

KUALA LUMPUR, MARCH 15 (BERNAMA) -- MALAYSIA IS PREPARED TO HELP CHINA BUILD PALM OIL REFINERIES AS ITS IMPORT OF MALAYSIAN CRUDE PALM OIL INCREASES, DEPUTY PRIME MINISTER DATUK SERI DR. MAHATHIR MOHAMAD SAID TODAY.

HE TOLD REPORTERS AFTER A MEETING WITH THE VISITING CHINESE FOREIGN TRADE MINISTER, ENCIK LI CHIANG, HERE THAT THEY HAD TALKS ON THE POSSIBILITY OF CHINA IMPORTING MORE MALAYSIAN RUBBER AND PALM OIL.

DATUK SERI DR. MAHATHIR, WHO IS ALSO THE TRADE AND INDUSTRY MINISTER, SAID THERE WERE GOOD PROSPECTS FOR INCREASED TRADE IN PALM OIL WITH CHINA.

+AS THIS TRADE IN PALM OIL INCREASES, IT MAY BE NECESSARY FOR CHINA TO EXPAND THEIR PALM OIL HANDLING FACILITIES, SUCH AS THE SETTING UP OF REFINERIES, +HE ADDED.

HE SAID MALAYSIA HAD THE KNOW-HOW ON THE SETTING UP OF SUCH REFINERIES AND WAS PREPARED TO EXTEND ITS COOPERATION ON THE MATTER. -- BERNAMA MORE 1306/LK

££

NO47: (F)

MAHATHIR-TRADE 2 KUALA LUMPUR 2'2'2'

HE SAID SUCH A PROJECT COULD BE CARRIED OUT ON A JOINT-VENTURE BASIS.

DATUK SERI DR. MAHATHIR SAID THE CHINESE MINISTER ALSO GAVE ASSURANCE THAT CHINA WOULD PURCHASE RUBBER FROM MALAYSIA +AS MUCH AS POSSIBLE. +

SHE ALSO IMPORTS RUBBER FROM SRI LANKA.

ON THE POSSIBILITY OF MALAYSIA AND CHINA SIGNING A TRADE AGREEMENT THE DEPUTY PRIME MINISTER SAID THE AGREEMENT WAS PROPOSED BY CHINA.

+THEY HAVE ALREADY DRAFTED THE AGREEMENT AND WE ARE NOW STUDYING THE DRAFT, +HE SAID.

THE TWO MINISTERS ALSO DISCUSSED THE POSSIBILITY OF EXPANDING DIRECT TRADE BETWEEN THE TWO COUNTRIES. -- BERNAMA MORE 1314/LK

MAHATHIR 3 KUALA LUMPUR

DATUK SERI DR. MAHATHIR POINTED OUT TO THE CHINESE MINISTER THAT MALAYSIA WISHED TO SEE A REDUCTION OF HER IMPORTS OF CHINESE GOODS THROUGH THIRD COUNTRIES, WHICH AT PRESENT REMAIN FAIRLY SUBSTANTIAL IN TERMS OF VALUE.

MALAYSIA FELT THAT IF CHINA COULD SELL DIRECT TO MALAYSIA AND FULFIL HER OWN REQUIREMENTS FOR CHINESE GOODS THERE WAS NO REASON FOR HER TO BUY FROM THIRD COUNTRIES.

ENCIK LI CHIANG EXPLAINED THAT CHINA HAD NO CONTROL OVER COUNTRIES BUYING HER PRODUCTS AND THEN RE-EXPORTING THEM.

HOWEVER, ENCIK LI CHIANG HAS ASSURED MALAYSIA THAT CHINA WAS PREPARED TO CONSIDER STEPPING UP HER DIRECT TRADE WITH MALAYSIA AND TO CHANNEL THEM THROUGH PERNAS. --BERNAMA MORE 1402/BY

DATUK SERI DR. MAHATHIR ALSO EXPLAINED TO ENCIK LI CHIANG MALAYSIA'S POLICY OF NON INTERFERENCE IN THE INTERNAL AFFAIRS OF OTHER COUNTRIES.

THOUGH MALAYSIA PRACTISED A FREE ENTERPRISE SYSTEM SHE ALSO RECOGNISED OTHER SYSTEMS ADOPTED BY OTHER COUNTRIES.

HE SAID, HOWEVER, IT WAS NECESSARY FOR MALAYSIA TO HAVE TRADE BETWEEN THE TWO COUNTRIES CHANNELLED THROUGH PERNAS.

LATER, SENIOR OFFICIALS OF THE TRADE AND INDUSTRY MINISTRY LED BY DEPUTY MINISTER DATUK LEW SIP HON, AND THE CHINESE OFFICIALS HAD A CLOSE DOOR DISCUSSION ON WAYS OF EXPANDING TRADE BETWEEN THE TWO COUNTRIES. --BERNAMA 1410/BY