

NEW ERA IN

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KL-MANILA TIES

PM calls for reduced trade imbalance during historic visit

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Overseas ship
MANILA: Datuk Seri Dr Mahathir Mohamad, on a historic visit to the Philippines, has called for efforts to reduce the imbalance of trade between the two countries.

And in a joint press conference on the first day of his visit here, the Prime Minister and President Fidel Ramos said ties between Kuala Lumpur and Manila have entered a new era.

Noting that bilateral trade was still primarily on Malaysia's export of oil, despite the many joint ventures and investments between the two countries, Dr Mahathir said:

"The business community here should promote more products by having trade exhibitions to gain access into the Malaysian market."

Earlier, Dr Mahathir and Ramos held a one-to-one meeting before proceeding to talks on bilateral matters at the Malacanang palace.

Dr Mahathir also witnessed the signing of nine memorandums of understanding between Malaysian and Philippine public and private sectors.

The Prime Minister said relations between the two countries had reached a point where the two should co-operate in enhancing bilateral trade relations.

Ramos, in his opening remark, said he was pleased to note that there had been increased activities between the business communities of the two countries.

He added that Malaysian businessmen had made substantial investments in the Philippines, especially the Subic Metropolitan area.

He also said that officials from the two countries were finalising an Investment Guarantee Agreement.

● TURN TO PAGE 3

Mahathir gives Ramos a Proton Wira limo

● FROM PAGE ONE

Replying to a question Ramos said the Philippines had various incentives for foreign investors as reflected by the creation of special economic zones in free port areas and also various tax incentives and services.

On regional security, Dr Mahathir said there was no need to have alliances or defence pacts if the region was prosperous.

"In Asean, there are numerous territorial claims but it did not result in confrontation," he said, noting that it was not the same in other regions.

"When we look around (the region) we see friends. It is those foreigners outside the region who keep harping on security (in the region)."

"If the entire region is prosperous, then we each will have an obligation to ensure that the region is stable."

Ramos said sustained development and progress would ensure security.

"There is more than just military alliance. Security will come from economic interdependence."

Dr Mahathir later presented a metallic blue Proton Wira Limousine to Ramos.