

Russian firms eye wider cooperation with Malaysian counterparts

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KUALA LUMPUR, March 23 (Bernama) -- Russian business entities are exploring opportunities to intensify their interaction with Malaysian businesses and go beyond primarily military-technical cooperation relations.

Russian Rostec State Corporation deputy chief executive officer Nikolay Volobuev said the two countries had had a long and fruitful cooperation in many fields and industries, starting from space exploration and the health segment to trade in consumer goods.

“We believe that this could be expanded further into other areas such as technological partnership, among others, given that Rostec is the (state-owned) entity that drives Russia's information technology (IT) development.

“Not only that, we also see tremendous opportunity in working together to develop as well as produce automotive vehicles, energy and gas pumping facilities, composite materials, a modern system for the treatment of production and consumption waste, and much more,” he told Bernama in an email interview.

Commenting on the longstanding partnership between Malaysia and Russia in the aircraft business, Volobuev, who is also the Russia-Singapore Business Council chairman, said Russian companies hoped to move from a simple supply situation to increased interaction between companies from the two countries.

“We can talk about creating joint centres for the maintenance and repair of Russian aircraft and organising training centres for local specialists,” he said.

Previously, Moscow-based Russian Helicopters has set a target of delivering up to 15 helicopters to Malaysia in the next three years and simultaneously building its share in the local market to four per cent from two per cent.

Prime Minister Tun Dr Mahathir Mohamad has also indicated that Malaysia is looking to acquire knowledge on defence aircraft repair and maintenance, as the majority of the 18 Russian-made Sukhoi Su-30 aircraft owned by the Malaysian armed forces were reported to be not in working order.

Traditionally, Malaysia and Russia have been trading partners, and the trade and economic relations are regulated by an agreement on economic cooperation signed in year 2000.

As at December 2017, Malaysia-Russia trade stood at US\$2.2 billion, of which 55 per cent was from oil and gas-related products, 20 per cent from fertilisers and the balance from consumer goods as well as electronic components.

Trade between both countries saw a significant increase of over 60 per cent in the first eight months of 2018.

Meanwhile, looking into Russia-ASEAN cooperation, he said that a joint business cooperation roadmap had been successfully implemented, which encompassed about 60 joint projects in industry and high technology.

“There are active cooperation programmes in energy and agriculture, and the ASEAN-Russia Business Council is also active.

“I can say that work is underway to establish contacts between ASEAN, the Eurasian Economic Union and the Shanghai Cooperation Organisation,” he explained.

Volobuev added that Russia had the technologies needed by Southeast Asian countries and was ready to pour investment into the areas which needed it.

“The economies of Russia and the ASEAN countries are not as competitive, as they are compatible. They are able to complement each other effectively,” he said.

Due to the high growth potential offered by the region, the Centre for Foreign Promotion of Russian Hi-Tech Companies has been set up in Singapore to stimulate trade relations.

It is a permanent showroom for Russian high-tech companies with changing thematic and industry expositions and the centre organises expositions, for example, on aviation, radio electronics and IT topics.

“I would like to reiterate that ASEAN is a priority area for Rostec; hence we have established an electronic business-to-business import-export platform RSTrade.

“Currently, more than 81,000 Russian companies are represented on the platform,” he said, adding that over the next two years, the platform would offer several more languages, possibly also the Malay language.

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