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M'SIA HOPEFUL ASEAN WILL EXPAND TO 10 MEMBERS NEXT YEAR

MANILA, Nov 23 (Bernama) -- Malaysia, the host of next year's Asean Ministerial Meeting (AMM), is hopeful of bringing Cambodia, Laos and Myanmar into the Asean fold, thus, realising Asean's original aspiration of becoming an organisation which truly represented the interests of the whole of Southeast Asia.

"Without the membership of Cambodia, Laos and Myanmar, Asean would not be complete," said Prime Minister Datuk Seri Dr Mahathir Mohamad when opening the Manila Dialogue and launching the Philippines-Malaysia Business Council here today.

He said with the 10 Southeast Asian countries together, Asean would form a community with a combined population of 500 million, bigger than Europe or North America.

"We may not be as rich, but the potential will be tremendous. We will be a significant player in Asia and in the world," he told an audience of about 500 participants which included Apec ministers.

Dr Mahathir said the fact that Asean would celebrate its 30th anniversary next year served as a vivid example to the world community that unity and close friendships could exist in a region of diverse interests if the countries involved were seriously prepared to work together for the good of the region despite their differences.

On the Asean Free Trade Area (AFTA), he believed the concept could be successfully implemented and it would undoubtedly usher greater trade flows among Asean members as well as countries outside the grouping.

"We should take advantage of the different competitive advantage which each has in order to complement each other and share the benefits," he said.

Dr Mahathir said Malaysia and the Philippines shared many common experiences as well as cultural influences

"Not only are our people of common stock and practise Asian values, both our countries have also been colonised by Western powers in the past," he added.

Malaysia-Philippines relations had not always been smooth-sailing or without hiccups, he said, adding: "We have our differences but I am happy to note that as both our governments try to understand each other's viewpoint, we are able to maintain a firm control on the situation, not allowing any misunderstanding to hamper the relationship."

In fact, the reverse had happened; bilateral ties had not only grown stronger but "we have developed a better understanding and respect for each other," he said.

Saying that the past could not be changed, he said both countries could work together "to shape our countries' future direction to bring two nations even closer."

Besides diplomatic ties, their economic relationship had also improved vastly.

Dr Mahathir said the Philippines was a nation to watch as it was likely to be another "Asian tiger."

The Philippine economy had undergone landmark changes since the previous administration of President Corazon Aquino and now under President Fidel Ramos following the liberalisation of investment and foreign exchange laws, he added.

He lauded the Philippines' blueprint for creating an industrialised

nation by the end of the decade.

On the benefits of trading with one another in Asean, Dr Mahathir said the Malaysian government had encouraged its business community to undertake more joint ventures and investment projects with their Filipino counterparts.

The setting up of a Proton assembly plant in Pangasinan and other economic endeavours by Malaysian investors in the Philippines were clear demonstrations of Malaysia's sincere commitment to be involved in the country's economic progress, he added.

Data showed that Malaysia was the biggest Southeast Asian investor in the Philippines with RM423 million invested in 1994.

The bulk of Malaysian investments were in power generation and property development but today they had expanded to include insurance, banking, transport, telecommunications, aviation and energy.

Dr Mahathir said the Malaysian investments were driven by the competitive costs of investing, skilled and comparatively lower cost manpower as well as incentives offered by the Philippine government.

On the other hand, Filipino investments in Malaysia totalled about RM11.5 million.

Dr Mahathir, who invited more Filipino investors to Malaysia, said he expected the figure to rise following the recent launch of the Malaysia-Philippines Business Council and today's launch of the Philippines-Malaysia Business Council. -- BERNAMA

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