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(PRIME MINISTER)

EVENT: THE OPENING CEREMONY OF VID PUBLIC BANK

VENUE: HANOI, VIETNAM

DATE: 21 APR 1992

TIME:

Your Excellencies,
Distinguished Guests,
Ladies and Gentlemen,

I am delighted to be here in this historical city of Hanoi to officiate the opening of the VID Public Bank, the first Vietnamese-Malaysian joint venture bank between the Bank for Investment and Development of Vietnam (BIDV) AND Public Bank Berhad of Malaysia. The success of this venture, I am sure, will form the springboard for many other similar business partnerships to come and pave the way for the promotion of a strong Malaysian business presence in Vietnam.

2. The establishment and nurturing of a strong and mutually reinforcing Malaysian relationship with the Indo-Chinese countries is timely and augurs well for the reconstruction process of these countries. As a member of Asean, Malaysia is more than happy to be of assistance, especially in areas of technical know-how and expertise in development which it had acquired during the process of its own development. A rapidly developing Vietnam would be beneficial for the concept of Asean to succeed.

3. On the international front, a gradual shift is taking place in the global trading patterns, and as competition intensifies, the need to develop new markets becomes more pressing. Asian countries have the potential to develop into mutually supportive markets especially as peace has now returned after decades of war and foreign oppression. In tandem with this development, it is vital to have a strong platform for neighbouring South-East Asian countries to work together to exchange views and deliberate on pertinent issues that are common to us. In this regard, the East Asian countries should strive for economic regional co-operation. The East Asia Economic Caucus would provide an excellent framework to achieve this objective.

4. For an emerging nation that is determined to develop its economy, vast amounts of resources are needed to finance the building of infrastructural facilities and private productive enterprises. While foreign investments provide a valuable source of funds, it is crucial that all domestic resources are effectively mobilised for productive deployment in the economy. Banks have an important role in

mobilising savings and deploying them for the development of the country. Indeed, our experience in Malaysia has convinced us that an efficient banking system is the key in providing the linkages between domestic savings and the investment needs of businesses. They also provide trade financing to facilitate the import and export of goods. Without a sound and efficient commercial banking sector, a nation's economic development would be hampered and business opportunities, particularly international trade, retarded.

5. The potential for development and expansion of banking and financial services in Vietnam looks bright. Given the Government's renovation and reconstruction programme, and with the improved investment climate for domestic and foreign enterprises, businessmen and investors, including Malaysian firms, will be attracted to set up bases in Vietnam. A well-developed commercial banking sector, in turn, will provide the impetus for greater economic growth, bringing with it higher gains for the host country and its people.

6. The Malaysian Government and I am sure, the Vietnamese Government as well, are delighted to see the successful establishment of VID Public Bank today. Given its track record and strong management expertise in commercial banking and financial services, and with the full cooperation and assistance of BIDV, Public Bank Berhad should be able to make this joint venture a great success, and a credit to Malaysia. On behalf of the Malaysian Government, I should take this opportunity to congratulate the board of directors, management and staff of VID Public Bank on their joint efforts for launching this joint venture bank. I wish the management a successful and prosperous business venture. On this note, I now have great pleasure in declaring open the VID Public Bank here in Hanoi.