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## Firms urged to expand trade links with Egypt

KUALA LUMPUR, Mon. - Prime Minister Datuk Seri Dr Mahathir Mohamad said tonight Malaysia would encourage the private sector to explore trade, economic and investment opportunities in Egypt.

Speaking at a banquet he hosted for visiting Egyptian Prime Minister Dr Kamal Ahmed El Ganzoury at Sri Perdana, Dr Mahathir said trade between the two countries had increased steadily over the years.

However, he said the value of trade was still small and confined to only a few products.

"Malaysia views Egypt as the ideal trading partner and an excellent channel for reaching other Arab and African states.

"In consideration of that, Malaysia would like to encourage its private sector to explore opportunities for trade in Egypt," he said, adding that the Government viewed positively the co-operation and memorandum of understanding concluded between the National Chamber of Commerce and Industry Malaysia and the Egyptian Businessmen's Association in 1993.

He said in the spirit of Islamic solidarity and South-South co-operation, Malaysia and Egypt had established the necessary legal framework to enhance bilateral relations.

"Our two countries have signed trade, technical, scientific, cultural, economic, and air transport co-operation agreements.

"Currently, other new agreements are also being finalised in the areas of investment guarantee, wakaf and religious affairs, tourism, avoidance of double taxation and science and technology," he said.

The Prime Minister said in spite of avenues of co-operation, there was insufficient interaction in most of these areas between both countries.

"Malaysia has always looked to Egypt as a leader of the West Asian/African bloc and we attach high priority to developing closer co-operation with Egypt.

"Yet we have not succeeded in realising the quantum and quality of co-operation that goes with such high regard."

Dr Mahathir said it was peculiar that in spite of the long history of people-to-people relations, exemplified by thousands of Malaysians who graduated from Al-Azhar and other Egyptian universities, the relationship was still stronger in spirit than substance.

He said while Malaysian students, numbering about 5,500, made up the largest group of foreign students in Egypt, instead of mixing with and learning from their Egyptian counterparts, they tended to keep to themselves.

"Malaysia has not fully benefited from them because of this tendency. There are also those who, instead of studying and working, opt for politicking, often with unwholesome consequences."

"These Malaysians tarnish the good name of the graduates of Egyptian universities," he added.

Dr Mahathir however, said there were still many graduates who played an important role in Malaysia's development process.

He also paid tribute to Egypt, saying that he was encouraged it had embarked on economic reform and structural adjustment with encouraging results in recent years.

"The call for greater foreign investments, the move towards privatisation, deregulation and liberalisation affecting various industries, services, banking, manufacturing and information technology

are in consonance with the worldwide trend towards globalisation.

"The inauguration of several Egyptian national projects, including the Toshka Southern Valley and Sinai Technology Valley, indeed offer opportunities for co-operation from abroad."

He also said as members of various international organisations, both countries had worked closely together on many issues of mutual concern.

"Our countries recognised that Islamic countries have the capacity to play a crucial role in creating conditions for global peace and stability.

"This cannot be achieved unless Muslims truly believe in Islamic brotherhood and cease to use Islam as an excuse for lulling other Muslims and undermining political stability of Islamic nations," he said.

Dr Mahathir also touched on the Arab-Israeli conflict, saying the question of Palestine and Arab-Israeli conflict escaped solution because of Israeli duplicity and its high-handed ways.

"It is sad and most regrettable that Israel's actions which deserve the strongest condemnation are being condoned by certain countries.

"Israel deserves every kind of sanction and yet we see sanction being applied to weak countries for minor breaches of human rights."

He said Malaysia appreciated Egypt's active role in the Middle East peace process.

"President (Hosni) Mubarak's untiring efforts to bring an end to the conflict in spite of Israel's intransigence deserve our whole-hearted support.

"Malaysia will not have any meaningful relation with Israel until that country learns to honour agreements by its legitimate Government."

Dr Mahathir said both countries had enjoyed close and brotherly relations, adding he was optimistic they could work closely to further strengthen political, trade and economic relations.

He said Dr Kamal Ahmed's visit would open a new era of co-operation that would contribute significantly to the strengthening of bilateral relations in the years to come.

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