

SPEECH BY: Y.A.B. Dato **Mahathir** Bin Mohamad
The Prime Minister

EVENT: At The Official Dinner In Honour Of His Excellency Mr Franz Vranitzky, Chancellor Of Austria

VENUE: Sri Perdana, Kuala Lumpur

DATE: 30 Jul 1996

TIME: 8.30 p.m.

I would like to extend to Your Excellency, and members of your delegation, a very warm welcome to Malaysia. This high level visit from Austria is a reflection of the strong and cordial relationship between our two countries. It is my hope that this visit, albeit brief, will enable Malaysia and Austria to further consolidate the good relationship between our governments and peoples.

2. I am indeed delighted that Your Excellency's visit is being made as Austria observes her thousandth anniversary on the existence of her statehood. Such an historic accomplishment inspires other countries to preserve and safeguard their unique sovereignty.
3. It is remarkable that Malaysia and Austria, though belonging to different geographical regions, should share many things in common. This has helped to bring our two countries closer together to work towards mutual benefit. The inaugural Asia Europe Meeting that was held earlier this year has also started a process of bringing our two regions together.
4. In both the Southeast Asian as well as the European regions, there is a rich diversity of culture, ethnicity and religion. Our experience of life in this region has helped develop in us a deep respect, understanding and appreciation of other societies. On the basis of this cross cultural etiquette, I am glad that we have laid a sound foundation for the development of close cooperation on political, economic, trade and other matters.
5. Malaysia is strongly committed to the enhancement of relations with Austria. We also believe that Austria, given its leadership in certain areas of technology, can provide vital inputs towards Malaysia's industrialisation goals. Austria is also welcome to participate in infrastructure projects in the buoyant Malaysian and Southeast Asian growth area. Malaysia is currently entering a phase that emphasises capital-intensive and high technology industries and it is of particular interest to the Malaysian Government that Austrians avail themselves of the opportunities in this area.
6. There is also considerable scope to develop the tourism potential between our two countries. In recent years more and more Malaysians have become accustomed to travelling abroad and I can well understand Austria being one of the popular destinations in Europe. As a centre of music and culture your country continues to attract Malaysians from all walks of life. I note however that we do not get that many tourists from Austria visiting Malaysia. It is my hope that there will be a greater interest on the part of Austrians to visit Malaysia. We have touristic locations that can

attract not only senior citizens but others as well.

7. In Central and Eastern Europe, dramatic geopolitical developments have taken place. Malaysia appreciates the leading role that Austria has played in extending assistance to those countries making a transition to the market economy system. Austria's historical familiarity and natural proximity to countries in the region, coupled with its well-developed network of financial, communication and industrial linkages give it an added advantage. Clearly, Austria's quiet efforts to ensure political stability and a smooth economic transformation have contributed to the steady progress and development of these countries. Their integration in the world economic system is also progressing well. These efforts have also indirectly benefited Malaysia. For instance, our two-way trade figure reached US\$500 million in 1994, of which a significant portion constitutes transit trade to countries in Central and Eastern Europe.

8. Austria has emerged as a natural springboard to the emerging markets of Central and Eastern Europe. By the same token, I believe Malaysia with its strategic geographical advantage, contacts and familiarity with the markets and countries in Southeast and East Asia, could complement Austria's economic objectives in this part of the world. Our private sectors can surely do good business with one another as well as cooperate in third countries.

9. Malaysia, along with her ASEAN partners is inspired by the development along the Danube. We have now initiated the ASEAN - Mekong Development Forum. Both the Danube and Mekong are significant waterways of our respective regions. Austria's experience in regional co-operation through the Danube could be a relevant model for ASEAN's Mekong development plan.

10. The Dayton peace process has raised hope among the Bosnians that they may be able to rebuild their war-torn country. It is the first step in their long journey towards nation building. In this respect, Malaysia remains committed to assisting Bosnia-Herzegovina in their reconstruction efforts. We hope to share our knowledge and experience of building a harmonious multi-racial and multi-religious society with Bosnia-Herzegovina. I trust that what Malaysia could do from afar, Austria could do better because of her geographical proximity.

11. Let me conclude by saying that Malaysia and Austria have sound bilateral relations which could be further developed and intensified. We possess tremendous complementary potential, particularly as economic gateways to our respective regions. Joint harmonisation and realisation of that potential would serve as a solid basis for enhancing our cooperation for mutual benefit.

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