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Mahathir-Laos

M'SIA-LAOS TIES TO SCALE GREATER HEIGHTS

KUALA LUMPUR, Aug 10 (Bernama) -- Datuk Seri Dr Mahathir Mohamad today expressed confidence that the coming years would see relations between Malaysia and Laos becoming more substantive especially in trade and economic cooperation with Laos being a fellow member of Asean.

The Prime Minister said Malaysia was pleased to observe that since admission into Asean, Laos had participated enthusiastically in Asean activities and had made constructive proposals for enhanced intra-Asean cooperation.

"In the spirit of Asean and South-South Cooperation, Malaysia is ever willing to share our development experience and technical know-how to assist Laos in its nation-building efforts," he said when speaking at a dinner in honour of visiting Laotian Prime Minister Sisavath Keobounphanh at his official residence "Sri Perdana" here tonight.

Sisavath arrived here today on a three-day official visit to Malaysia. This is his first official visit to Malaysia as Prime Minister of the Lao People's Democratic Republic.

Dr Mahathir said the deepening bilateral relations between Malaysia and Laos were evident by the fact that the two countries had signed a number of agreements.

They are Bilateral Investment Guarantee Agreement, Air Services Agreement, Economic, Scientific and Technical Cooperation Agreement, Bilateral Payments Arrangement and an MoU on Energy Cooperation.

Dr Mahathir said the signing of the Bilateral Trade Agreement and the Tourism Cooperation Agreement tomorrow would provide additional impetus to uplift the bilateral economic and trade relations between the two countries.

While noting that the bilateral relationship was on the right course, he said, the total trade between the two countries was nothing to speak of.

He said he was convinced that there were ample scope for expansion given the enormous potentials and items available for trading purposes in both countries.

Dr Mahathir said he was happy that the Malaysian private sector is the fifth largest investor in Laos with investments valued at over RM1 billion in 18 projects.

Malaysia's investments are mainly concentrated in road building and construction sector, banking and service industries.

He said it was unfortunate that the region was presently besieged by the regional economic crisis that had affected all Asean countries, though in varying degrees.

" In order to overcome the present difficulties, Malaysia feels that all Asean countries must work together even more vigorously to enhance intra-Asean trade and promote the use of local currencies in regional trade," he said.

On international matters, Dr Mahathir said, both countries shared almost identical views on many international issues of common concern and had sought to make constructive contributions through their participation in many international organisations including the United Nations and the Non-Aligned Movement (NAM).

He said he was also impressed with the role played by Laos in fostering the climate of peace and development cooperation in the Mekong sub-region to transform the area into one of shared growth and affluence aimed at

eradicating poverty and elevating the quality of life.

Dr Mahathir, who visited Laos in 1994, said Sisavath's visit bore testimony of the mutual desire of the two governments to further strengthen relations between the two countries.

Tomorrow, both leaders would meet to discuss and exchange views on various bilateral, regional and international issues and identify new areas where the two countries could cooperate to enhance their relationship in the years ahead.

Meanwhile, the Laotian Prime Minister said Laos was encouraged by Malaysia's success.

Sisavath said from the visit he had clearer understanding of the achievements recorded by Malaysia in its national development, social harmony and political stability.

"Of particular importance is the measures worked out by your government aimed at maintaining the pace of growth of national economy in the face of the financial crisis threatening the region," he said, adding that Laos economy too had been greatly affected.

On bilateral relations, he said government to government, private sector to private sector and people to people contacts were increasing day by day and had tightened mutual understanding, trust and cooperation between the two countries.

Expressing gratitude on Malaysia's support and assistance extended to Laos for membership in Asean, Sisvath said his country also appreciated Malaysia's effort in implementing the railway construction project to Kunming through Laos.

Also present at the dinner were Datin Seri Dr Siti Hasmah Mohamed Ali and Madam Khamla Keobounphanh. Among the dignitaries present were Foreign Minister Datuk Seri Abdullah Ahmad Badawi, and Minister of International Trade and Industry Datuk Seri Rafidah Aziz.

-- BERNAMA

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