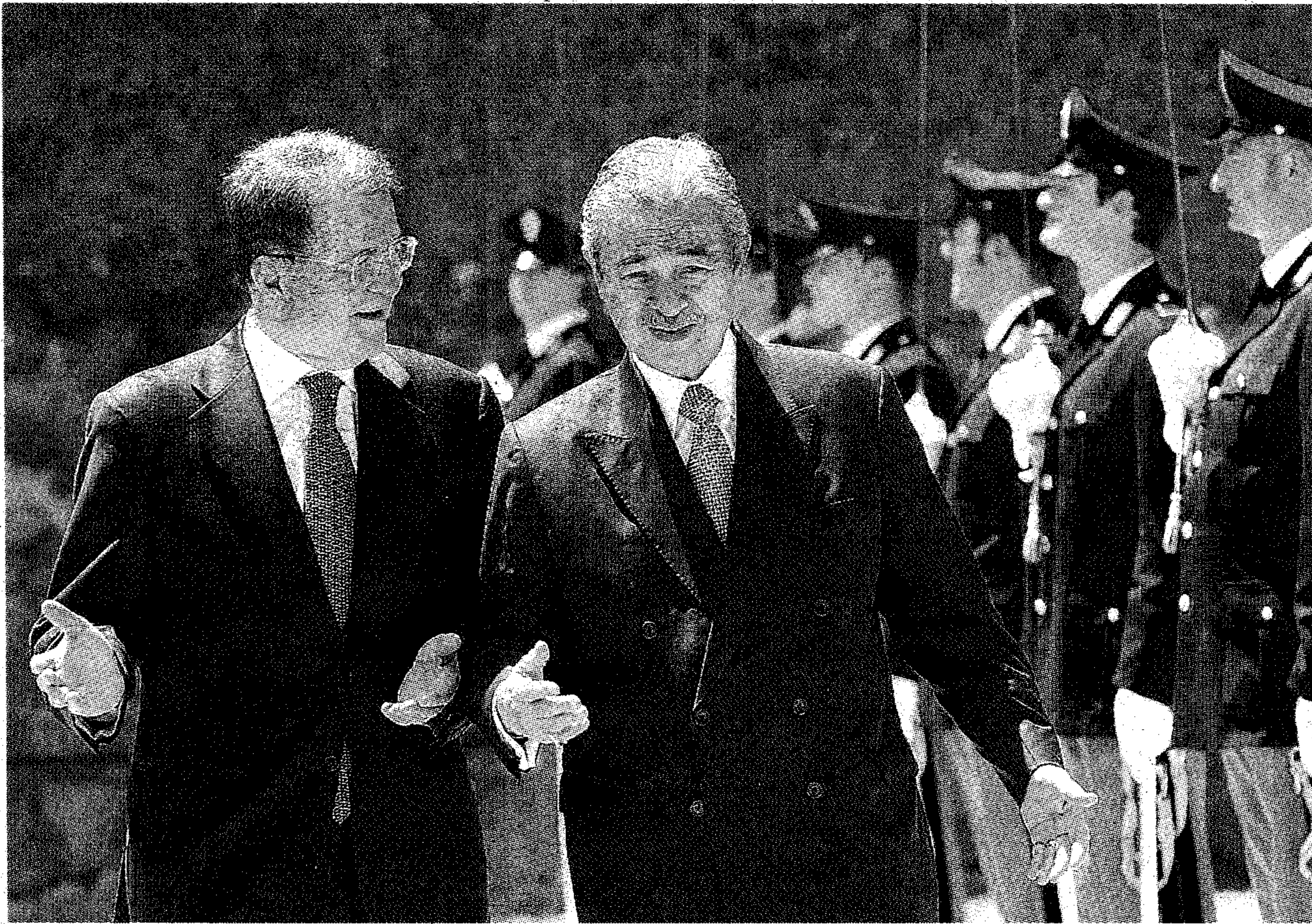


Malaysia, Italy working to boost relations

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Prime Minister Datuk Seri Abdullah Ahmad Badawi and his counterpart Romano Prodi (left) walking past a guard-of-honour upon arrival at the Villa Madama in Rome yesterday. Abdullah and his wife Datin Seri Jeanne Abdullah arrived in Italy on Sunday night for a three-day official visit. — Bernama picture

PRIME Minister Datuk Seri Abdullah Ahmad Badawi and his Italian counterpart Romano Prodi discussed how to boost relations between Malaysia and Italy yesterday, and witnessed the signing of a joint declaration on economic co-operation and a deal by Malaysia Airlines for the purchase of ATR aircraft that could cost US\$360 million (RM1.2 billion).

At a press conference after the meeting, Abdullah said Malaysia desired to do more for bilateral relations, particularly in trade and investment, as demonstrated by



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the national carrier's first-ever use of the Italian-made aircraft intended for its domestic subsidiary Firefly.

Annual trade between the two countries rose to US\$2.13 billion last year from US\$1.9 billion a

year earlier, but has consistently performed below potential.

A joint declaration on agricultural co-operation will be signed today.

Prodi said bilateral relations were on a "sound and strong" footing and that the grounds had been laid "for rekindling trade relations in the future". Italian exports to Malaysia had been declining in recent years.

The Italian prime minister also thanked Malaysia for its contribution of troops to the United Nations peacekeeping force in Lebanon

and appreciated the work the two countries had done together for peace.

ATR said the MAS contract was a result of the two governments collaboration in developing programmes for common industries aimed at the emerging markets of Southeast Asia.

MAS has agreed to buy 10 of the 72-seat turboprop ATR 72-500 with an option for 10 more in a package that could total US\$360 million.