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MAHATHIR - YUGOSLAVIA

KUALA LUMPUR, JUNE 5 (BERNAMA) -- MALAYSIA TODAY INVITED YUGOSLAVIAN ENTREPRENEURS TO MAKE MORE PROMOTIONAL TOURS TO MALAYSIA IF THEY WISHED TO INCREASE THEIR EXPORTS TO THIS COUNTRY.

PRIME MINISTER DATUK SERI DR MAHATHIR MOHAMAD TOLD HIS COUNTERPART, ENCIK BORISAV JOVIC, THAT ONLY BY INCREASING THEIR EXPORTS COULD THE GAP IN THE BALANCE OF TRADE, PRESENTLY IN MALAYSIA'S FAVOUR, BE REDUCED.

BRIEFING THE PRESS ON THE TWO-HOUR DISCUSSIONS BETWEEN THE TWO LEADERS, FOREIGN MINISTRY DEPUTY SECRETARY-GENERAL, DATUK ABDUL MAJID MOHAMED SAID MALAYSIA, ON HER PART, WOULD LIKE TO INCREASE ITS IMPORTS FROM YUGOSLAVIA TO BALANCE THE TRADE ALTHOUGH THE SURPLUS WAS NOT BIG AS IN THE CASE OF MALAYSIA'S TRADE WITH INDIA.

ENCIK JOVIC, WHO IS ON THE SECOND DAY OF A THREE-DAY STATE VISIT TO MALAYSIA, LED A SEVEN-MEMBER DELEGATION INCLUDING ITS AMBASSADOR HERE DR ZORAN JASIC TO THE MEETING IN THE PRIME MINISTER'S DEPARTMENT.

DATUK ABDUL MAJID SAID DATUK SERI DR MAHATHIR TOLD ENCIK JOVIC THAT YUGOSLAVIAN PRODUCERS HAVE PARTICIPATED IN EXHIBITIONS IN MALAYSIA BUT FAILED TO TAKE FOLLOW-UP ACTION. -- MORE
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DATUK SERI DR MAHATHIR SUGGESTED THAT YUGOSLAVIAN INVESTORS AND ENTREPRENEURS APPOINT AGENTS TO PROMOTE THEIR PRODUCTS IN MALAYSIA, HE ADDED.

THE PRIME MINISTER ALSO NOTED THAT IT WAS NOW EASIER FOR MALAYSIANS TO TRADE WITH YUGOSLAVIANS BECAUSE OF ITS OPEN MARKET ECONOMY AND THE LIBERALISATION OF ITS LEGISLATIONS AND LAWS REGARDING ECONOMY.

DURING THE DISCUSSIONS, DATUK ABDUL MAJID SAID THE PRIME MINISTER EMPHASISED ALL SCOPES TO ENHANCE MALAYSIA'S ECONOMY, COOPERATION AND COLLABORATION WHILE ENCIK JOVIC BRIEFED HIM ON ECONOMIC IMPROVEMENT IN YUGOSLAVIA.

ENCIK JOVIC REPORTED THAT YUGOSLAVIA REDUCED ITS INFLATION RATE TO ALMOST ZERO THIS MONTH, INCREASED EXPORTS BY 30 PER CENT AND IMPROVED ITS BALANCE OF PAYMENTS AND FOREIGN RESERVES.

DATUK ABDUL MAJID SAID FOLLOWING THE DISCUSSIONS, THE TWO COUNTRIES AGREED TO SET UP A JOINT VENTURE TO PRODUCE CRYSTAL GLASS AS WELL AS LOOK INTO THE POSSIBILITY OF PRODUCING RATTAN FURNITURE IN LANGKAWI FOR EXPORT.

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YUGOSLAVIA WILL PROVIDE THE EXPERTISE, TECHNOLOGY AND MARKETING.

SO FAR, YUGOSLAVIA HAS UNDERTAKEN SEVERAL JOINT VENTURE PROJECTS IN MALAYSIA, INCLUDING THE CONSTRUCTION OF THE SHAH ALAM STADIUM AND THE AIR KEROH HIGHWAY.

THE YUGOSLAVIAN GOVERNMENT HAS ALSO OFFERED TO DO A FEASIBILITY STUDY ON THE SEWERAGE SYSTEM IN KUAH, LANGKAWI, DATUK ABDUL MAJID SAID.

ON TOURISM, DATUK ABDUL MAJID SAID BOTH COUNTRIES AGREED TO JOINTLY PROMOTE THE INDUSTRY BUT DATUK SERI DR MAHATHIR NOTED THAT ONLY A SMALL NUMBER OF MALAYSIANS WERE VISITING YUGOSLAVIA BECAUSE OF POOR PROMOTIONAL EFFORTS.

HE SAID THAT DATUK SERI DR MAHATHIR TOLD THE VISITORS THAT IN THIS ASPECT, THE PILGRIMS MANAGEMENT AND FUND BOARD HAS PROPOSED TO INCLUDE THE YUGOSLAVIAN CITIES OF ZAGREB AND SARAJEVO AS PART OF ITS UMRAH PACKAGE TOUR.

DATUK SERI DR MAHATHIR ALSO SAID MALAYSIA WOULD STUDY YUGOSLAVIA'S PROPOSAL FOR AN AGREEMENT TO ABOLISH THE VISA REQUIREMENT FOR VISITORS BETWEEN THE TWO COUNTRIES.

EARLIER, ENCIK JOVIC VISITED THE NATIONAL MONUMENT AND LAID A WREATH. HE IS SCHEDULED TO LEAVE FOR HOME TOMORROW AFTERNOON. -- BERNAMA