

KL and Phnom Penh set to forge stronger bilateral relations

By Syed Nadzri

KUALA LUMPUR, Wed. — Ties between Malaysia and Cambodia were further enhanced today with talks on broad areas of bilateral co-operation between Datuk Seri Dr Mahathir Mohamad and Cambodia's first Prime Minister Prince Norodom Ranariddh.

Ranariddh, who had arrived this afternoon for a five-day official visit to Malaysia, also sought Kuala Lumpur's support for Cambodia to become a member

of Asean.

The Prime Ministers of the two countries, who held the hour-long discussion at Dr Mahathir's office, also witnessed the signing of two agreements and two memoranda of understanding involving business and investments.

Foreign Minister Datuk Abdullah Ahmad Badawi said the talks centred largely on co-operation in economic development, agriculture and timber resources, manpower development and tourism.

Briefing reporters on the discussion, he said the Cambodian Government was interested in securing Malaysia's help in areas like plantation management, the utilisation of timber resources in furniture manufacturing, aquaculture and air transportation.

"Cambodia has also expressed particular interest in the Malaysian system of rural development," he added.

Abdullah pointed out that Dr Mahathir responded positively to Ranariddh's re-

quest for help to admit Cambodia as a member of Asean as soon as possible.

Ranariddh is being accompanied by a 30-member delegation. They were met on arrival at the Kuala Lumpur International Airport in Subang by Abdullah and Deputy Finance Minister Datuk Mustapa Mohamed who is the Minister-in-attendance.

A welcoming ceremony, attended by Dr Mahathir, was later held at Parliament

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Giving investors fair and equitable treatment

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House but rain forced the cancellation of a guard-of-honour.

One of the bilateral agreements signed today is on economic, scientific and technical co-operation, while the other is on the promotion and protection of investment.

Both were signed by Abdullah and Cambodian Minister of Rehabilitation and Development Keat Chhon.

One of the memoranda of understanding involved the Malaysian Industrial Development Authority and the Cambodian Investment Board while the other is on technical co-operation between Petronas and the Cambodian Ministry of Mines, Industry and Ener-

gy.

With the bilateral pacts, Cambodia has become the 35th country to sign an Investment Guarantee Agreement with Malaysia.

The agreement aims to promote bilateral economic and trade relations, and to further stimulate the flow of investments between the two countries in the long term.

A statement issued by the International Trade and Industry Ministry said the agreement is effective for 10 years and provides for investments made by investors of both countries to receive fair and equitable treatment, which shall not be less favourable than that accorded to any third state.

It also protects investments made prior to the signing and provides certainties on matters like expropriation and nationalisation.

Investors' concerns on the freedom of transferring income accruing to investments are also addressed, with provision for the settlement of disputes through the International Centre of Settlement of Investment Disputes.