway to Asean," she said.

The business summit would be an important event in the build-up to the Second Asean-India Summit, which will be held in Bali this October.

High-powered business delegations from Malaysia and other Asean countries are expected to take part.

Following encouraging developments in trade and relationships between India and Asean, the focus of the second business summit will be based on the interest of both parties.

Sikri said there would be 10 areas of focus, of which six would be discussed in New Delhi and the rest in Mumbai.

The six are agriculture and food processing; tourism; infrastructure; healthcare services; bio-technology; and pharmaceuticals.

The others are human resource development (HRD) and higher education; information, communication and telecoms; promoting trade and financial flows and entertainment; and manufacturing light engineering and auto components.

Sikri said agriculture and food processing would be of great interest to Malaysia and other Asean countries.

India, which is among the world's largest producer of food and processed food, can add value into the fresh food industry.

"We can look at this on two areas - trade and joint-ventures," she said. "Furthermore, India and Malaysia have a common culture in food."

Another aspect will be bio-technology and pharmaceuticals which are high-growth areas in India, which has leading laboratories.

She said India would like to increase the level of interaction with Asean on this and had received good response and interest from Malaysian entrepreneurs.

Tourism is also an important precursor as it involved people to people interaction, while infrastructure and healthcare are growing areas including that of HRD and education under the intellectual capital development.

In Mumbai, she said discussion on entertainment would revolved the Bollywood film industry, music and intellectual property rights.

"Both Bollywood and Asean can enjoy this sector in a proper way as

there is a huge entertainment market in Asean and it is important to regulate this market," Sikri said.

Touching on the Asean-India relationship, she said the ties were getting stronger with many decisions being made at the first Asean-India Summit in Phnom Penh in November last year.

This included the free trade agreements (FTA) with Asean, and India is close to finalising the FTA with Thailand while discussions are still being held with Singapore, Malaysia and others.

On Malaysia-India relationship, she said both countries had a long history of trade and ties had always been good.

However, improvements could still be made in bilateral trade which has always been in Malaysia's favour.

As such, there is a need for the Malaysian government to improve trade with India and for India to increase its exports and projects.

"Another improvement will be in respect to information as there is not enough information about contemporary development in Malaysia," Sikri said.

Bilateral trade between Malaysia and India totalled US\$2.4 billion in 2002, with Malaysian imports totalling US\$643.37 million and exports at US\$1.76 billion.

As for investments, Malaysia is the 10th largest investor in India as per cumulative foreign direct investment (FDI) approvals from 1991 to November 2002.

India is the 13th largest investor in Malaysia with cumulative investment of over US\$340 million between 1980 to June 2002.

As at the end of 2002, there are 23 Indian companies and 57 Indian joint-ventures operating in Malaysia, with the largest JV being Pan-Century in palm oil refining. -- BERNAMA

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