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AUSTRIAN CHANCELLOR SUGGESTS M'SIA EXPLORE EASTERN EUROPE MARKET

KUALA LUMPUR, July 31 (Bernama) -- Visiting Austrian Chancellor Dr Franz Vranitzky has suggested to Prime Minister Datuk Seri Dr Mahathir Mohamad that Malaysia explore market opportunities in Eastern Europe.

With a total population of more than 300 million, they were now developing free market system following the fall of the Iron Curtain, he told a press conference at the seminar on business and investment opportunities in Austria here, today.

He also expressed Austria's interest to cooperate with Malaysia in developing third country markets.

Dr Vranitzky said Austria's location, historical ties and well-developed economic relations with the countries of Central and Eastern Europe made it ideal as a springboard for companies wishing to tap the markets in those countries.

Malaysian and other South East Asian businessmen could tap the advantages available in Austria to do business in the Eastern and Central Europe, he added.

Dr Vranitzky said Dr Mahathir was also interested in Austria's "knowhow" in generating energy and electricity through hydro power as well as the apprentice training in Austria, mainly in the hi-tech and capital intensive industry.

He also said that although Austria was a member of the European Union (EU) since early last year, the country still emphasised on improving relations with non-member countries.

His visit to Kuala Lumpur showed that Austria did not want to concentrate only on the EU but also other parts of the world, Dr Vranitzky added.

Malaysia has become a reliable and preferential business partner for Austria with trade between both countries increasing over the last years, he said, adding that more than 200 Austrian companies have business relations with Malaysian counterparts.

In 1995, Malaysian exports to Austria stood at RM155.3 million. The exports include chemicals, manufactured goods like clothing and electric machinery, cocoa, natural rubber, timber and palm oil.

In contrast, Malaysian imports from Austria in 1995 was at RM288.3 million comprising chemicals, paper and machinery.

Meanwhile, Austrian Finance Minister Viktor Klima told the seminar that Austria was a good location for foreign investment with its stable and predictable business environment, high labour productivity, a good relationship between business and trade unions and availability of services sector to cater for foreign investors. -- BERNAMA

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