

# Get Asean

NST 15 JAN 1982

# priorities

# right - Dr M

**KUALA LUMPUR, Thurs. — Malaysia today made several proposals to give more meat to Asean's economic co-operation and said it was imperative that the grouping's priority be focused on areas which are vital to its interests.**

**Prime Minister Datuk Seri Dr Mahathir Mohamad, in opening the 12th Asean Economic Ministers' Meeting here this afternoon, said:**

**"Whatever measures or programmes that ensue from our deliberations should be geared towards the fulfilment of our designated goal, that is, progress in the economic fields through regional co-operation."**

funds for invisibles;

● Asean should take an urgent look at the potential for Asean collaboration in the energy sector, especially in pooling resources to exploit the region's natural resources;

● Embark on economic relations with countries like South Korea and India, whose middle-level technology is of relevance to the present economic programmes of member nations.

Dr Mahathir, stressing that Asean was in the forefront of Malaysia's foreign policy priorities, elaborated on his proposal for joint marketing.

It could be done by drawing up a formula whereby the country with the biggest market would enjoy the most benefits even if the product were manufactured by a smaller country.

Asean should pursue this further in industrial complementation programmes, perhaps with the private sector playing a more vigorous role, he added.

"It is encouraging to

In project formulation, Dr Mahathir felt that Asean "should have a clear overall picture of the objectives and direction of Asean's economic thrust and tailor our requirements accordingly".

He cautioned that unless this was done, the various committees would be pursuing their own separate courses instead of working in tandem to meet Asean's priority needs.

The Malaysian leader made these important points:

● The restructuring of the Asean machinery should be carried out in stages because it embraces a wide range of subjects;

● Asean should inject new ideas in industrial co-operation — joint marketing as a step to boost the respective industrialisation programmes should be seriously examined.

● Due attention has to be given to shipping in view of the outflow of

note that the Asean Chambers of Commerce and Industry is now taking an active interest in the complementation programmes."

Dr Mahathir said industrial co-operation in Asean envisages that Asean governments and the private sector should co-operate closely in order to strengthen the economic position of Asean.

"In this regard one should not only look out for what one stands to lose. One should look for what the group has to gain in the process."

On the delicate task of streamlining the Asean machinery, Dr Mahathir said at present, it was felt that there was no real

need to change the basic structure of Asean.

"The immediate need is to look into the strengthening of the Asean Secretariat and the functions of the various committees."

On trade, Dr Mahathir said it was heartening to note that Intra-Asean trade now exceeded US\$10 billion measured

at current prices, whereas in 1970 it accounted for about US\$2.3 billion.

Under the preferential Trading Arrangement, the present 6,581 items enjoying tariff preferences were to be boosted by another 1,948 items at the meeting here.

Dr Mahathir was happy to note that substantial progress had been made towards the implementation of the Ase-

an Industrial Projects in respect of the urea projects in Malaysia and Indonesia.

He was confident that the other Asean Industrial Projects would also be launched soon.

On shipping, Dr Mahathir said the Asean member nations were heavily dependent on external services and the rising freight charges were an additional burden to their balance of payments.

"It is apparent that this is an area where Asean can profitably co-operate to achieve self-reliance in shipping to overcome the problems connected with the carriage of Asean trade not only to overseas markets but within the Asean region as well."

On the importance of the energy sector, he said Asean as a whole, constituted a major producer of conventional energy such as gas and petroleum.

Yet the region lacked the infrastructure, expertise and technology to fully exploit its natural resources.

"Enormous investment is required if we wish to establish an all-

encompassing gas and petroleum industry. This is not beyond our capabilities and the problems are not insurmountable.

"I would like to urge you to take an urgent look at the potential for Asean collaboration in this sector," he told the Asean delegations to the three-day meeting.