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Potentially beneficial

Najib: India-Malaysia ties set to reach decisive turning point

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NEW DELHI: Malaysia and India are set to reach a "decisive turning point" for an upswing in bilateral ties with a new framework touching on trade and investment, business opportunities in infrastructure, tourism and education.

Prime Minister Datuk Seri Najib Tun Razak, who is on his first state visit to the country, said the matters discussed, including during his hour-long meeting with his Indian counterpart Manmohan Singh on Wednesday, would result in significant mutual gains.

"I think this could be a decisive turning point for an upswing in bilateral ties if we implement the decisions made. The full potential of bilateral ties is enormous," he

told Malaysian journalists.

He said the stalled Malaysia-India Comprehensive Economic Cooperation Agreement (MI-Ceca), which would cover more areas than the Asean-India Free Trade Agreement, was expected to be concluded by the end of the year.

"I have invited the Indian Prime Minister to make an official visit to Malaysia. We hope to sign the agreement during the visit," he said.

Najib said opportunities abound for Malaysian companies to take part in India's US\$500bil (RM1.68tril) infrastructure development over the next five years and both countries were now negotiating a government-to-government memorandum of understanding to identify road and

highway projects.

The Prime Minister said India wanted several other sectors to be jointly developed with Indian companies, adding that Malaysia had agreed to projects in biotechnology, bio-science, ICT, education and pharmaceuticals.

He said discussions were also on-going for a memorandum of understanding on tourism as India - with its 250 million middle-class population - was a huge market, recording some 600,000 arrivals each year.

He said both countries also agreed for the contentious problem of visas to be reviewed thoroughly, adding that this needed to be resolved in order not to be an impediment to *bona fide* tourists.

Malaysia has revoked a visa-on-arrival facility for Indian visitors in

2008 after many, especially those from Chennai, overstayed while India stopped issuing multiple-entry visas and only allowed entry into the country twice.

Najib's meeting with Congress Party chairman Sonia Gandhi and her son Rahul Gandhi, who is party secretary-general, has created a buzz in India's political circles. The Prime Minister held talks with Sonia on Wednesday while Rahul called on him yesterday.

When asked the reason for the meetings, Najib said:

"Sonia Gandhi is not part of the government but the party is in power, so it is only right for me to pay a courtesy call on her. Today, I had discussions with Rahul who, as secretary-general, is its prime mover, to understand more about the party."