

04/03/1997

Croatia hopes to expand trade with Malaysia

KUALA LUMPUR, Mon. - Croatia hopes to expand bilateral trade with Malaysia as it is currently at a low level, Croatian Prime Minister Zlatko Matesa said tonight.

"Now we can focus on forging closer relations which, after establishing our respective diplomatic missions, are broadening on all levels," he said at an official dinner in his honour hosted by Prime Minister Datuk Seri Dr Mahathir Mohamad at Sri Perdana.

Matesa said he believed his four-day official visit here would give strong incentive to bilateral economic co-operation, particularly in shipbuilding, construction, electronics and the car industry.

He asked Dr Mahathir to further encourage Malaysian businessmen to invest in Croatia which has at its disposal educated and skilled manpower as well as a tradition of good relations with the European Union.

Matesa also emphasised the possibility of mutual participation in the reconstruction of Bosnia as well as the utilisation of Croatia as the base for Malaysia's penetration to Central and Eastern Europe.

"Malaysia is indeed of great interest to Croatia not only as a political and regional leader but a potentially great partner ... and also our gateway to Asia," he said.

Admiring the harmony among the people of different races and religions in Malaysia, he said Croatia could learn from Malaysia's experience.

The visiting Croatian Prime Minister also commended the Malaysian police and military forces for their contribution in achieving overall peace in the region.

Croatia, which is in its sixth year of independence, had a growth rate of between seven and eight per cent last year with budget deficit less than one per cent, inflation rate of about three per cent and foreign debt less than 25 per cent of the Gross Domestic Product.

Earlier today, after being briefed on the Multimedia Super Corridor by Multimedia Development Corporation executive chairman Tan Sri Dr Othman Yeop Abdullah at the MDC office, Matesa said Croatia was looking to use Malaysia's MSC as a guideline to its own future in Information Technology applications.

"We are very interested because it could be a window to the future," he told reporters.

When asked if Croatia would actively take part in the MSC, Matesa said: "Croatia is interested, but for us, it is more of a guideline for our future. Although we are a small country, we have a strong interest in IT applications."

Matesa's three-day official visit is to reciprocate Dr Mahathir's visit to Croatia last year and to foster closer relations between both countries.

Later, Othman said that all 10 overseas MDC offices, which will help service foreign firms with MSC status, would be opened over the next five to six years.

"The Silicon Valley office might be open within the next two years, but that may not be the first one. Others may be located at Foreign Ministry missions or Malaysian External Trade Development Corporation offices at an earlier date," he said.

He added that Dr Mahathir would promote the MSC in a roadshow in Europe in May.

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