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Poland may make direct purchase of palm oil

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KUALA LUMPUR, Mon. - Poland may buy palm oil direct from Malaysia instead of through middlemen as it now does, Polish President Aleksander Kwasniewski said.

The suggestion was made by Prime Minister Datuk Seri Dr Mahathir Mohamad during bilateral talks held between the two leaders at the Prime Minister's Department today.

"Many contracts are carried out through middlemen and we see no reason for this to continue.

"For example, for the purchase of palm oil we can enter into a direct agreement with Malaysia," Poland's Minister of the Economy, Janusz Steinhoff said.

At a Press conference after the meetings, Kwasniewski said political dialogue between the two countries was proceeding well, but trade and economic relationships did not commensurate with the potential.

In 1991 trade between the two countries amounted to US\$9 million (RM34.2 million), in 1998 it rose to US\$200 million.

Steinhoff said the two countries reviewed the current agreements, which were the elimination of double taxation, protection of investments and the removal of visa requirements, and found that there were no barriers to improving trade relations except for the lack of contacts.

The discussions concentrated on expanding the current trade relations to include other fields of co-operation including tourism, establishing direct air links as well as expanding cultural relationships between the two countries.

The two countries also discussed opening new areas of co-operation in education and in scientific and technological fields where both countries have much to offer each other.

"Poland is specifically interested in railway industry, tractors and while it understands the current budget constraints of the Malaysian Government, once these constraints are removed, we would like to expand our co-operation to defence industry," said Steinhoff.

Kwasniewski is here on a four-day visit at the invitation of the Yang di-Pertuan Agong Tuanku Ja'afar and is accompanied by his wife, Jolanta, and a 60-member delegation which includes government officials and businessmen.

He was welcomed at Parliament Square by Tuanku Ja'afar and Dr Mahathir.

Also present was Minister of Energy, Communications and Multimedia Datuk Leo Moggie, who is the Minister in Attendance.

Tomorrow, the President will address the National Chamber of Commerce and Industry and deliver a talk organised by the Institute of Diplomacy and Foreign Relations. He is also scheduled to visit the Kuala Lumpur City Centre and the National Sports Complex in Bukit Jalil.

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