

MALAYSIA AND VENEZUELA EXPLORE NEW AREAS OF MUTUAL ECONOMIC COOPERATION

Malaysian Prime Minister H.E. Abdullah Ahmad Badawi arrived in Caracas on Sunday 17 December to kick off a three-day official visit, which coincides with the 20th anniversary of the Malaysia-Venezuela diplomatic relations established on Dec. 18, 1986.

According to reports, much of the discussions between the PM and his Venezuelan counterpart, president Hugo Chavez, centered around new areas of mutual economic cooperation in sectors where each country had a comparative advantage over the other. Venezuela is the world's fifth largest oil exporter while Malaysia has good expertise in oil exploration through its largest public sector firm Petronas. "We're making a strategic alliance ... we want Petronas to come to the Orinoco Belt" to explore and produce oil in that region of eastern Venezuela, which is rich in hydrocarbons deposits, President Chavez said, after his first meeting with Prime Minister Badawi. The construction of an oil refinery in Malaysia was also being contemplated. The Venezuelan leader said his government also wanted to leverage Malaysian expertise in urban planning and food and biodiesel production.

The Foreign Minister of Malaysia, Syed Hamid Albar who is accompanying Malaysian Prime Minister said his Venezuelan counterpart Nicolas Maduro was keen to learn how Malaysia could manage to reduce its poverty rate drastically from more than 50 percent in the early 1970's to only 5.7 percent last year. The two countries were to establish a joint economic and social development council next year, Syed was quoted as saying. The council, which will consist of representatives from the government and private sectors of both countries, will strengthen bilateral economic ties and also look into ways to help lift poor Venezuelans out of poverty, said Syed.

President Chavez had visited Malaysia in August, earlier this year.

Source: EFE via COMTEX, Dominican Today and Press Release of the Malaysian Foreign Ministry.

INDIA TO SIGN GAS SUPPLY CONTRACT WITH IRAN

The Petroleum Ministry in India has approached the Indian Cabinet recommending that the Government of India accept Iran's offer to supply liquefied natural gas (LNG) linked to an oil price level of \$55 per barrel compared to the current market price of \$60 and conclude a long term agreement for the supply of gas with Iran. India had earlier concluded a gas deal with Iran in June 2005 for the annual supply of 5 million tonnes of LNG for a 25-year period. The revised Iranian offer was conveyed to Delhi by visiting Iranian Foreign Minister Manouchehr Mottaki last month. The Iranian Foreign Minister had revealed to the press that during his meeting with Prime Minister Manmohan Singh in Delhi last month, Iran had offered to double the size of its gas deal with India from the negotiated 5 million tonnes annually.

Iran has the world's second largest gas reserves while India needs to import large amounts to feed its fast growing economy, and to ensure the generation of adequate electricity and power. The Indian gas deal with Iran forms part of a massive project within which Indian companies will also be involved in the exploration and development of certain sections of Iran's huge Yadavaran fields.

Source: Rediff NEWS, December 7, 2006

NIGERIAN AND INDONESIAN FIRMS INK PACT ON ENERGY PROJECT

An agreement to ensure the early implementation of a \$1.2 billion gas to methanol project in Nigeria was signed between Viva Methanol Nigeria Ltd. and an Indonesian firm PT ELNUSA in the presence of Nigeria's Minister of State for Petroleum Resources, Dr Edmund Daukoro and the Indonesian Minister of Energy and Mineral Resources, Mr Purnomo Yusgianioro.

The project would ensure the production of 1.82 million tones per annum of methanol at the Lagos free trade zone and would also guarantee the development of Di-Methyl-Ether (DME) and fertilizer plant in Indonesia.

Speaking at the signing ceremony, the ministers lauded the two companies coming together to enhance the economies of the two nations and expressed hope that the project would further strengthen the economic ties between Nigeria and Indonesia.

Source: www.nrguardiannews.com, December 18, 2006.

EGYPT AND INDIA STRENGTHEN BILATERAL COOPERATION

H.E. Mr. Ahmed Aboul Gheit, Minister of Foreign Affairs of Egypt, paid an official visit to India on 15-17 December 2006 at the invitation of H.E. Mr. Pranab Mukherjee, India's Minister of External Affairs. This was the first visit by an Egyptian Foreign Minister to India since 1997. The Minister's delegation included senior officials from the Government of the Arab Republic of Egypt and a number of leading Egyptian businessmen and industrialists.

With India and Egypt keen on strengthening bilateral cooperation, "wide-ranging discussions were held in a friendly atmosphere and both sides exchanged views on various bilateral, regional and international issues of mutual interest," Indian government sources said. Egypt and India represent two of the most ancient civilizations in the world. In modern times they have been closely associated in the fight against colonialism and racial discrimination. They are founder members of South-South cooperation groupings like the NAM and the Group of Fifteen.

Several agreements were also signed during the visit. They included pacts to increase cultural cooperation, cooperation in science and technology, agriculture and bilateral air services.

Source: Arab News, December 17, 2006 and Press Release of the Ministry of External Affairs of India.