

**SPEECH BY  
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Excellencies,  
Ladies and Gentlemen;

It is indeed a pleasure for me to be here in Syria, a brother Muslim country with which Malaysia has had a long history of relations.

2. Although for me this is my first visit to Syria, there has been many important exchanges before this. In 2003, His Excellency President Bashar al-Assad honoured us by coming to Malaysia in conjunction with the Summit of the Organisation of the Islamic Conference (OIC). In the same year 2003, my predecessor came here on an official visit when he was Prime Minister. The Malaysian King, the Yang Di Pertuan Agung, visited Syria in May 2004.

3. Having being friends for so long, it is only appropriate that we leverage on that friendship to deepen the trade and investment relationship between Malaysia and Syria.

4. I am delighted that the programme of my official visit includes this opportunity of addressing this gathering of distinguished business personalities from both Syria and Malaysia.

5. It is my hope that this seminar will provide an important avenue for our business communities to share information that can lead to the further strengthening of trade and investment ties between our two countries.

Excellencies, Ladies and Gentlemen;

6. Malaysia and Syria possess advantages that the business communities should build upon. One of the most important is our strategic location within our respective regions, that is Malaysia in ASEAN and Syria in West Asia.

7. Malaysia, through the ASEAN Free Trade Area, has access to a population of 567 million people in the region and a market worth 876.1 billion U.S Dollars. Malaysia's trade with her ASEAN neighbours continues to grow from strength to strength as trade and investment barriers are progressively dismantled.

8. In 2006, Malaysia's trade with ASEAN countries amounted to USD 75.3 billion, an increase of 14.4 per cent over the 2005 total of USD 65.8 billion. We expect to experience even more growth in intra-ASEAN trade and investment as we work towards making the ASEAN Economic Community a reality by the year 2015.

9. Malaysia has also forged strong trade and investment linkages with the countries in East Asia, namely China, Japan and Korea. These economic bonds are being strengthened not only through our bilateral initiatives but also through the interactions that ASEAN has with these countries as formal Dialogue Partners.

10. I would therefore urge Syrian companies to seriously consider the opportunities and market access that a business relationship with Malaysia can open for them.

11. Similarly, Syria's location within West Asia can facilitate access by Malaysian business to the Arab world. Trade data available to us indicate that Syria's trade with O.I.C member countries has been on an increasing trend, growing from USD2.8 billion in 2003 to USD3.5 billion in 2004.

12. As members of the O.I.C, Malaysia and Syria can play a role in facilitating trade liberalization, particularly by pursuing liberalisation initiatives through the Trade Preferential System among O.I.C Member Countries, or the T.P.S - O.I.C. It is imperative Syria ratify the Protocol on the Preferential Tariff Scheme, or PRETAS, after having signed on to the T.P.S - O.I.C. The implementation of PRETAS would boost intra-O.I.C trade. As progressive Muslim nations, I know that Syria, like Malaysia, is giving the highest priority to the issue of economic and social development of the country including the expansion of its global trade. I do believe that Malaysia and Syria have much to contribute to trade expansion, not only between our two countries but also within the O.I.C member countries as a whole.

13. Any increase in the engagements that we have with our respective neighbours, whether in the ASEAN region or in West Asia, will serve to provide more avenues for business expansion by our respective business communities. I would like to urge both the Malaysian and Syrian business communities to increase their efforts to identify opportunities, especially in the context of taking advantage of our respective strengths. As I look at the structure of trade and investment between Malaysia and Syria, it seems obvious to me that the full potential of both countries is yet to be explored by both sides of the business community.

14. Indeed, in 2006, Syria was Malaysia's eighth largest export destination in West Asia. But trade between Malaysia and Syria has not been expanding. In fact the USD 156.7 million worth of trade in 2006 represents a decline from the 2005 figure which was USD165.2 million.

15. Malaysia's major exports to Syria were textiles and clothing, palm oil and transport equipment. Imports from Syria were mainly printed materials and agricultural products.

16. Similarly, the exchange of investment between our two countries have been less than robust. Malaysian investment in Syria has been largely confined to the sectors of rubber and manufacturing equipment. The value is also small, only USD 6.8 million, although another USD212 million worth of projects are being negotiated.

17. Investments from Syria into Malaysia have also been limited, confined only to the food and rubber industries. To date, Syria's investments in approved projects in Malaysia stand at a low USD 9.8 million.

