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Schroeder-Visit

SCHROEDER'S VISIT SIGNIFIES STRENGTHENING OF GERMANY-MALAYSIA TIES

KUALA LUMPUR, May 9 (Bernama) -- The three-day visit of Germany's Chancellor Gerhard Schroeder to Malaysia beginning Monday signifies the importance placed by Germany in strengthening close bilateral relations between the two countries.

It will be the first official visit by a German head of government to Malaysia, following the visit of Prime Minister Datuk Seri Dr Mahathir Mohamad to Germany in March last year.

"The visit signifies the importance placed by Germany in wanting to strengthen the already close bilateral relations between Malaysia and Germany, especially in the areas of trade, investment and education," said Wisma Putra in a statement issued here today.

The value of bilateral trade between the two countries has been growing and despite the negative effects of the aftermath of the Sept 11, 2001 tragedy as well as the global economic slowdown, bilateral trade between the two countries has been positive.

"Germany continues to be the largest trading partner for Malaysia within the European Union (EU)," the statement said.

Last year, total bilateral trade between Malaysia and Germany increased by 5 per cent to RM19.13 billion compared to the previous year while the bilateral trade for the first two months of 2003 showed a significant increase of 33.18 per cent compared with the corresponding period last year.

Malaysia's exports to Germany consist mainly of electrical machinery and apparatus, office machines, telecommunications and sound recording equipment, scientific equipment, iron and steel, rubber and vegetable oils.

"Major imports from Germany are electrical machinery and apparatus, industrial machinery, road vehicles, power generating equipment and chemicals," said the statement.

The statement also said that Germany has been a major source of foreign investment in Malaysia for more than 30 years, mainly in manufacturing, portfolio, trading and service sectors.

Currently, German companies in Malaysia provide around 9,500 employment opportunities for Malaysians with 15 per cent in the manufacturing sector, 40 per cent trade and 45 per cent services.

Malaysia and Germany have signed several umbrella agreements including Partial Visa Abolishment Agreement, Investment Guarantee Agreement, Technical Cooperation Agreement, Air Services Agreement, Avoidance of Double Taxation Agreement and MoU on Environment Affairs.

In March last year, two MoUs to enhance cooperation in education were signed between the two countries and Malaysia hoped to expand cooperation in the field of education with Germany, especially on "Fachhochschulen".

"The visit by Chancellor Schroeder to Malaysia will provide an impetus to further expand and enhance the relationship between Malaysia and Germany at all levels," the statement added.

-- BERNAMA

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