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Stronger bilateral ties with S. Lanka

Fadzil Ghazali

MALAYSIA and Sri Lanka yesterday pledged to strengthen bilateral ties and enhance cooperation in areas of trade and investment, training and public administration.

To signal this new era of cooperation, the governments of the two countries yesterday signed two agreements, while four local companies forged four memorandums of understanding (MOUs) on various fields with the Sri Lankan Board of Investment (BOI).

The agreements were the Economic, Scientific and Technical Cooperation Agreement, and the Agreement for Avoidance of Double Taxation and The Prevention of Fiscal Evasion with Respect to Taxes on Income.

The two pacts were signed by Foreign Minister Datuk Seri Abdullah Ahmad Badawi and his Sri Lankan counterpart Lakshman Kadirgamar.

The event was witnessed by Prime Minister Datuk Seri Dr Mahathir Mohamad and the visiting Sri Lankan President Chandrika Bandaranaike Kumaratunga.

The representatives of the four Malaysian companies signed the MOUs, while the Sri Lankan BOI was represented by its chairman and director-general Thilan Wijesinghe.

The four companies are Land and General, Renong Overseas Corp, Transmile Group and the Multimedia Development Corp.

Briefing the press after the bilateral meeting between Dr Mahathir and Kumaratunga, Abdullah said both leaders exchanged views on bilateral ties, and both leaders agreed that these ties must be enhanced.

Abdullah said their discussions also touched on international issues, where at one point Sri Lanka expressed its interest to become a member of the Asia Pacific Economic Cooperation (Apec).

On this issue, he added that Dr Mahathir informed his Sri Lankan counterpart that at the moment, Apec has no plans to expand its membership base.

Abdullah said nonetheless, Dr Mahathir told Kumaratunga that should the time come when Apec opens its membership, Malaysia will give its support to Sri Lanka.

On the reformation of the United Nation Security Council, Dr Mahathir explained Malaysia's stand on this, and Sri Lanka said it shares Malaysia's views on the matter.

On the issue of foreign workers, Abdullah said Dr Mahathir informed Kumaratunga that at present, Malaysia has a shortage of professional workers. As such, Malaysia is ready to accept Sri Lankan professionals to work here.

In response, Kumaratunga suggested Malaysian companies, which are still labour intensive, to relocate their operations, factories and plants to Sri Lanka because it has a large workforce.

The visiting President noted that Sri Lanka is ready to accept Malaysian companies in the country.

Abdullah said the meeting also saw Sri Lanka seeking Malaysia's cooperation to train its officers in line with the Republic's move to reform its civil service.

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