

**SPEECH BY
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I would like to begin by thanking the organisers of "Incredible India" for inviting me to deliver the opening address today. I understand that great efforts have been made to put together a variety of events and activities to highlight all the things that India has to offer.

2. On her part, the High Commissioner has employed her considerable powers of persuasion to ask me to deliver a few words at this event. In truth, very little inducement is required, because I consider this Malaysia - India Business Forum to be a welcome and timely showcase. It is an opportunity for Malaysians to be better acquainted with the attractions of India. It is also an opportunity for Indian businessmen and corporations to discover what Malaysia has to offer. In this context, I am more than happy to come here and speak. It is my modest contribution to what will hopefully be a fruitful and productive week.

3. India is a close and important friend to Malaysia. The ties that bind us have been strengthened by our commonalities and fortified over time. Of course, almost 8% of Malaysians can trace their roots back to the Indian sub-continent. But there are many other similarities between our nations. For example, both countries can speak of a population that comprises groups that hail from different ethnic backgrounds, speak different languages, hold to different customs and practice different religions. This diversity gives us variety and perspective on the need for tolerance and mutual respect. I believe we are all the stronger for it.

4. The relationship between Malaysia and India has also stood the test of time. It can also be traced centuries ago, back to when Indian traders made the Sultanate of Malacca a regular port of call. Significantly and more recently, India was one of the first countries with which Malaya, taking its first fledgling steps on the world stage as a sovereign and independent nation, established diplomatic ties some 46 years ago.

5. Over the years, there have been regular and numerous high level exchange of visits between the leaders of our countries, something I plan to emulate when my schedule permits. We share common membership in a number of international platforms, such as the G15, G77 and South - South Cooperation. Malaysia now holds the Chair of the Non-Aligned Movement, an organisation that India was instrumental in propagating. Our friendship is therefore an enduring and wide-ranging one. It is a friendship that I look forward to strengthening even further in the years to come.

6. Trade and commerce occupies a central position in the relations between Malaysia and India. The presence of prominent members of both CII and FICCI, as well as the representatives of over 250 Indian companies bodes well for the future. It is a heartening indicator that you believe trade and business ties with Malaysia are worth pursuing. After all, India is Malaysia's largest trading partner in South Asia, with total trade amounting to close to USD2.5 billion.

7. Malaysian companies have been active in investing in India, cumulatively investing more than USD450 million at present. By the same token, Indian companies have enjoyed a long history of investing in Malaysia. I understand that Indian corporations like Tata and Birla have maintained a presence here since the 1950s and 1960s and some of these investments, such as palm oil refineries are still actively operating to this day. Given this track record, it is therefore somewhat disappointing that Indian investment in Malaysia has slowed down over the past three years.

8. I believe there is great scope for collaboration between our respective business communities. There are a great many areas in which Indian companies can participate. Apart from traditional areas such as food products, transport equipment and textiles, Malaysia would benefit greatly from Indian companies that are involved in information and communications technology and biotechnology, two sectors that the Malaysian government is particularly keen in developing.

9. In the area of information and communications technology (ICT), present levels of participation are good. To date, 56 companies operating in the Multimedia Supercorridor feature Indian equity participation. The Chairman of Infosys, Mr Narayana Murthy and the Chairman of Satyam Computer Services, Mr. Ramalinga Raju, are active and valuable members of the MSC International Advisory Panel. Many Indian software programmers are also providing their skills and talents to Malaysian IT companies. This type of collaboration must be further encouraged and we look forward to Indian IT companies increasing their activity in the MSC.

10. Whilst the MSC has succeeded in establishing Malaysia's presence in the context of information and communications technology since it was first announced in 1995, biotechnology is a relatively new area. It requires large investment of funds and knowledge and we have been cautioned that the risk of failure is often greater than the likelihood of success. Nevertheless, Malaysia possesses the richest biodiversity on the planet. It is a gift, a competitive advantage that is God-given and we must find ways to harvest it to the best of our abilities. On its part, Malaysia has over the years, built up a body of expertise in research. For example, our work on the oil palm has enabled us to be the world's leading producer and exporter of palm oil. In addition, we possess the oldest tropical disease research centre in the world in the guise of the Institute for Medical Research.

11. In order to better leverage on our biodiversity, we have embarked on the BioValley project, which will comprise three institutes. These institutes will conduct research on agro biotechnology, nutraceuticals and pharmaceuticals, and genomics and molecular biology. We are aware that we cannot do everything alone and welcome

research institutes, companies and scientists from India to work with us to explore this new frontier.

12. Malaysia has also much to offer Indian businesses in a regional context. We are located at the heart of the region with good air connections to all ASEAN countries. Much of our infrastructure is well developed, with a network of ports that are efficient and cost competitive. Our workforce is well trained and trainable. Businesses are able to operate in an environment that is safe and secure. We are confident that Malaysia is amply equipped to be India's gateway into the ASEAN region.

13. Trade and commerce are important considerations, but we should not allow ourselves to believe that this is the only basis for a meaningful relationship. I would like to think that Malaysia - India ties encompass a great deal more than just dollars and cents and I believe this is already the case. For instance, the popularity of Bollywood movies in Malaysia is so high, I fear that young Malaysians will become more familiar with the stars of these films than Malaysian cabinet ministers!

14. We must encourage more people - to - people contact. Visiting each other will increase understanding and appreciation between us. When the people of two countries get along, then the two countries will also become friends. There is great potential to develop closer cooperation to promote more tourism. I am aware that the number of Indian tourists to Malaysia has been steadily increasing and in recognition of this, our Immigration Department has set up new operational centres in Mumbai, Bangalore and Hyderabad to facilitate the issuance of visas.

15. Similarly, there is a growing interest among Malaysians to sample all the delights that India has to offer. This is not surprising, given that India has five millennia of history, culture and tradition to offer its visitors.

16. In closing, let me congratulate all the organisers and main sponsors of this event: the CII, FICCI, the KLSICCI, the Indian High Commission and HSBC for your efforts. India is indeed a growing economic force in Asia. It is a country that will increasingly bear a strategic imprint on the prosperity and stability of the region. I therefore hope that all the activities that have been planned for this week will bear fruition and prove to be a marker for the deepening of friendship between Malaysia and India.

17. It gives me great pleasure to inaugurate Incredible India 2003 and declare open the Malaysia - India Business Forum.

Thank you