

> FREE TRADE AGREEMENT

High hopes for EU-Malaysia deal

NST- 27/3/2007

■ **By Shahrum Sayuthi**
news@nst.com.my

KUANTAN: The European Union is considering a free trade agreement with Malaysia due to the positive economic climate here.

Germany, which chaired the EU presidency, was hoping to make this a reality, its ambassador to Malaysia, Herbert D. Jess said yesterday.

He said this could pave the way for a similar arrangement with other Asean nations.

Jess said the FTA would significantly enhance trade between Malaysia and EU members.

"The EU is already an important trade partner to Malaysia. I believe Malaysia will be equally interested to enter into

such an agreement."

He did not elaborate further on the matter.

Jess said this after joining an EU delegation on a courtesy call on Pahang Menteri Besar Datuk Seri Adnan Yaakob.

The delegation, comprising ambassadors from EU member nations, was on a working visit to Pahang as part of a familiarisation programme.

Jess said Malaysia could reap tremendous benefits from a better trade arrangement with the EU which represented a market of almost 500 million people.

"The benefits would be mutual as there are numerous investors from EU countries here, particularly in the manufacturing sector.

"Feedback from them indi-

cate that they are generally happy with their investments and that Malaysia is still a very good destination for European investors."

On the delegation's visit to Pahang, Jess said it was to get a first-hand look at the state which he described as holding numerous investment opportunities.

This was particularly in the fields of tourism, automobile manufacturing and downstream petro-chemical industries.

EU head of mission in Malaysia, Dr Thierry Rommel, said the visit was also to have a look at the management of Pahang's vast forest reserves besides the state government's environment preservation efforts.