

THE OFFICIAL DINNER IN HONOUR OF HIS EXCELLENCY MR VO VAN KIET, CHAIRMAN OF THE COUNCIL OF MINISTERS OF THE SOCIALIST REPUBLIC OF VIETNAM

SRI PERDANA, KUALA LUMPUR, 20 JANUARY 1992

Your Excellency Mr. Vo Van Kiet, Chairman of the Council of Ministers of the Socialist Republic of Vietnam; Madame Phan Luong Cam; Distinguished Guests; Ladies and Gentlemen.

It is with great pleasure that my wife and I welcome Your Excellency, Madame Cam and members of your delegation to Malaysia. I fondly recall your previous visit to Kuala Lumpur early last year, albeit in a different capacity, in which we had the opportunity to have a useful and productive exchange of views on matters of mutual interests. This visit, despite its brevity, gives us another opportunity to renew our acquaintance and to pursue those measures that need to be implemented in order to consolidate our bilateral ties.

2. In the meeting this afternoon, we had together explored new ideas and new thoughts, particularly in the area of bilateral economic cooperation, to provide for a more substantive and dynamic cooperation between Malaysia and Vietnam. I sincerely believe that the potentials have not been fully exploited. In fact, the achievements so far represent only a fraction of this vast potential. There is no doubt that more can be done, and must be done, towards this end. And the most propitious time to do it is now.

Excellency,

3. Despite modest achievements in our bilateral relations, we have made several major strides over the last few years. For a start, the easing of travel restrictions by both sides and the airlinks between Kuala Lumpur and Ho Chi Minh City, and Hanoi in the near future, have facilitated an easier and bigger flow of people between our two countries. These interactions have most certainly contributed to a greater awareness and understanding between both Malaysia and Vietnam. I am pleased that more Malaysians are now touring Vietnam and some have been studying the business opportunities there. This is an encouraging trend. Likewise, I do hope Vietnamese businessmen will also visit Malaysia to look at the possibility of doing business here.

4. In an attempt to intensify cooperation with Vietnam, we have opened our Consulate in Ho Chi Minh City last year, the first by an ASEAN country. We have also encouraged and promoted government enterprises and the private sector to involve themselves in the many opportunities for business that Vietnam offers. The signing of a production-sharing contract between PETRONAS and PETROVIETNAM recently is further evidence of the growing interest and confidence that Malaysian businessmen have in Vietnam. The Malaysian government will continue to encourage such endeavours. The agreements that we hope to sign in future, will of course, provide greater impetus to the pace of economic cooperation between Malaysia and Vietnam. In this respect, we should also seriously look into all other possibilities for promoting direct trade, shipping,

air links and other areas of economic relationship between our two countries. Malaysia would like to see the many facets of our bilateral relations, whether on-going or in the future, be predicated on a solid foundation of mutual trust and friendship between our peoples.

5. We have followed with great interest the many positive changes that have been taking place in Vietnam since you bravely embarked on your "Doi Moi" or "Renovation" policy at the end of 1986. The transition to a free market economy will undoubtedly give rise to initial dislocations and difficulties. Notwithstanding these problems, I am confident that you will successfully overcome these obstacles. Malaysia welcomes Vietnam's "Doi Moi" policy. On our part, as a friend and close neighbour of Vietnam and also consistent with our active support for South-South Cooperation, Malaysia stands ready to cooperate and work closely with you in areas where we have the experience, expertise and the means.

Your Excellency,

6. Your visit to Malaysia is indeed timely. It comes during a period of rapid changes in the international political scene. We in this region cannot remain unaffected by these changes. Already the vexing Cambodia issue seems set to be resolved. Once this happens the countries in the region will be able to divert their attention and resources to more constructive purposes. We expect Vietnam and the other Indo-chinese states will be able to make rapid progress from now on. With this, the region is set to become an even more dynamic growth area and a significant player in the world economy.

7. Malaysia cherishes its independence. But independence must not be in the political arena only. It should extend and include economic independence. This does not mean being able to produce all a country needs. In this modern world interdependence of states cannot be avoided. But it is necessary, in order to be truly independent, for economic ties not to be available for applying pressure. Only by being economically sound and by having friendly relations with neighbours can pressures be avoided.

Excellency,

8. The world today is undergoing major changes. New patterns of regional and international cooperations are also emerging. However, serious discords and inequities still persist in trade and the international economic system. Additionally new conditionalities are being introduced which tend to retard the growth of developing countries. Given these circumstances, I believe there is a compelling and real need for closer cooperation among these countries when facing our common challenges. Coordinated and concerted efforts have to be made to expand economic relations among the countries of the region. It is in this context, that Malaysia has proposed the East Asia Economic Caucus (EAEC). Despite repeated explanations and sincere assurances that the EAEC is not a trade bloc, some quarters insist on misunderstanding this simple Caucus. I would like to reiterate here that the EAEC is intended to be a consultative mechanism which

would allow countries in the East Asian region to discuss and harmonise their views on matters which obstruct the free flow of international commerce. It is certainly compatible with GATT and was never intended to be an exclusive trade bloc. We are sure Vietnam understands and we hope you will support this innocuous forum.

Your Excellency,

9. Once again, allow me to reiterate how happy we are to have you and Madame Cam and members of your delegation as our guests. I hope you and Madame will enjoy your visit, despite the official duties programmed for you.