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ASEAN MEMBERS TO NOTIFY EACH OTHER ON ANY MODIFICATION, SAYS RAFIDAH

KUALA LUMPUR, Sept 23 (Bernama) -- Asean members must notify each other on any modifications in the Asean Free Trade Area (AFTA) commitments and obligation as well as other agreements, which may impair or nullify any benefits to member countries.

"By right, everybody has to be informed on any changes so that we can be well prepared on any circumstances," said the Minister of International Trade and Industry, Datuk Seri Rafidah Aziz, here today.

She cited the case of Indonesia raising the import tariff for polyethelene, a petrochemical by-product recently, but without informing other members first on its decision.

In order to tackle future actions or measures by member countries, the 29th Asean Economic Ministers' Meeting to be held here from Oct 16 to 18 would endorse a notification procedure, Rafidah disclosed.

She made these remarks at a news conference to provide details on the AEM where Prime Minister Datuk Seri Dr Mahathir Mohamad would deliver a keynote address.

The AEM will involve the participation of two new members, namely Laos and Myanmar, and will be preceded by the 11th AFTA Council Meeting on Oct 15.

Rafidah said these procedures would then complement the Dispute Settlement Mechanism that was put in place through a protocol signed on Nov 20, 1996.

The meeting would also review the progress of the negotiations to liberalise trade in services among Asean launched by the Asean Summit in Bangkok in December, 1995.

The preferential liberalisation would allow market access to service providers from othe Asean countries in the seven identified priority sectors of tourism, telecommunication, air and maritime transport, construction, business and financial services.

Rafidah said the meeting would also be recommending the new directions for Asean beyond 2003 when AFTA was realised to forge closer economic integration.

With Asean Vision 2020 in view, ministers would examine approaches that Asean should take to meet the challenges in the 21st century to sustain Asean's economic dynamism and competitiveness, she added.

Asean is committed toward narrowing the gap in the level of development member countries and will contribute to the strengthening of the multilateral trading system to remain fair and open; and achieving global competitiveness in terms of industry and investments.

During the 29th AEM, three agreements would be signed. They are the Protocol of Accession to the remaining agreements in Asean by Laos and Myanmar; Protocol of Notification Procedure and the Protocol on the First package of offers under the Framework Agreement on Services.

The AEM will also hold consultations with Japan, the Closer Economic Relations (CER) countries of New Zealand and Australia, and the South African Development Community (SADC).

The Asean-Japan meeting will address common issues facing the region, especially to review the progress of cooperation activities between Asean and Japan on fostering Asean supporting industries, cooperation development activities in the CLM (Cambodia, Laos, Myanmar) countries including future directions with Asean-Mekong Basin Development Cooperation.

According to Rafidah, the Asean-Japan would also put emphasis on securing greater market access to the Japanese market which in turn can address the issue of Asean's trade imbalance with Japan.

Meanwhile, the AFTA-CER linkage under the ASEAN-CER Ministerial Consultations will focus on the second tranche of activities which include technical assistance in custom matters and development of mutual recognition agreement on standards and conformance.

The Asean-CER will also look into promoting private sector networking between the two regions.

The work progress on the formulation of an Asean Investment Area (AIA) and Asean-Mekong Basin Development Cooperation (AMBDC) would also be further discussed on the meeting, said Rafidah. -- BERNAMA

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