

**THE JOINT BUSINESSMEN MEETING**

BULAWAYO, ZIMBABWE, 29 April 1994

Distinguished Guests;

Ladies and Gentlemen,

I am honoured to have the opportunity to address this distinguished gathering of Zimbabwean business and industry leaders and their Malaysian counterparts. This meeting between leading members of the commercial sectors will undoubtedly help to strengthen the economic linkages between both countries.

2. I am encouraged to note that greater effort has been made to promote closer cooperation since my last visit here in 1991 to attend the Commonwealth Heads of Government meeting.

3. Malaysia has carried out an active programme of promotional activities and has participated several times in the Zimbabwe International Fair. We are currently participating in the International Fair that is now being held here. I am pleased to note that Malaysian businessmen have made regular visits to Zimbabwe, either individually or as members of trade missions, so as to identify opportunities for participation and to enhance trade. Similarly, many Zimbabwean businessmen have also visited Malaysia to evaluate the economic opportunities there.

4. Such two-way promotional efforts demonstrate the commitment of the business communities of both countries to raise the level of bilateral cooperation. It is hoped my visit will generate greater flow of trade and investments between our two countries. Ladies and Gentlemen,

5. Despite the intensification of efforts by both countries, the level of trade is still small. Bilateral trade amounted to only US\$8 million in 1993. This could be due to the narrow range of products currently being traded and the limited information concerning market opportunities. While Malaysian exports to Zimbabwe comprise mainly rubber, palm oil and cocoa, Malaysian main imports from Zimbabwe are tobacco, asbestos, iron and steel.

6. However, I am confident that there is a big potential to expand further the scope of joint cooperation considering the immense opportunities available in trade, investments, services and other economic sectors. Towards this end, it is important for the business sectors of both countries to expand the composition of products currently being traded.

7. It is for this reason that I have brought with me a delegation of leading businessmen and entrepreneurs to enhance contacts and to explore new business opportunities.

8. Zimbabwe is a developing economy with good infrastructural facilities. It is also rich in natural and mineral resources, with agriculture, mining and manufacturing constituting major economic activities.

9. As for Malaysia, its rapid economic growth means also that it has a substantial market for imports. In 1993, for instance, total imports amounted to US\$45 billion accounting for 1.2 per cent of total world import trade. According to the GATT 1993 International Trade Report, Malaysia is the 19th largest import market in the world. Yet, Zimbabwe's share of the Malaysian market for imports is almost negligible. Given Malaysia's liberal import policies and the increasing affluence of the population, the Malaysian import market is expected to grow in importance.

10. Since market prospects in Malaysia for major Zimbabwean exports such as gold and copper, iron and steel, maize, beef and dairy products, tobacco, fruits, cotton, yarn and textiles are favourable, I wish to invite Zimbabwean suppliers to come to Malaysia to see for yourselves the tremendous opportunities available. Our business community will no doubt be prepared to give its full cooperation to Zimbabwean exporters looking for markets for their products.

11. In return, Malaysia can offer a wide range of manufactured products at competitive prices. They include processed food, clothing, footwear and electrical appliances, building materials and intermediate products for the manufacturing sector in Zimbabwe. Ladies and Gentlemen,

12. Malaysia's robust economic performance can be attributed to, among other things, a judicious blend of vigorous private sector entrepreneurship and cautious government intervention. Conducive environment for growth is created through development planning which allows private enterprise to play its full role in development. This has been achieved through careful nurturing of strategic partnership between the public and private sectors, initiated more than a decade ago through the Malaysia Incorporated (Malaysia Inc.) concept.

13. Malaysia Inc. fosters shared values and a common sense of purpose. It puts into place the processes that promote efficient and quality service in the public sector to provide the necessary support enabling the private sector to be the engine of growth.

14. To strengthen Malaysia Inc., we established in February 1991 the Malaysian Business Council (MBC). The MBC is a forum where leaders in government, service and the corporate world, including trade unionists, meet on a regular basis for creative consultation and meaningful dialogue. The objective is to facilitate information flow, promote productive cooperation and generate consensus for national economic direction and strategies.

