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APEC ON THE RIGHT TRACK, SAYS JETRO CHIEF

KUALA LUMPUR, March 18 (Bernama) -- Members of the Asia-Pacific Economic Cooperation (Apec) Forum should remain committed to trade liberalisation since the grouping is on the right track forward, a former Japanese vice minister said today.

Noboru Hatakeyama, former Japanese vice minister for international affairs in the ministry of international trade and industry (Miti) said member countries should uphold the spirit to fulfil their promises made at the previous meetings in Bogor and Osaka at the next APEC leaders informal summit and ministerial meeting in Manila in November this year.

"Their commitments must flow from their heart and not feel pressured," he told reporters this after delivering a public lecture titled: "The Future of Apec," organised by Japan External Trade Organisation (Jetro) here.

The parliamentary secretary in the ministry of international trade and industry, Hishammuddin Tun Hussein, chaired the lecture.

Hatakeyama, who is now Jetro's president, also said nothing new should be added to the action plans towards trade and investment liberalisation.

Issues that would probably dominate the November Apec meeting would be the submission of plans by member countries on the voluntary liberalisation of trade and investment, Hatakeyama said when asked to comment on the expected issues at this year's Apec meeting.

At last year's Osaka meeting, member countries had agreed to voluntarily liberalise in the short, medium and long term period but Hatakeyama said, "We have to decide what is the time frame for short, medium and long term."

On tariff rates, Hatakeyama said Malaysia, a rapidly developing country, with an average tariff rate of 10 percent, reflected the competitive ability of its industries.

"Your machine and tool industry is strong. With the rising yen, Japanese companies can source their parts from Malaysia to ensure their products are competitively priced," he said.

Earlier in his speech, Hatakeyama forwarded the idea to establish a consultation mechanism between APEC and the European Union (EU) called Asia-Pacific - Europe Economic Cooperation (APEEC).

Such a mechanism would, among others, enable APEC to put pressure upon the EU to increase the openness of its market to the rest of the world and prevent the EU from taking a free ride on the trade and investment liberalisation that APEC countries implemented, he said.

"If APEEC is realised, thereby possibly preventing the North American Free Trade Area (NAFTA) and the EU from formulating the world's largest free trade area which discriminates against the rest of the world," Hatakeyama said.

He also felt that the membership of the Asian countries in the Asian European Meeting (ASEM) held for the first time recently in Bangkok were the same countries which Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad proposed for membership in the East Asian Economic Caucus (EAEC).

"When Malaysia chairs the meeting for the development of the Mekong River area with Cambodia, Laos and Myanmar, the participants will include the Asean Seven, Japan, South Korea and China," Hatakeyama said. -- BERNAMA

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