

Abdullah and Lee plan to expand ties

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PUTRAJAYA: Malaysia and Singapore have agreed to strengthen and expand improving bilateral ties, including working with each other to identify business and investment opportunities in countries like China, India, Indonesia and Bangladesh.

Singapore's new Prime Minister Lee Hsien Loong who held talks with his Malaysian counterpart Datuk Seri Abdullah Ahmad Badaw, here yesterday said he (Lee) had designated his predecessor Goh Chok Tong to head negotiations with Malaysia on the unresolved, and often prickly, bilateral issues, such as the price of water sold to Singapore, KTM Bhd land in Singapore, the withdrawal of Central Provident Fund contributions by Malaysians working in Singapore and the use of Malaysian airspace by Singapore air force jets.

"They are complex, many inter-relationships, ins and outs and subtleties which I have not yet fully grasp and will take me quite some time to master," said Lee, explaining why Goh, now Senior Minister, had been given

this responsibility.

Abdullah and Lee held three hours of talks and speaking at a joint press conference later, the two prime ministers agreed that they should not let unresolved issues hamper the growing ties between the two countries.

This is Lee's first official visit to Malaysia since taking over as Prime Minister on Aug 12.

Lee said the "tone" of bilateral relations had improved in recent months.

"We have to build on this and develop more momentum and co-operation between our two countries" he said.

Abdullah said Malaysia and Singapore had co-operated well in tackling many issues, including the SARS crisis and the outbreak of avian flu.

He thanked the Singapore government for lifting the ban on the import of Malaysian poultry products, imposed on Aug 18 after a strain of avian flu was detected in Kelantan.

Abdullah said he was pleased that Goh had been appointed to represent Singapore to resolve the contentious bilateral issues, adding that he had invited Goh to visit Malaysia, most probably before year-end.

Congratulating Lee on his appointment as Prime Minister, Abdullah said: "I am very happy to welcome Lee Hsien Loong. We regard this as a very important event in our bilateral relations."

Abdullah and Lee, who are also both finance ministers, signed an agreement on the avoidance of double taxation which covers business profits, dividends, interests and royalties and the prevention of fiscal evasion.

Lee, who arrived at the KL International Airport late on Monday night, was accompanied by a 21-member delegation, including Foreign Minister George Yeo, Defence Minister Teo Chee Hean and Education Minister Tharman Shanmugaratnam.

The Singapore Prime Minister, who is on a tour of Asean countries, said something that happens in Malaysia would affect Singapore and vice versa.

"We have to understand that and work together in order to overcome problems that we share and take opportunities that we can exploit together," he said.

The Singapore delegation left for home yesterday.