

THE OFFICIAL DINNER HOSTED BY H.E. MR. WIM KOK, PRIME MINISTER OF THE NETHERLANDS

TREVESZAAL, BINNENOF, NETHERLANDS, 4 DECEMBER 1996

The members of my delegation and I are delighted to be here in The Hague. We appreciate the warm welcome and the hospitality that has been extended to us. We are also very impressed by the goodwill that has been shown to us and struck by the remarkable contributions made by the people of this land of dikes and dunes to various fields of human endeavour, particularly in the areas of the applied science, technology and computerisation.

2. Netherlands has also contributed so much to the betterment of mankind. My present visit is a demonstration of the importance that Malaysia attaches to its relations with this country. Our two countries can draw satisfaction from the excellent relations that exist between us. It is by no means a new relationship as it has a history of more than three and a half centuries. From this long experience it is not unrealistic that there is good mutual understanding and appreciation of each other.

3. Over the past four decades Malaysia and the Netherlands have had good cooperation on a comprehensive range of subjects. The research and cooperation on primary commodities provided by the Netherlands Government and its people is widely acknowledged. Primary commodities were the mainstay of our economy in the initial stages of our nation- building efforts.

4. In the past decade manufacturing activity has become the mainstay of our economy. Malaysia is also placing increasing emphasis on the services sector, construction, infrastructure and research and development. As we face an acute shortage of labour in our construction, plantation and manufacturing activities we have made a deliberate policy choice of going into hi-tech non-labour intensive industries. Our previous stress on labour- intensive industries has already achieved its target so much so that we now have to depend on foreign labour. Changes in demography and the availability of better educated and skilled Malaysians have given us the confidence to embark on a major switch in the industrialisation programme.

5. We welcome the participation of both the public and private sectors of the Netherlands in these programmes. With Malaysia's highly trained and trainable population and the state-of-art technology that the Netherlands can justly be proud of, I believe there is good complementarity between our two countries. We would like companies from the Netherlands to follow the example of Unilever, Anglo- Dutch Shell and Phillips which have been good corporate citizens in Malaysia.

6. It is also Malaysia's desire to realise more networking and co-operation between the services sectors, the ports, research organisations and the universities of our two countries. I am accompanied on this visit by Government officials as well as businessmen to underscore the enthusiasm with which we

approach the Netherlands.

7. Malaysia has an economy that is highly dependent on foreign trade. For this reason the Netherlands and its major ports serve as pivotal gateways for our products not only for West European destinations but also for other destinations. We hope the Netherlands will provide the necessary underpinnings and encouragement to build Malaysia' s own merchant navy and our ports. On our part we will continue to provide the necessary services for the transshipment of Netherlands products in the Southeast Asian region.

8. As regards people-to-people relations, Malaysia would like to see that it is developed further. For Malaysia, Europe including the Netherlands continues to be an attractive place for business, education, technology as well as recreation.

9. At the regional level we are pleased that our two countries continue to cooperate closely within the ASEM process and with respect to the development of the riparian states of Southeast Asia. We value the continued participation of the Netherlands in these and other regional fora. We are optimistic that the Netherlands' role in the Asia-Europe Foundation will continue to further enhance the relations between our two regions. In the WTO we hope you appreciate that our economies are not of equal strength.

10. I would like once again to express my sincere gratitude for the warm reception and hospitality that has been given to my wife and I, and to the members of my delegation. I hope this visit will contribute to a major upswing in our bilateral relations and it will generate more interest on the part of the people of the Netherlands to visit and do business with Malaysia.