

THE TECHEXCHANGE 97

SUNGAI BESI, KUALA LUMPUR, 14 OCTOBER 1997

(Delivered by Y.B. Datuk Chong Kah Kiat)

1. This exhibition marks an important milestone in the history of Malaysia and Russian relations in terms of further strengthening of the existing friendship between the two nations and enhancing technology transfers aimed at increasing investment and business opportunities.

2. With modern transportation and telecommunications, the distance between Russia and Malaysia is now relatively near. Moscow is just a mere phone call away from Kuala Lumpur. Modern technology such as teleconferencing has eliminated the need to physically travel a great distance to meet each other. With further advancements in information technology the cost and ease of use of such systems will certainly be better.

3. It is hoped that Russia will not only find Malaysia attractive in terms of trade and investment but would also take advantage of the tourism potential it has to offer.

4. For the period between 1981 and up to July 1997, Japan, Taiwan and the United States respectively constitute the top three investors in manufacturing in Malaysia with investments totalling RM28 billion, RM21 billion and RM16 billion respectively.

5. However, investments made by the Russian Federation in the Malaysian manufacturing sector is small. For the period 1981 to up to July 1997 the Russian Federation had invested a total of RM22.7 million in Malaysia, ranking it as the 37th largest investor in Malaysia.

6. Although total exports to Russia increased from RM97.72 million in 1993 to RM284.6 million in 1996 and RM110.17 million for the period of January-July 1997, total imports also increased substantially from RM155.46 million in 1993 to RM667.88 in 1996 and RM434.68 for the period of January-July 1997.

7. The major export items to the Russian Federations include television receivers, sound recorders, natural rubber, office machines, telecommunication equipment, cocoa, palm oil and vegetable oils.

8. Manufactured fertilisers, iron and steel, base metal ores, aluminium, zinc, edible products, cotton and pulp constituted the major items of import from the Russian Federation during the same period.

9. Trade between Malaysia and Russia intensified significantly in 1994 with the purchase of 18 MIG-29 fighter jets exceeding RM1 billion. Technology transfer was arranged through the offset programme to enable Malaysian companies, R&D agencies as well as institutes of higher education to receive training in the aircraft, avionics as well as aerospace sector.

10. Bilateral trade and cooperation between Malaysia and Russia is in

consonance with the emphasis that Malaysia is putting in terms of developing several strategies sectors which have been identified in Malaysia's 5-year development plans, First and Second Industrial Master Plans and Vision 2020.

11. It is recognised that Russia is among one of the few developed nations which have acquired and achieved the status of a technological powerhouse.

12. Malaysians must take the opportunity offered by this exhibition to update their knowledge on the state-of-the-art and latest achievements in Russian technology as well as the latest development in Eastern Europe. If we are to succeed in our strive to become a fully industrialised country, then we must have more partners and suppliers to reduce our sole dependence on certain industrialised countries' technology. Partnership with Russia will certainly assist to expand and enrich our technology as well as create more techno-entrepreneurs. Such rare opportunities should not be missed.

13. Malaysians must also take this opportunity to update themselves on the advanced and frontier technologies development wherever appropriate and incorporate these to gain the competitive edge for their organisations and the nation.