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Mahathir-Asean

ASEAN MUST MANAGE ITS OWN DESTINY, SAYS PM

ALOR SETAR, Oct 30 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today that among the most crucial lessons from the Asian economic crisis is the need for Asean to proactively manage and control its own destiny by the strategic charting of its present and future activities.

"In this context, I believe the trans-Asean pipeline and power grid represents one of such important strategic activities as it will link and expand the region's existing pipelines and power infrastructures to meet Asean's energy requirement in the next millennium.

"It will also help achieve a quantum leap in the economic development and industrialisation of the Asean region as a whole through the efficient utilisation of indigenous gas resources," he said after witnessing the signing of a gas sales agreement between Petronas and the Petroleum Authority of Thailand (PTT) with the developers of Block A-18 in the Malaysian-Thai joint development area (JDA) to jointly purchase natural gas from the offshore block in the JDA, with Thai Prime Minister Chuan Leekpai.

Dr Mahathir said the foundation for the trans-Asean gas pipeline and power grid had already been laid with the interconnection of Malaysia's peninsular gas utilisation system with Singapore.

The trans-Thai-Malaysia pipeline would interconnect a third Asean country to the same pipeline system, he said.

"In the not too distant future, further linkages of national gas grids will be realised and I believe, our visions of a trans-Asean gas and power grid will ultimately be achieved," he said.

Dr Mahathir said the construction of the trans-Thai-Malaysia pipeline and the gas separation plant would require the approval and consent of the various governmental authorities in both countries, in particular the environmental impact assessment (EIA) requirement.

"I hope that the respective authorities will extend their fullest cooperation and assistance to accelerate the development of this strategically important project," he said.

Dr Mahathir said he believed the project would play a vital role in the quest for clean and efficient fuel to support the industrial and economic development of both southern Thailand and Peninsular Malaysia.

The prime minister said the idea to jointly develop hydrocarbon resources in a disputed area and turning it into a joint development area was a win-win approach to resolve territorial disputes between sovereign nations.

"The JDA will stand out in history as a testament to the unique and successful cross-border co-operation between two neighbouring countries in resolving territorial disputes and the ability of both countries to monetise jointly and equitably the hydrocarbon resources found within their overlapping claim areas, thereby further strengthening and enhancing bilateral sovereign relationships," he said.

Today's signing of the shareholders' agreement between PTT and Petronas and the formation of two joint-venture companies -- one in Thailand, called the Trans-Thai-Malaysia (Thailand) Ltd, for the joint ownership of the pipeline system and gas separation plant in Thailand, and another, in Malaysia, namely the Trans-Thai-Malaysia (Malaysia) Sdn Bhd, for the joint ownership of the pipeline system in Malaysia, marks an important milestone and step forward in the bilateral relations between the two countries, he said.

Dr Mahathir said it was an important milestone and step forward because upon its completion, the pipeline system would form an important building block for the eventual realisation of the trans-Asean pipeline and power grid and thereby, directly contributing towards closer integration within Asean.

Meanwhile, Chuan in his speech said following the resumption of exploration by the contractors of the JDA in 1994, and the subsequent discovery and confirmation of the substantial quantity of natural gas, there were high expectations it would bring about tangible benefits to both countries.

He said the growing partnership between Petronas and PTT which together utilise this valuable natural gas resource from the JDA would ensure the energy security and the economic prosperity of both countries.

Moreover, he said, the trans-Thailand-Malaysia pipeline and gas separation plant project would serve as an outstanding example of the two countries' growing bilateral co-operation.

"Both projects will also contribute much towards the continued development of our local communities, helping to improve our people's livelihood, quality of life and education in the long term," he said.

"As our two countries start to recover from our respective economic difficulties, I am optimistic that Thailand and Malaysia, being blessed with natural gas in the JDA, will stand together as two close and friendly neighbours," he said.

He also said that the project not only benefits both countries, but the region as well.

"I believe with this outstanding relationship, it will also enhance relations with Indonesia, Malaysia and Thailand in the Indonesia-Malaysia-Thailand Growth-Triangle (IMT-GT) cooperation," he said.

-- BERNAMA

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