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AEM-Sanctions

ASEAN CONCERN OVER U.S. SANCTIONS AGAINST THREE COUNTRIES

By: Khairdzir Yunus

JAKARTA, Sept 12 (Bernama) -- Economic Ministers from the seven Asean nations today expressed their strong concern over trade sanctions imposed by the United States on Iran, Libya and Cuba.

"The extra-territorial application of the United States Sanction Act upon these countries will undermine the multilateral trading system," the ministers said in a joint press statement after their 28th meeting here.

The proposal to have an Asean statement on the matter was brought up by Malaysia.

Speaking at joint press conference after the meeting, International Trade and Industry Minister Datuk Seri Rafidah Aziz said: "It is very clear that when the US undertook these sanctions, it denotes that the military action to go extra-territorial."

She said Asean felt that this should not be done because, "they are telling us what to do, when in fact they (the US) have quarrels with these people."

"So when we talk about undermining the multilateral system, this is what exactly it means," she said.

Rafidah said if the US can do it to other countries, then what can stop other countries from doing the same in an another area.

"So, where does it lead to?. We are talking about freer, more liberal multilateral trade," she said.

She said if countries started having sanctions everywhere because they were having some domestic bilateral problems or because of domestic political consideration, the multilateral system would collapse.

Prime Minister Datuk Seri Dr Mahathir Mohamad had said last month that Malaysia had the right to make its own decision to invest in Iran although even thought there is a possibility that the US may take action against the country because of a law imposed by the US prohibiting foreigners from investing in Iran and Libya.

Dr Mahathir made the statement when commenting on Petronas' move to acquire a 30 per cent share in this US\$600 million, Siri A and E offshore oil field development project in Iran.

He had said that Malaysia was working with the US on certain matters but not to the extent that the US would make a decision on behalf of other countries.

On other issues, the Asean economic ministers had also expressed strong concern over a number of emerging international trade issues which could adversely affect Asean's position, in particular, the implementation of the US Rules of Origin on Textiles and Apparels which could adversely affect Asean's textile and apparel trade.

"In this respect, the ministers urged the US to withdraw the implementation of the new US Rules of Origin on Textiles and Apparels pending the conclusion of the World Trade Organisation (WTO) Harmonised Rules of Origin," the statement said.

The ministers also expressed their concern over the US embargo on shrimps caught by trawlers not using the turtle excluder device on the principle that environmental issues should not be used to restrict trade.

-- BERNAMA

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