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Asean likely to be major trade hub

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KUALA LUMPUR, Mon. - Infrastructure spending in Asia between 1995 and 2004 is forecast by the World Bank to be RM5.1 trillion, Asean Chamber of Commerce and Industry president Aburizal Bakrie said today.

"When the Asean Free Trade Area is implemented in 2003, Asean will undeniably be a major trade area for the rest of the world economy to reckon with."

He said this in his paper entitled Where To Invest: Promising Sectors and Projects at the two-day Global Panel Kuala Lumpur 1997 conference which was opened by Prime Minister Datuk Seri Dr Mahathir Mohamad.

"In Indonesia and Thailand, about RM652.8 billion and RM493 billion worth of investments respectively are required for power, telecommunications, transport, water and sanitation projects."

Aburizal advised foreign companies to participate in these tremendous growth opportunities by partnering with Asean companies.

"The areas of business are infrastructure development, information technology, tourism, agro-based and food products industries, capital goods and services."

Besides facilitating the liberalisation of trade in the region, Afta would also generate closer ties in the areas of technology, education, culture, sports and fellowship through frequent travels and visits within the region, he said.

"An Asean approach to things will be inculcated in various areas.

"There will be closer relations among Asean bankers, enabling them to harmonise interest rate schemes to protect the group," Aburizal said.

He also highlighted major opportunities in information technology and communications within Asean as outlined in a recent report by the United States Trade and Development Agency (USTDA).

"In Brunei, the Ministry of Communications is planning to provide national interactive multi-media services while the Indonesian Government's Nusantara 21 project demonstrates its strategic vision to connect the entire Indonesian archipelago to the information superhighway by the year 2001."

The report cited Putrajaya, the federal administrative centre and the world's first "smart city", as Malaysia's move towards an information-based economy, he said.

"Other projects outlined by USTDA include five major projects in the Philippines, a video conferencing and multi-media project by Singapore's National Computer Board and seven turnkey solution projects planned by the State Railway of Thailand.

"In Vietnam, a RM183.6 million Bank Modernisation Project has been planned by the State Bank of Vietnam to improve payment services and speed up circulation of funds while Vietnam Airlines' modernisation plans include an aircraft maintenance information system and a flight operations management information system," Aburizal said.

The conference is jointly organised by the Institute of Strategic and International Studies Malaysia, the European Research Centre and the Asian Strategy and Leadership Institute.

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