

SPEECH BY: Dato Seri Dr. **Mahathir** Bin Mohamad
The Prime Minister

EVENT: At The Official Dinner In Honour Of The Hon. Mian Mohammad Nawaz Sharif Prime Minister Of The Islamic Republic Of Pakistan

VENUE: Sri Perdana, Kuala Lumpur

DATE: 01 Aug 1997

TIME: 8.30 P.M.

It is a great pleasure for me to wish you and members of your delegation a warm welcome or "SELAMAT DATANG" to Malaysia. May I also take this opportunity, on behalf of the people and Government of Malaysia, to congratulate the Government and people of Pakistan as you commemorate this year, the 50th Anniversary of your independence.

2. Pakistan is a country that we hold dear to us as a brother Islamic country and we welcome you as a friend and brother with the hope and expectation that Allah will bless our good relations and the well-being of our peoples.
3. I recall my recent short visit to Pakistan when I had the opportunity of having a fruitful meeting and discussions with you on matters of mutual interest. This morning we were able to resume our discussions and explore the possibilities for further collaboration in the future, especially in expanding the scope of our economic cooperation.
4. I am happy to note that relations between our two countries are progressing well, particularly with the increase in the exchange of visits by high level officials and the private sectors. This is a positive demonstration of our serious efforts at collaboration and cooperation for the mutual benefits of our people. I am confident that this encouraging trend will enable the two sides to share each other's expertise and experience in national development.
5. Bilateral trade between our two countries stood at US\$698 million (RM1.74 billion) in 1996, out of which Malaysia exported US\$649 million (RM1.62 billion). Although the trade imbalance has widened over the years, I strongly believe we can narrow the gap. In this regard, I welcome your business delegation to Malaysia and wish them success in their meetings and discussions with their Malaysian counterparts. With their experience and expertise, I am confident that the partnership between our private sectors would produce mutually beneficial results. We could also cooperate to seek opportunities in Third Countries, especially the newly-independent Central Asian Republics where market potential exist. The time has come for us to demonstrate to the world that the Muslim Ummah can cooperate for its betterment and for the good of the world at large.
6. I am glad to note that your government has introduced a comprehensive reform package aimed at creating an efficient and effective public administration machinery that could face the challenges in the 21st Century. Your efforts at privatisation, civil service reform, agricultural

reform, providing new incentives to attract foreign investments, macro-economic stabilisation and liberalisation package and financial reform will no doubt bring great benefits to your country. These new policies, hopefully will open up more opportunities to Malaysian businessmen/ investors to participate in development projects of your country, especially in sectors such as housing, infrastructure, construction, aviation, banking and finance, energy and power and human resource development. The Malaysian private sector, with its experience in Africa, Europe, Latin America, South East Asia and other parts of the world, could join hands with their counterparts from Pakistan and make a significant contribution towards further enhancing Malaysia - Pakistan relations. The relocation of labour intensive industries to Pakistan on a joint-venture basis could also contribute towards reducing our trade imbalance while creating employment opportunities in Pakistan itself.

7. At the level of governmental cooperation, I am happy to note that the first Ministerial Level Joint Commission Meeting had just concluded. I would urge both sides to take action to implement the decisions of the meeting.

8. Peace and stability are pre-requisites to a region's economic and social progress. In this regard, I am happy to note that Pakistan and India concluded a second round of talks recently in Islamabad to chart a friendly and harmonious relationship between two neighbouring countries. I sincerely hope that the talks would provide a positive avenue in the pursuit of peace and stability in the sub-continent over the Kashmir issue. If I may say so, in a dispute like this, no side can expect to get everything that it demands or believes it has a right to, if there is to be any solution at all.

9. With regard to Afghanistan, Malaysia strongly believe that durable peace and stability could only be achieved by the formation of a broad-based government comprising all major warring factions and ethnic groups in the country. Malaysia support any effort to bring the warring factions together in a political compact that would enable a sustained and lasting peace to be achieved in Afghanistan. Again, maximum demands can never be met if there is to be any settlement.

10. Your visit marks an important milestone in enhancing the existing close cordial and brotherly relations between Malaysia and Pakistan. I sincerely hope that your visit would be a success and that you would have pleasant memories of your stay in Malaysia.

FILE NAME: SP0108-2