

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

EVENT: THE OFFICIAL DINNER IN HONOUR OF HIS EXCELLENCY DO MUOI,
GENERAL SECRETARY OF THE CENTRAL COMMITTEE OF COMMUNIST PARTY OF
VIETNAM

VENUE: SRI PERDANA, KUALA LUMPUR

DATE: 25 MAR 1994

TIME:

It is indeed a great pleasure for me to welcome Your Excellency and the distinguished members of your delegation to Malaysia. I hope that you have a pleasant stay in our country. I recall fondly my own visit to your country in April 1992 during which I had the opportunity of meeting you.

2. I am happy to note that bilateral relations between our two countries are developing in an excellent manner. This is evident in the frequent exchange of visits between the leaders and officials of both countries in recent years. Your visit is another manifestation of the close relations that exist between our two countries. Through the exchange of visits, both sides are able to have constant dialogue, thus promoting goodwill and understanding which are essential ingredients for closer friendship and cooperation between neighbouring countries.

3. The efforts on both sides in promoting bilateral relations and cooperation during the last few years have brought about many positive results. We can be proud of this achievement. We should strive to maintain and further develop the relationship. Cooperation between our two countries can be expanded further to cover other areas.

4. There is a distinct increase in trade between Malaysia and Vietnam over the last two years. Our total bilateral trade which stood at RM235.4 million in 1991 increased to RM473 million for the first nine months of 1993. The scope is wide for a further increase in the volume of trade. The conclusion of the Bilateral Payments Arrangement (BPA) between the two countries has to a large extent contributed to this increase. This shows that the BPA is an innovative and viable mechanism for promoting trade between and among developing countries.

5. Malaysia recognises and admires the vast potential for Vietnam's economic growth and development. Vietnam has an abundance of natural resources. Its people are hardworking. We believe we can form a genuine partnership in various economic activities for mutual benefit. It is with this in mind that the Malaysian Government has encouraged Malaysians

to invest in Vietnam. I am glad that they have responded well. I am also glad that there has been an equally positive and enthusiastic response from Vietnam. Over the last two years, Malaysian companies have undertaken to invest close to US\$426 million in Vietnam. I am happy to note that a Malaysian consortium has successfully begun the development of an Export Processing Zone in Danang with its official launching three days ago on 22 March. I am glad that Malaysians have been entrusted to undertake this project. We believe this can contribute much to the development of Vietnam's economy. There are other projects in which Malaysian companies are involved or have shown interest in. I hope that the Vietnamese Government would continue to give positive consideration to Malaysian participation in these projects.

6. Malaysia follows with great interest the efforts to promote economic development that are being undertaken in Vietnam. These efforts have already brought about some impressive results. I am sure that with the correct approach and sound policies, the Vietnamese Government can bring about more significant economic achievements. Malaysia welcomes the decision by President Clinton to lift the American trade embargo on Vietnam in February this year. This is good for both America and Vietnam. It should create a more favourable condition for Vietnam to continue with the current efforts to develop. I am confident that with your pragmatic approach and strong commitment to development, peace and stability, Vietnam will grow and prosper like the rest of South-east Asia. We in Malaysia believe that the prosperity of our neighbours are closely linked to our own prosperity. Hence, we see the necessity for maintaining close cooperation with all countries in South-east Asia. In recent years we have witnessed some very positive developments contributing towards greater peace and stability in the region. In this connection, Vietnam's accession to the Treaty of Amity and Cooperation in South-east Asia and ASEAN's decision to grant observer status to Vietnam at ASEAN Ministerial Meetings are significant developments in your country's relations with the other countries in the region. This offers excellent prospects for long term cooperative association between Vietnam and its neighbours in South-east Asia leading eventually to Vietnam's own membership within ASEAN. I should again reiterate my view that all the ten South-east Asian countries should eventually become members of ASEAN.

7. Given the changes and developments politically, economically and technologically throughout the world, there is an even greater need to preserve understanding, strengthen goodwill and nurture cooperation among nations in our region. We must create the conditions which will enable us to move forward to meet the various challenges. The fostering of friendship and good neighbourliness among us would contribute to a stable, peaceful and prosperous region. We should speak with one voice on issues of common concern. We should endeavour to resolve problems among

ourselves in a peaceful manner. We should cooperate in all areas which will bring mutual benefit. We must realise the dream of a peaceful, stable and united South-east Asian region.

8. Once again I wish to express my hope that your visit to Malaysia will be an enjoyable and meaningful one and that the reception and hospitality extended to you and members of your delegation will not be found wanting.