

SPEECH BY: DATO' SERI DR. MAHATHIR BIN MOHAMAD
(PRIME MINISTER)

EVENT: THE OFFICIAL DINNER HOSTED IN HIS HONOUR BY HIS EXCELLENCY
DR. WILFRIED MARTENS PRIME MINISTER OF BELGIUM

VENUE: BRUSSELS

DATE: 22 SEP 1988

TIME:

Your Excellency, Dr. Wilfried Martens,
Prime Minister of Belgium;
Excellencies;
Distinguished Guests;
Ladies and Gentlemen.

Allow me first of all to warmly thank you for your kind words of welcome and the gracious hospitality extended to me and my delegation since our arrival here. I am hopeful that this visit of mine will afford me a better insight into Belgian affairs which offer compelling parallels to our own.

2. I am delighted to be in Brussels, the capital of Europe, so to speak, where much of Europe's destiny is being charted. The cosmopolitan population of Brussels is perhaps a preview of Europe of the future, when integration becomes more pervasive.

3. Earlier we had the opportunity to have a very fruitful exchange of views on bilateral matters as well as regional and international issues of mutual concern. I am convinced that there is tremendous scope for the expansion of our bilateral relations particularly in the field of trade, investment and economic cooperation. I am happy to note that we share similar perceptions on a number of international issues and fully appreciate each other's points of view.

4. The current level of bilateral trade, which is modest, offers considerable scope for further expansion. We are hopeful that our manufactured products would find greater acceptance in the admittedly liberal market of Belgium. We have pursued an economic diversification policy with emphasis on industrialisation as a means to underwrite the socio-economic cohesion of our society and to insulate the economy from the uncertainties of commodity prices.

5. We are pleased to note that Belgian entrepreneurs have begun to follow the trail blazed by other European investors into our manufacturing sector. Malaysia's infrastructures, the abundance of vital industrial raw materials and liberal investment climate should provide an added inducement to

Belgian investors. We hope that Belgian investors would consider the advantages of venturing into, among other things, Malaysia's natural resource based industries.

6. We would like to register our deep appreciation to the Belgian Government for the technical cooperation programme which has made valuable contribution in the fields of agriculture and wood technology. We are confident that the Belgian Government would positively consider the possibility of expanding the scope of the assistance programme to other areas including environmental pollution monitoring and forensic science. I also wish to take this opportunity to thank the Belgian Government for the generous emplacements of our students in Belgian institutions of higher learning.

Your Excellency,

7. Our exchange of views on regional and international issues of mutual concern reflected a commonality of perceptions. We are confident that ASEAN's gradual and steady progress towards economic integration will help forge regional resilience. Even as ASEAN fostered intra-ASEAN trade and investment, member states are aware of its inherent limitations. Hence, the continuing efforts to improve conditions to promote trade and encourage greater flow of investment into the region.

8. ASEAN regards the European Community's GSP Scheme as an important means of diversifying and increasing inter-regional trade. As you are aware, ASEAN's exports to the European Community forms a very small percentage of the Community's total imports and considerably less than exports of other developing countries into the Community. To date, ASEAN's efforts to improve market access to the Community has been stymied by several built-in constraints and despite the willingness of both sides to discuss ways to overcome the barriers, success has been limited. In this connection we hope that Belgium will play a more positive role in mitigating the protectionist tendencies that exist within the Community.

Your Excellency,

9. The Uruguay Round of Negotiations launched at Punta Del Este concerns a comprehensive set of negotiations that covers the widest spectrum of subjects ever attempted. We hope that an improved GATT framework of rules could be hammered out to meet not only the demands of today's global economic interdependence but also ensure fair competition and efficiency. Whilst Malaysia and the other ASEAN countries remain true to the political commitments made at Punta Del Este, much of the success of the negotiations in the Uruguay Round depends on the European Community's position on, inter alia, trade restrictions and distortions and particularly the subsidies which bedevil the agricultural trade. At the Montreal Mid-Term Review Conference in December, Malaysia and the other ASEAN

countries expect definite results on trade in Tropical Products which were assured 'fast tract status' given their critical importance to the economies of the developing countries. Substantive progress on trade in Tropical Product and firm agreements on commitments on agriculture will signal to the world our resolve to put in place a smoothly functioning liberal trading system that would ensure global development into the 21st Century.

Your Excellency,

10. The protracted Cambodian conflict appears to have entered a new phase which hopefully marks a watershed in the Cambodian scenario. To be sure, the Jakarta Informal Meeting represented a tentative step towards seeking a negotiated settlement of the problem. As we look forward to the next face-off amongst the factions, we wish to remind our friends that the self proclaimed unilateral withdrawal of Vietnamese troops by 1990 would not lead to peace unless it is linked to a negotiated settlement. I wish to record our gratitude to Belgium and the European Community for their continuing support of ASEAN's efforts in finding a political solution.

11. An issue of grave concern to us is the increased landing of refugees on Malaysian shores. We are no longer able to shoulder this burden. We have reached an understanding with the Government of Vietnam which is prepared to accept the repatriation of those refugees in Malaysia who are not qualified for resettlement in third countries and to prevent fresh exodus of boat people. We are glad to note Vietnam's willingness to participate in the November Preparatory Meeting to be held in Kuala Lumpur as well as the International Conference on Indochinese Refugees early next year. We wish to express our deep appreciation to Belgium and all the resettlement countries for their cooperation to date and trust that they would be similarly forthcoming in making the Conference a success.

12. An issue of grave concern to us all is the four decade old Palestinian problem which is at the heart of the Middle East conflict. The Palestinian uprising in the occupied territories of the West Bank and the Gaza Strip is a grim reminder to the international community of the folly of trying to maintain the status quo and of the volatility of the situation. We deplore the repressive force unleashed on unarmed Palestinians and fully support the convening of an International Conference to work out a comprehensive, just and durable solution within the framework of the inalienable right of the Palestinians to self-determination and statehood.

Your Excellency,

13. I am pleased that our discussion has been most interesting and useful. I hope this visit of mine would generate increased interactions between the public and

private sectors of our two countries to our mutual benefit.
Distinguished Guests,

Ladies and Gentlemen,

14. May I now invite you to join me in a toast to the continued health and happiness of His Excellency Dr. Wilfried Martens, the Prime Minister and to the everlasting friendship between Malaysia and the Kingdom of Belgium.