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Mahathir-Germany

CLOSE TIES WITH GERMANY CRUCIAL FOR INVESTMENT, SAYS PM

KUALA LUMPUR, May 10 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today that Malaysia values its close ties with Germany given that it is a major economy and one of the largest European Union investors in the country.

Dr Mahathir said that lately, Malaysia's trade with Germany had increased tremendously.

"Last year, investment from Germany was the biggest from Europe. So, it's important for us to have close relations with Germany," he told reporters after opening the 57th MIC annual general assembly here.

Dr Mahathir was responding to questions on the three-day official visit of German Chancellor Gerhard Schroeder to Malaysia beginning tomorrow.

In 2002, total bilateral trade between Malaysia and Germany increased by 5 per cent to RM19.13 billion compared with the previous year.

The first two months of this year recorded a significant increase of 33.18 per cent compared with the corresponding period last year.

Besides investment, Dr Mahathir said that Germany was also important as it was willing to transfer its technology to Malaysia.

It will be the first official visit by a German leader to Malaysia. The visit is to reciprocate Dr Mahathir's trip to Germany in March last year.

On the MIC's request to increase the present 1.5 per cent Malaysian Indian equity ownership to 3 per cent by 2010, Dr Mahathir said that 1.5 per cent was reasonable as the Indians only comprise 10 per cent of the country's population.

"Before, there was no equity interest. The Chinese and the Indians were the same. On the insistence of (MIC president) Datuk Seri S.Samy Vellu to have equity, we determined it based on population," he said.

Dr Mahathir said that even though the Malays made up 60 per cent of the total population of the country, their equity interest was only 30 per cent.

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