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M'sia-Spain bilateral trade set to fall on weak global economy

KUALA LUMPUR: The total bilateral trade between Spain and Malaysia is expected to decline by 10% this year due to the weakening global economy, according to the Spain Embassy's economic and commercial counsellor, Antonio Garcia.

He said this year would also be challenging to new businesses and operation set-ups.

"Nonetheless, we believe that we will be here for the long term, supported by the opening of our first Asean business centre in the Asia-Pacific," he said after the launch of the Asean Business Centre yesterday.

The centre, which will provide Spanish companies with office space and secretarial services to start operations immediately, has three new office suites, four workstations and one meeting room.

"These are fully equipped with broadband Internet and video conference equipment.

Located at the economic and commercial office of the embassy, the rental for the office space ranges from 150 euros to 180 euros per month.

"Spanish companies could now get business advice, database and information from our 10 staff," Spanish Institute for Foreign Trade vice-president Angel Martin Acebes, who officiated the launch, said.

Although the World Bank had earlier estimated a 5% -10% fall in international trade, Acebes said he hoped the total bilateral trade between Spain and Malaysia could match last year's.



Antonio Garcia (left) and Angel Martin Acebes at the launch

"We will also try to keep the same level of our direct investment in Malaysia," he said.

Last year, Spain was the fifth largest investor in Malaysia when Acerinox injected RM6.1bil in a stainless steel manufacturing plant in Iskandar Malaysia.

Total bilateral trade between Spain and Malaysia last year doubled to RM6.15bil from 2007. Malaysia's exports to Spain were valued at RM3.75bil, led by elec-

tronic and electrical products, palm oil, rubber and furniture.

To date, there are more than 30 Spanish companies with a presence in Malaysia through investments, or regional/representative offices.

"Previously, our main investment destination was Latin America, but now the focus is on Asia," he said, noting that there were more than 40 companies established in China.