

Malaysian Financial Institutions Invited To Expand Islamic Banking In Pakistan
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By Dalila Abu Bakar

KUALA LUMPUR, April 15 (Bernama) -- Malaysian financial institutions have been invited to explore expansion opportunities in Pakistan, particularly in Islamic banking.

Pakistan's High Commissioner to Malaysia, Masood Khalid said that the invitation to do so was made by the country's Prime Minister, Yusuf Raza Gilani, when he met his Malaysian counterpart, Datuk Seri Najib Tun Razak at the Commonwealth Heads of Government meeting in Perth last year.

"They discussed then, the possibility of cooperation in the banking sector. Of course, Islamic finance, Takaful and other such areas, are of great interest to us.

"Our Prime Minister invited Malaysian banks to open branches in Pakistan. Maybank is already there and bought a substantial stake in a Pakistani bank.

"I hope leading banks like CIMB will explore the possibility," he told Bernama in an interview.

Masood expects Bank Negara Malaysia Governor, Tan Sri Dr Zeti Akhtar Aziz to have a discussion on how Malaysian financial institutions can expand their operations to Pakistan, when she meets with the Governor of the State Bank of Pakistan, Yaseen Anwar, in the near future.

Apart from banking, the business community is also being urged to explore, further cooperation to optimise the free trade agreement (FTA) between Malaysia and Pakistan, which came into force on January 1, 2008.

"The utilisation of the FTA is still not optimal. There are many areas that we can explore further cooperation. The business community must know what is available in the markets of the two countries," Masood said.

"We would like to see more investments from Malaysia as well as joint ventures. There are many areas that can be further explored and I can say that, the sky is the limit," he added.

He said areas that major areas which provided opportunities included construction, surgical goods, energy, oil and gas, halal products, gemstones, pharmaceutical, textiles, leather products and rice.

He said several airports in Pakistan, excluding those in Lahore and Islamabad, would also be upgraded in phases.

"We will also be upgrading roads. We have discussed this with Datuk Seri S.Samy Vellu, who was in Pakistan recently, in his capacity as Malaysia's Special Envoy to India and South East Asia on investments.

He said many Malaysian construction companies are already in Pakistan, and involved in the construction of roads, houses, golf courses, hospitals and airports.

"The issue is for Malaysian companies to pursue further initiatives, even as they are being invited to do so," he added.

Masood said that Pakistan, the fourth largest producer of milk in the world, needs enhances technology and expertise to preserve the product and make by-products.

"We also have more than 50 semi-precious stones and gems. Malaysian businessmen do not know that this is another area of great potential," he added.

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