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Mahathir-Rail

BACKING FOR TRANS-ASIA RAIL PROJECT

By: Abdul Rahman Ahmad

SINGAPORE, Nov 24 (Bernama) -- Asean summit dialogue partners -- Japan, China and South Korea -- have signaled their full support for the trans-Asia railway project proposed by Malaysia, said Prime Minister Datuk Seri Dr Mahathir Mohamad.

He said Asean could tap the concessionary loans provided by the summit partners to least developed countries should it agree to go ahead with the RM9.5 billion Singapore-Kunming (China) project.

"The loans carry either zero or minimal interest," he told reporters after holding two bilateral meetings here today -- with Chinese Premier Zhu Rongji and Thai Prime Minister Chuan Leekpai.

Dr Mahathir, in Singapore for the 4th Asean leaders' informal summit, said Asean and its summit partners felt there was a need to help four of the Asean countries which are still lagging behind.

He said a feasibility study of the project was submitted during the leaders informal summit this morning for their endorsement.

The summit partners, during their meeting with Asean leaders later, were briefed on the project. Thailand is heading a committee to look into the funding of the project.

Dr Mahathir said although the railway project is relevant only to countries on the mainland, other Asean member countries not on the mainland such as Indonesia do not want to be left out.

"So we want to improve sea communication as well," he said.

"Sea transportation, a much cheaper alternative, will be utilised for the Philippines, Indonesia and Brunei."

On the bilateral meeting with his Chinese counterpart, Dr Mahathir said they talked about East Asia and the one China policy.

On bilateral trade and investment, he said China was keen to invest in a paper mill project in Malaysia.

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