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MALAYSIA-LAOS

MALAYSIA, LAOS SIGN AGREEMENT TO DEEPEN ECONOMIC COOPERATION

KUALA LUMPUR, Aug 11 (Bernama) -- Malaysia and Laos, whose bilateral trade totalled RM6.5 million in 1997, today signed an agreement to expand and deepen trade, economic and industrial cooperation.

Under the agreement, governments of both countries agreed to provide necessary assistance and encourage the private enterprises to explore the opportunities in trade, the Ministry of International Trade and Industry (MITI) disclosed in a statement today.

International Trade and Industry Minister Datuk Seri Rafidah Aziz signed the agreement for Malaysia while Laos was represented by its Commerce and Tourism Minister Phoumy Thippavone in a ceremony witnessed by Prime Minister Datuk Seri Dr Mahathir Mohamad and Laotian counterpart Sisavath Keobounphanh at the Prime Minister's Department here.

Keobounphanh is leading a 12-member delegation on a three-day official visit to Malaysia, a first by a Laotian head of government since the country joined Asean in July last year.

MITI said the trade agreement would also facilitate the development of trade relations between the two countries through granting each other Most Favoured Nation Treatment in matters relating to customs tariffs, charges and customs procedures in connection with importation and exportation of products.

It would also pave the way for the setting up of a joint trade committee to discuss measures to enhance two-way trade as well as facilitate each other's participation in trade fairs and exhibitions which include exemptions from customs duties and other similar charges on articles and samples intended for exhibitions and fairs.

In 1997, Malaysia exported goods worth RM6.2 million to Laos as compared to imports amounting RM0.27 million.

The main export items were television receivers, metal containers and office machines while import items were mainly coffee and its substitutes, alcohols and derivatives and textile.

In January to June this year, Malaysia's bilateral trade with Laos stood at RM3.4 million.

MITI disclosed that total cumulative Malaysian investment in Laos from 1992 until June 1998 amounted to RM1.04 billion.

Malaysia was the fifth largest investor in Laos. There are 18 Malaysian companies operating in the country with investments in road construction, hydropower, tourism, banking, timber processing and education.

MITI said it is expected that the signing of the trade agreement would provide the conducive framework for the two countries to enhance bilateral trade and ensure expansion of Malaysian investment in Laos, a land-locked nation in centre of the Indochinese peninsula. -- BERNAMA

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