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Dr M, delegation in Algeria to explore business opportunities

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PRIME Minister Datuk Seri Dr Mahathir Mohamad arrived here late yesterday for a visit which focuses on trade and investment opportunities for Malaysian businesses.

He brings a 127-member delegation including four ministers, three menteri besar, six MPs and 50 businessmen.

Dr Mahathir, the first Malaysian Prime Minister to visit Algiers, was welcomed at an official ceremony at the Houari Boumediene International Airport accompanied by Datuk Seri Dr Siti Hasmah Mohd Ali. He was greeted by President Abdelaziz Bouteflika and inspected a guard-of-honour comprising members of the army, navy and air force.

"Algeria has shown a lot of interest in Malaysia's success, and is impressed by its achievements," Foreign Minister Datuk Seri Syed Hamid Albar said.

It had, in fact, asked Malaysia to undertake a study of its economy and make recommendations for investment opportunities in agriculture, industry, telecommunications and tourism.

The Economic Planning Unit has completed the study and presented its findings to the Algerian Government.

The Algerian economy, dominated by oil and gas, has been slow to grow because of sporadic terrorist attacks sparked off by an aborted election in 1992 where the Islamic party was poised to win.

The situation remains serious despite the Government's conciliation programme launched in 2000.

Syed Hamid said Malaysian businesses were looking at opportunities in infrastructure development such as water supply and roads. Following the devastating May earthquake which left 700,000 homeless, housing construction has also become a priority.

Petronas, whose chief executive Tan Sri Hassan Marican is here, already has a share in a US\$2.5 billion (RM9.5 billion) project here. It holds a 40 per cent stake, while the Algerian oil company Sonatrach has 30 per cent and Gaz de France 25 per cent.

Syed Hamid said Proton was also looking at expanding into Algeria from its base in neighbouring Morocco.

Bilateral trade stands at a fairly low RM441.31 million last year, a substantial increase from RM123.3 million in 2001. The trade balance is heavily in Malaysia's favour with last year's exports to Algeria totalling RM431.9 million and imports at only RM9.3 million.

Malaysia exports mostly iron and steel products, vegetable oils and palm stearin to Algeria, and imports mainly fertiliser.

Little known to the average Malaysian, this country on the southern Mediterranean coast tends to make news for unfortunate incidents like bomb attacks or kidnap of foreign tourists.

Despite the scars, Algiers is a city bustling with people and traffic. Its skyline is dominated by the Monument of the Martyrs built in 1982 as a reminder of the difficult transition from a French colony to independence in 1962.

This will be Dr Mahathir's first stop on Monday, where he will lay a wreath. He will then have a meeting with Bouteflika, following which both leaders will witness the signing of a trade agreement and memorandum of understanding on co-operation in information and communication

technologies.

Dr Mahathir will also visit the Algerian version of Cyberjaya - the new town of Sidi Abdellah, 25km from here.

On Tuesday, he visits the areas hit by the May 21 earthquake which measured 6.8 on the Richter scale, and killed over 2,000 people and injured 9,000.

The afternoon is taken up with a business dialogue, following which Bernama and Algerie Presse Service will sign a news exchange agreement.

He will also meet Abdelkader Bensalah, president of the Council of Nation (Parliament), and Algerian Prime Minister Ahmed Ouyahia.

Syed Hamid said Dr Mahathir and Bouteflika were expected to discuss bilateral and regional issues, as well as terrorism and the marginalisation of Islamic nations in world affairs.

Dr Mahathir will extend an invitation to Bouteflika to attend the Organisation of the Islamic Conference summit in Malaysia in October.

Malaysia opened an embassy in Algiers two years ago, while Algiers set up its mission in Kuala Lumpur in the mid-1990s.

The delegation include Works Minister Datuk Seri S. Samy Vellu, Primary Industries Minister Datuk Seri Dr Lim Keng Yaik, Syed Hamid and Minister in the Prime Minister's Department Datuk Abdul Hamid Zainal Abidin.

The three Menteri Besar here are Datuk Seri Syed Razak Syed Zain from Kedah, Tan Sri Mohd Isa Abdul Samad from Negri Sembilan and Datuk Seri Shahidan Kassim from Perlis.

Dr Mahathir and Dr Siti Hasmah leave on Tuesday night for Swaziland where Dr Mahathir will attend the Southern African International Dialogue.