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Mahathir-bridge

MALAYSIA AND INDONESIA PLAN BRIDGE ACROSS MALACCA STRAITS

By: Mokhtar Hussain

ISTANBUL, June 15 (Bernama) -- Malaysia and Indonesia are planning to build a bridge across the Malacca Straits to link peninsular Malaysia with Sumatera.

Prime Minister Datuk Seri Dr Mahathir Mohamad disclosed this to reporters after talks with President Suharto of Indonesia here today.

Dr Mahathir and Suharto are here attending the inaugural summit of heads of government of the group of eight Islamic developing nations (D-8).

He said making the proposed bridge a reality would depend on a feasibility study being undertaken.

"It will be implemented if it is feasible," he said after the 20-minute meeting at their hotel here.

Dr Mahathir, however, did not give details on the proposed bridge.

The Malacca Straits, which separates peninsular Malaysia from Sumatera, is one of Southeast Asia's vital trading routes.

The narrowest points between the two mainland are only 24 km apart.

Presently ferry services also link the two regions through Kukup in Johor, Melaka and Pulau Pinang.

Dr Mahathir said he and Suharto also discussed Malaysian investments in Indonesia which were not facing much problems.

"We understand in the difficulties in Indonesia and we'll take all these into account," he said.

Dr Mahathir had earlier held talks with Iranian president Ali Akbar Hashemi Rafsanjani, Turkish president Suleyman Demirel and prime minister Necmettin Erbakan and Bangladeshi prime minister Sheikh Hasina Wajed.

Foreign Minister Datuk Abdullah Ahmad Badawi, who briefed Malaysian reporters on Dr Mahathir's meeting with Erbakan yesterday, said Turkey looked forward to having closer economic ties with Malaysia especially in defence and automotive industries.

Abdullah said Turkey believed she could share with Malaysia her expertise in construction of submarines and warships.

"Turkey also believes that the Malaysian automotive industry can be expanded to the country through collaboration especially in production and marketing," said Abdullah.

He said Erbakan also invited Dr Mahathir to make a private visit to Turkey to tour the country's free trade zone in which Malaysian investors could also take part.

Meanwhile, Foreign Minister Datuk Abdullah Ahmad Badawi said Malaysia mooted the idea for the bridge and Indonesia expressed willingness to cooperate to see it materialised.

But Malaysia was required to conduct the feasibility study for the proposed project, he said.

"Discussions between the two leaders wholly reflected their common desire to reinforce bilateral economic ties between Malaysia and Indonesia," said Abdullah.

Abdullah also identified that the problematic Malaysian investment in Indonesia pertained to oil palm ventures in the republic undertaken by Malaysian companies.

"President Suharto explained his government's policy of limiting the size of oil palm estates to only two million hectares since the republic itself is planning its own land development schemes," said Abdullah.

On Dr Mahathir's meeting with Sheikh Hasina Wajed, his new Bangladeshi

counterpart, Abdullah said Bangladesh invited Malaysian companies to set up factories there to help reduce unemployment in that country.

"Hasina is very hopeful that Malaysian companies can set up in Bangladesh industries no longer a priority in Malaysia," he said.

Abdullah said Dr Mahathir explained to Hasina that Malaysia might no longer need Bangladeshi workers in future as the country graduated to non-labour intensive high-technology industries.

However, Dr Mahathir told her that Malaysian companies may invest in Bangladesh especially in labour-intensive manufacturing sector, Abdullah added.

On matters raised during Dr Mahathir's talks with President Rafsanjani, Abdullah said Malaysia hoped to be able to make use of Iran's rail service to transport goods to the West Asian market.

He said Rafsanjani told Dr Mahathir that Malaysia could set up transit depots in Iranian free trade zones to store Malaysian goods bound for export by rail.

Abdullah added both leaders also agreed to upgrade Iran-Malaysia bilateral ties since trade volume between them was still small. -- Bernama

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