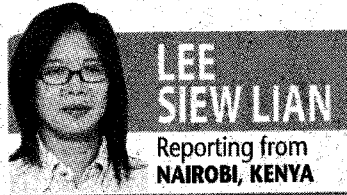


Call to tap Kenya's potential as gateway

NST-19/4/2007



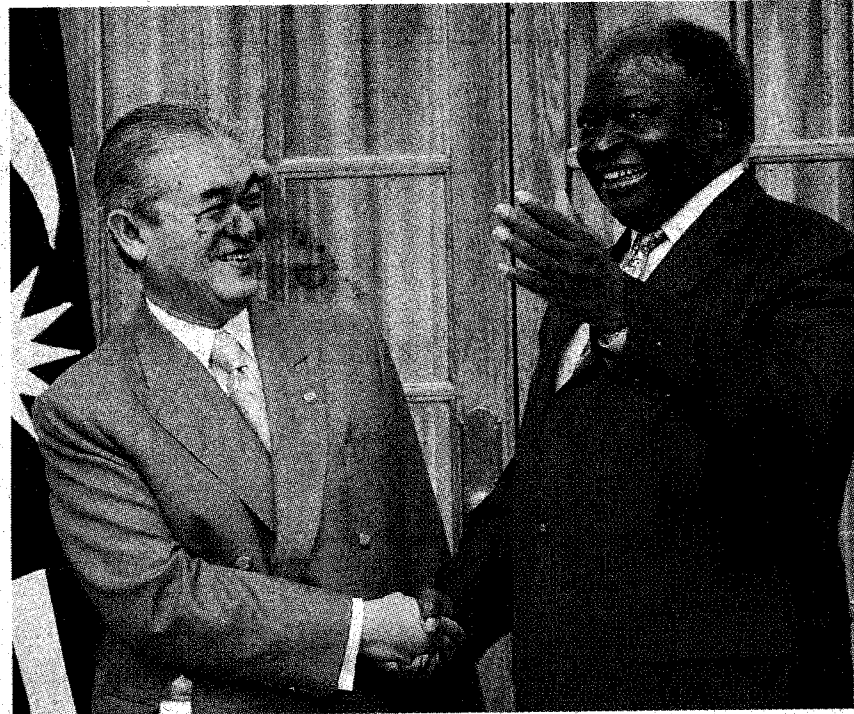
KENYA'S peace and stability, and the highest economic growth in over a decade, makes the country an ideal gateway for Malaysian businesses to East Africa and its population of 560 million people, said Prime Minister Datuk Seri Abdullah Ahmad Badawi.

Likewise, Malaysia could be Kenya's gateway to the Asean Free Trade Area, which has a combined gross domestic product of US\$876.1 billion (RM3 trillion) he said.

"Businesses can and should look at Malaysia and Kenya not only as individual markets, but also as gateways to a larger economic environment," he told Malaysian and Kenyan businessmen at a business forum here organised by Matrade.

He urged businessmen of both countries to explore opportunities in construction, infrastructure and trade, and to expand cross-border investments.

Abdullah is in Nairobi for a three-day visit to Kenya. He met President Mwai Kibaki yesterday morning.



Prime Minister Datuk Seri Abdullah Ahmad Badawi (left) being greeted by Kenyan President Mwai Kibaki in Nairobi yesterday. The prime minister is on a two-day official visit to the country. — Bernama picture

The two countries signed a memorandum of understanding on planning and implementation of road projects, and another on science and technology.

He also said the governments of Malaysia and Kenya needed to work on concluding an Investment Guarantee Agreement, which would facilitate the systematic liberalisation, promotion and the

protection of investments.

He noted that Kenya's economy was booming, with GDP growth exceeding five per cent in 2005 and last year.

Kenya, Malaysia's eighth largest trading partner in Africa, accounted for about US\$90 million of Malaysia's trade. That provides great scope for bilateral trade between the two countries to improve.

The UN Industrial Organisation said recently that foreign direct investment in Kenya had stagnated, largely because large established multinationals were unwilling to invest more. Kenya, it added, needed to attract new international investors who were small and more flexible, and able to drive economic growth and job creation.