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Two pacts, four MoUs signed with Sri Lanka

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SRI Lanka and Malaysia yesterday signed two agreements and four memoranda of understanding to enhance bilateral co-operation.

The two agreements were signed on a Government-to-Government level while the four MoUs were signed between the Malaysian private sector and the Sri Lanka Board of Investment.

The first agreement was on economic, scientific and technical co-operation and the other on the avoidance of double taxation and prevention of fiscal evasion with respect to income tax.

The agreements were signed by Foreign Minister Datuk Seri Abdullah Ahmad Badawi and his Sri Lankan counterpart Lakshman Kadirgamar. Prime Minister Datuk Seri Dr Mahathir Mohamad and Sri Lankan President Chandrika Kumaratunga witnessed.

Both the leaders together with their delegations earlier met at the Prime Minister's Department.

Kumaratunga arrived on Monday for a four-day official visit which is expected to boost economic ties between the two countries.

Briefing reporters on the meeting, Abdullah said both leaders held discussions on bilateral relations as well as international issues.

He said they agreed that bilateral relations could be enhanced in the areas of economy, training (for civil servants) and also information technology.

Abdullah said Sri Lanka had asked for Malaysia's co-operation in the reformation of its civil service.

He said the President also voiced Sri Lanka's wish to become a member of the Asia-Pacific Economic Co-operation.

"The Prime Minister said that currently there was no decision on expanding Apec's membership but said when the time comes Malaysia will support Sri Lanka's bid," he said.

He said both leaders also discussed the human rights issue and Sri Lanka agreed with Malaysia's view that a review was needed of the Human Rights Declaration.

Abdullah said Dr Mahathir also said that he would raise the issue on currency and stock market manipulation at the Commonwealth Heads of Government Meeting.

"He (the Prime Minister) gave his views on manipulation and how it had brought hardship to developing countries," he said.

He said Malaysia also invited professional workers from Sri Lanka such as in engineering to work here as Malaysia was facing a shortage of professional workers.

On trade, he said Sri Lanka suggested that Malaysia locate its industries which were facing labour shortages in that country.

Abdullah said Sri Lanka also invited Malaysia to become a member of the G-24 which comprises the heads of central banks from several countries.

He said the Prime Minister responded that Malaysia would consider the invitation.

Meanwhile, the four MoUs were signed with Land & General Bhd, Renong Overseas Corporation Sdn Bhd, Transmile Group Bhd and Multimedia Development Corporation Sdn Bhd.

The MoU with Land & General involves an understanding to develop an industrial township on a 1,900-acre site at Horana in Sri Lanka.

The MoU with Renong Overseas Corporation involves developing a proposed

industrial zone and Science Park at Ekala and Colombo/Katunayake Expressway.

It also involves a feasibility study on the proposed Colombo-Kandy Expressway and to operate a commercial bank in Sri Lanka.

Under the third MoU, Transmile undertook to carry out a detailed feasibility study on a proposed air cargo hub terminal to handle the transshipment of air cargo. It also calls for the design, construction and management of the proposed terminal at the Bandaranaike International Airport Colombo.

The last MoU with Multimedia Development Corporation involves promoting IT and multimedia capabilities and attracting new investments into IT and multimedia enterprises.

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