18. I do appreciate that several Malaysian companies have been striving to make inroads into Syria. Malaysia's car manufacturers, PROTON and PERODUA, have begun to sell their models in this market. I have in fact received reports that Malaysian made cars, both PROTON and PERODUA, are getting good responses. I hope this healthy collaboration for mutual benefit will continue to grow from strength to strength.

19. I also hope that the business matching sessions scheduled after this seminar will not only lay the foundation for expansion of trade and investment between our countries, but contribute as well towards diversifying our trade and investment base.

Excellencies, Ladies and Gentlemen,

20. I must point out that one very large potential which exists not only for trading but also investing is in the area of Halal products and services. I believe strongly that this can become a very important area for collaboration between Syrian and Malaysian business. I say this with conviction because the market for Halal products and services exist not only in the Muslim world. Increasingly, non Muslim communities are accepting Halal products and services if they have met global standards of quality and integrity. They must, of course, also conform with the prevailing market requirements, including care for the environment and adequate standards of safety. Malaysia is determined to position itself as the global halal hub. I am confident that the business communities of both sides can draw benefit from this move by Malaysia.

21. I would like to take this opportunity to invite Syrian businesses to take part and visit the Malaysian International Halal Showcase (MIHAS) which will be held from 9-13 May 2007 in Kuala Lumpur. This annual showcase has received wide attention, and has indeed become an important platform for enhancing international business and trade in halal products and services.

22. Among the members of the Malaysian business delegation present during this visit to Syria are service providers. They are keen to explore Syria's services sectors, particularly that of construction, oil and gas-related activities, education, tourism, information technology, telecommunications and transportation. I know the Malaysian companies concerned have much expertise and knowledge to share with potential Syrian partners. I do urge you to take advantage of this opportunity to explore the possibilities.

Excellencies, Ladies and Gentlemen;

23. The Malaysian economy continues to experience robust growth, with trade expanding at 10.5 per cent for the year 2006, higher than the WTO forecast of 7 per cent. For the first time in Malaysia's history, our total trade surpassed the Malaysian Ringgit 1 trillion figure or about U.S Dollars 291.5 billion. Malaysia's trade has been registering a surplus for 110 consecutive months.

24. In Malaysia, we manage the economy on the on the basis of established and documented plans. The Ninth Malaysia Plan, for the period between 2006 and 2010, focuses on strengthening the existing economic sectors, while generating new knowledge-intensive activities, especially in information and communications technology, biotechnology and the services sectors.

25. To complement the Ninth Malaysia Plan, Malaysia has also put into place the Third Industrial Master Plan that specifically aims to enhance Malaysia's long-term competitiveness.

26. Together, these two plans form a comprehensive guide to Malaysia's national economic development. They provide very useful information for investors wishing to

participate in development and wealth creation in Malaysia. Indeed, these plans have enabled Malaysia to remain attractive and favourable as a trade and investment destination, not only for the plan period but also for the foreseeable future.

27. In both the Ninth Malaysia Plan and the Third Industrial Master Plan, I have insisted that special attention be given to the development of the agricultural sector. In this regard, I am pleased to note that here in Syria, the Government has also redirected its economic development priorities from industrial expansion into the agricultural sectors.

28. I am informed that, as a result, Syria has gone from a net importer of many agricultural products to an exporter of cotton, fruits, vegetables, and other food items. This will certainly help achieve food self-sufficiency, enhance export earnings, and stem rural migration. Clearly, this is an area where Malaysia and Syria and benefit from enhanced collaboration.

Excellencies, Ladies and Gentlemen;

29. Because of the open nature of the Malaysian economy, which derives much benefit from international trade, Malaysia is an active participant at the W.T.O and a supporter of the multilateral rules-based system of trade liberalisation. With the full resumption of the Doha Round and a Malaysian Chairing the General Council, Malaysia will certainly work for early progress in the key areas of negotiations.

30. I know that in 2001 Syria submitted a request to the World Trade Organisation to begin its accession process. It is my hope that Syria will put in place the necessary domestic processes towards becoming a W.T.O Member.

31. Let me take this opportunity to inform our Syrian friends that Malaysia is celebrating this year the 50th Anniversary of the country's independence. We are laying out many programmes to celebrate the year. This year is indeed a good time to come and visit Malaysia, not only to do business with us but also to enjoy the special welcome we are laying out to everyone from anywhere in the world.

32. I must thank the Malaysia External Trade Corporation, MATRADE, and the Chamber of Commerce and Industry of, Syria for organising this seminar and the business matching sessions that will follow.

33. I thank you also for your attention and wish you all the best.