15. It was during the inauguration of the MBC that I first presented the vision of Malaysia becoming a fully-developed nation by the year 2020. It is hoped that Malaysia will by then become "a developed country whose society, infused by a strong moral and ethical values, is democratic, liberal and tolerant, caring, economically just and equitable, progressive and prosperous, and competitive, dynamic, robust and resilient".

16. I am pleased to say that Vision 2020 has caught the imagination of the whole nation, become a rallying point and a focus for national development effort. It is the basis on which Malaysians have doubled their efforts in all their activities.

17. Making Vision 2020 The Agenda of Action for the MBC gives it full national ownership and not just a government decree. Therein lies the value of strategic partnership between the public and private sectors.

18. Since then several manifestations of such partnerships at operational levels have come into being. One such is the Malaysian Technology Development Corporation (MTDC), which has 30 per cent government and 70 per cent private sector equity. MTDC is a venture capital company that promotes the start-up of technology-driven enterprises, as part of the strategy to widen Malaysian's manufacturing base in meeting the industrial target of Vision 2020.

19. Another example is the Malaysian Industry Government Group for High Technology (MIGHT), a company limited by guarantee, and without share capital. MIGHT has membership from some 60 Malaysian companies and 20 government agencies. Its main activities are 'prospecting', a process for identifying business opportunities through technology exploitation, for jump-starting innovation and for identifying and proposing technology-related policy options to Government. MIGHT is part of the mechanism to realise Vision 2020.

20. The presence in Zimbabwe today of Malaysian business leaders, some of whom are members of the MBC, is a result of our public-private sector partnership. Many companies

represented here are shareholders of MTDC and members of MIGHT.

21. I understand that the embryo of a strategic public-private sector partnership (The Zimbabwe Consortium of Industrialists for Technology) is in existence and that there is a strong desire to formalise the group into an entity that can play a rightful role in the development of Zimbabwe. I am sure it will do a lot for the development of Zimbabwe.

22. I am glad that the Commonwealth Consultative Group on Technology Management (CCGTM) and its Private Sector Partnership has been helping in the formation of The Zimbabwe Consortium. Ladies and Gentlemen,

23. Malaysian businessmen have acquired much experience in a number of areas through their involvement in the development of the Malaysian economy. In this respect, Malaysian companies are prepared to share their expertise by cooperating with interested Zimbabwean companies on a mutually beneficial basis in the development of the Zimbabwean economy.

24. Sectors of the Zimbabwean economy of interest to Malaysian companies are mining, plantation management, downstream processing of agricultural and mineral and natural resource sectors and the services industry such as infrastructural projects, construction, telecommunications, engineering consultancy and tourism-related projects. Our companies are already participating in these sectors in several South countries. These companies can certainly make positive contributions to the growth of the Zimbabwean economy. It is my hope that discussions between the businessmen will lead to the conclusion of concrete projects and ventures which will strengthen and diversify two-way economic relationship.

25. Our two Governments will continue to strengthen the existing institutional arrangements, where necessary, to give confidence to the private sector to undertake business on a sustained and expanded basis.

26. Malaysian effort to strengthen bilateral relations has been facilitated by favourable developments in Zimbabwe and the region. The Zimbabwean Government has taken action to deregulate the economy to stimulate economic activities and promote foreign investments. Measures have been taken to liberalise foreign exchange control and the import licensing system and reduce import tariffs. Similar liberalisation measures have also been taken by other countries in the sub-continent to promote development.

27. I congratulate the Zimbabwean Government for its initiative to liberalise the economy. This would contribute positively to a free and open multilateral trading system and will definitely facilitate the expansion of the Zimbabwean economy which would have beneficial impact on international trade. Ladies and Gentlemen,

28. Given the tremendous potential for cooperation in various economic sectors, as well as the enthusiasm shown by the commercial sectors, I am confident that the business communities of our two countries will succeed in expanding bilateral economic relations.

Thank you.