

**The State Banquet Hosted By His Excellency Mr Kim Dae-Jung,
President Of The Republic Of Korea**

Seoul, Korea 23 May 2002

On behalf of myself and members of my delegation, I would like to express my deepest appreciation for the very warm welcome and generous hospitality extended to us since our arrival in Seoul. We are delighted to be here and to see for ourselves the developments of this beautiful city since our last visit in October 2000. I also sincerely feel privileged to have had the opportunity of personally meeting and discussing with you various bilateral, regional and international issues of mutual interest this morning. I believe that such exchanges would foster better rapport and understanding between our two countries.

2. Malaysia is committed to improving our cordial ties with the Republic of Korea. In fact, bilateral relations have grown steadily since the establishment of diplomatic ties in 1960. On-going exchanges of visits at the highest level further strengthened the bonds of friendship between the Governments and the peoples of Malaysia and the Republic of Korea. The State Visit of the late King, His Majesty Sultan Salahuddin Abdul Aziz Shah to your country last year certainly brought much goodwill and enhanced bilateral ties. At the same time, Malaysia will continue to pursue cooperation in traditional areas such as trade, investments and education, while endeavouring to intensify collaboration in other sectors such as development of human resources, culture, tourism and information technology.

3. I am very pleased indeed that your country is presently Malaysia's 8th largest global trading partner and our 9th largest export market. However, Malaysia hopes to diversify its exports to Republic of Korea to include not only commodities but also manufactured goods. As such, we would welcome more access for our exports to the Korean market.

4. We also value investments from South Korea and note that last year the Republic of Korea was the 6th largest foreign investor in the Malaysian manufacturing sector. During the 1996 to 2001 period, a total of 92 projects from South Korea with capital investments of US\$ 1.0 billion were approved. Like South Korea, Malaysia too welcomes foreign direct investments to promote the development of her manufacturing, information technology and multimedia industries. We acknowledge that South Korea has achieved much success in the hi-tech and I.T. area and we hope to learn from and collaborate with Korea. The continuing political and economic stability of Malaysia, and to my Government's commitment to

providing a positive business environment for all investors without doubt makes Malaysia a most promising and suitable venue for your investments.

5. In 1983, Malaysia expanded her 'Look East Policy' with Japan to include the Republic of Korea, noting that the work ethics of the Korean people were values we desired to emulate in order to attain economic progress. Since then, 1,182 Malaysians have undergone training in various programmes in the Republic of Korea. Additionally, 500 students have pursued studies at Korean institutions of higher learning under the technical training programme. The 'Look East Policy' therefore is a very important component of our relations with the Republic of Korea and these two programmes have served very well in our efforts to develop our human resources. We are grateful to the Korean Government for the support and trust that Korea would continue to accept more Malaysians in her Universities and institutions of higher learning in the future.

6. Over the years the Republic of Korea has become an important partner for Malaysia in the Northeast Asian Region. Both our countries have overcome the 1997 economic and financial crisis with policy measures that were appropriate and suitable to our problems. Under your able leadership, Korea is now on the road to recovery based on sustainable growth and sound economic policies. As we have learnt from that episode, all countries in the East Asian region should work together and reform the international financial architecture to ensure that our economies can deal effectively with the challenges of globalisation and the volatile financial flows.

7. The close collaboration between our two countries also flows into other regional spheres where we actively interact and play major roles in important forums such as ASEAN + 3, ARF and ASEM. It is most heartening to note that the Republic of Korea has placed much emphasis on her relationship with ASEAN member countries. As such, the relations have broadened and strengthened since the establishment of Dialogue Partnership in 1991. The scope of cooperation has widened and currently covers many spheres of interest, including trade, investment, finance and human resources development.

8. I would also like to congratulate you for your effort in trying to promote reconciliation with the Democratic People's Republic of Korea following your successful Summit Meeting with Mr. Kim Jong-Il in June 2000.

9. Globally, a major concern that remains with us in the aftermath of the September 11 tragedy is the challenge of

terrorism. The fight against terrorism while remaining a priority for all of us should not be expanded to include other agendas. There is also an urgent need to have a clear definition of terrorism. This would enable us to distinguish between a genuine freedom fighter and the one who is motivated by a misplaced sense of injustice or grievance. In this regard, Malaysia would like to again urge that an international conference on terrorism be convened as soon as possible. Malaysia hopes that the Republic of Korea could lend its voice and support such a conference so that the subject could be discussed comprehensively to establish the best means to eliminate and resolve this terrible menace.

10. I am greatly impressed with your country's achievements and attribute them to your admirable leadership. The kind and warm welcome extended to my delegation and I by Your Excellency and Madam Lee will always bring back fond memories of our stay in Korea. Please accept our heartfelt thanks for the generous hospitality and hard work that has made this visit a success.