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Mahathir-Visit

MAHATHIR TO STRENGTHEN BILATERAL TIES WITH KUWAIT AND BAHRAIN

KUALA LUMPUR, April 3 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad will leave here on Saturday for a visit to Kuwait and Bahrain to add impetus to bilateral relations between Malaysia and the two Gulf states, Wisma Putra said today.

Its West Asia, Africa and Organisation of Islamic Conference Division under-secretary, Datuk Deva Mohamed Ridzam Abdullah, said at a press briefing that the common desire is to develop new avenues for cooperation in trade and investment and cooperation in Third World countries.

Deva said that Dr Mahathir would be in Kuwait for three days at the invitation of Kuwaiti Crown Prince and Prime Minister Sheikh Saad Al-Abdulla Al-Sabah before leaving for Bahrain for a three-day visit at the invitation of Bahraini Prime Minister Sheikh Khalifa bin Sulman Al-Khalifa.

In Kuwait, Dr Mahathir, who is leading a 15-member official delegation, will, among others, visit the Kuwait Liberation Tower, which is the world's fourth highest telecommunications tower, and the Seif Palace, the newly-completed government complex which houses the office of the state's Emir, Prime Minister and the Cabinet.

Malaysia and Kuwait is expected to sign a double taxation agreement during a bilateral meeting scheduled on the second day of the visit.

Deva said Malaysia, which established relations with Kuwait in 1975, had since signed economic and technical cooperation, cultural and scientific, investment guarantee, trade and air services agreements with the state.

Kuwait Airways flew twice a week to Kuala Lumpur but temporarily terminated its service last year due to shortage of aircraft while Malaysia Airlines (MAS) flew to Kuwait as a stopover en route to London but suspended its flights because of the Gulf crisis.

Kuwait is Malaysia's fifth largest trading partner in West Asia after the United Arab Emirates, Saudi Arabia, Egypt and Jordan. Bilateral trade between Malaysia and Kuwait amounted to RM296 million last year.

Trade has always been in Malaysia's favour, on average of RM82 million since 1992.

Dr Mahathir will also be entertained to a state luncheon by the Emir, Sheikh Jaber Al-Ahmad Al-Sabah, on the second day of the visit. Later in the day, he is scheduled to address Kuwaiti and Malaysian businessmen at a reception.

In Bahrain, apart from a bilateral meeting, Dr Mahathir will also deliver a keynote address at the Gulf Economic Forum and have a meeting with the Bahraini Chamber of Commerce and Bankers.

Deva said Bahrain was the first Arab country to diversify its economy and today it is very strong in the light industrial sector especially aluminium.

"It is a very important regional financial centre in terms of conventional banking and offshore banking as well as Islamic financial banking," he said. Bahrain established its first Islamic bank -- the Bahrain Islamic Bank -- in 1979 and today it has the highest number of Islamic banks and other Islamic financial institutions.

Bahrain also has a highly developed tourism industry. "This offers a good opportunity for Malaysian banks and the tourism sector in Malaysia," said Deva.

Total trade between Malaysia and Bahrain amounted to about RM100

million last year with Malaysia's exports valued at RM54 million.

Malaysia and Bahrain signed an economic and technical cooperation and the cultural and scientific cooperation agreements in 1975 and an air services agreement in 1994.

However, MAS does not fly to Bahrain but Gulf Air flies twice a week to Kuala Lumpur. -- BERNAMA

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