

plementation of milk information campaigns in line with the Malaysian Government's campaign to increase local milk consumption from 43 litre per capita to 70 litres per capita in the year 2000. The Danish Dairy Board could help in areas such as school milk programmes, educational materials on the nutritional value of milk for children at nurseries and kindergartens, promotion at retail level, and sports sponsorships.

Co-operation between Denmark and Malaysia is also possible in cattle breeding and Danish companies could supply bull semen and embryos in the breeding of animals.

A US\$200 million joint-venture project is to be set up in Sungei Siput, Perak to produce halal milk and milk products. Plans for the project have been approved by the State Government and investors from Australia and Sri Lanka have made the decision to raise the investment from the original proposed US\$25 million to US\$200 million. Six companies, including two local companies, are involved in the project which is the biggest in South East Asia. The companies are Dubai based Andi and Group Private Ltd, Nusantana Pasifik and Andy Associates of Malaysia, Hiet Dew Co Ltd of Sri Lanka and Viva Villa Trading and CMPS Consultant of Australia. The project will produce six million litres of milk products a month when completed in 1993. The products will be exported to Islamic countries such as Libya and Iran where demand is good. (Business Times, 22nd June, 1989)

TABLE 1: IMPORT OF DAIRY PRODUCTS 1986 - 1989

SITC code	1986			1987			1988			1989*		
	Total	Canada	Canadian share %	Total	Canada	Canadian share %	Total	Canada	Canadian share %	Total	Canada	Canadian Share %
022	208389	2199	1.05	241557	136	0.06	399990	9956	2.49	267450	1560	0.58
023	32299	-	-	34549	-	-	45442	3	0.01	30669	-	-
024	4315	-	-	6277	-	-	7424	1	0.01	4456	24	0.08

Source: External Trade Statistics, Imports, Department of Statistics

* January - June

SITC Code : 022 - Milk and Cream
 023 - Butter
 024 - Cheese and Curd

2.2 Preferential Treatment

Australian and New Zealand fresh and powdered milk and cream enjoy preferential entry into the Malaysian market and powdered milk which normally attracts an import duty of M\$8.82/100 kilogrammes comes in duty free if sourced from Australia or New Zealand. The introduction of these arrangements could explain the decline of the Canadian share of Malaysian milk imports between 1988 and 1989.