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MALAYSIA-CHINA  
MSIA & CHINA SIGN MOU ON BANKING

KUALA LUMPUR, Nov 22 (Bernama) -- Banking transactions between Malaysia and China are expected to expand significantly with the signing of a memorandum of understanding between Bank Negara Malaysia and the People's Bank of China.

Prime Minister Datuk Seri Dr Mahathir Mohamad announced tonight that the MOU pertaining to banking was among various initiatives undertaken by both countries in view of the increasing trade and investment linkages between both countries.

Before this, both countries had signed 10 agreements and memoranda of understanding (MOUs).

In his speech during a dinner to honour visiting Chinese Premier Zhu Rongji, he said he was glad that economic ties between both countries especially in the last decade have expanded significantly.

Dr Mahathir said that bilateral trade in the last four years rose to RM15.1 billion, in line with the progress in two-way economic ties.

He said that Malaysia was China's second largest trading partner among Asean countries while China was Malaysia's 11th largest trading partner.

Two-way investment had also shown satisfactory progress as evidenced by Malaysia being the second largest investor in China among Asean countries, while China's investment in Malaysia though small, was beginning to increase.

Dr Mahathir said that Malaysia appreciated Beijing's involvement in a RM4.3 billion pulp and paper project in Sabah, which was the latter's biggest investment in this region.

"We hope that more Chinese companies would invest in Malaysia," he said, urging the business sectors of both countries to be more aggressive in marketing and promotional efforts so as to fully exploit the opportunities available.--BERNAMA

MR SHY