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Asean wants Apec role in regulating currency trading

Anita Gabriel in Vancouver

VANCOUVER, Tues: The Association of South-East Asian (Asean) leaders, in an attempt to further propel the Asia-Pacific Economic Cooperation to the forefront of playing a vital role in the currency furore, agreed that the 18-member organisation should provide the political momentum to seek ways and means to regulate currency trading.

Philippines Secretary of Trade and Industry Cesar B. Bautista said although the scope for some form of regulation on currency trading has been incorporated into the Manila framework agreed on recently, it is not possible to define the necessary regulations through a single meeting.

In addition, the leaders at a meeting held at noon yesterday agreed that there is a need for a concerted effort towards managing the financial market instability as it has far reaching consequences, not merely in Asia but also globally.

With emphasis on this, several meetings have been scheduled to be held by Asean and Apec towards this end to better define the necessary moves that need to be taken.

The meetings include the Asean and six other countries' finance ministers meeting in Kuala Lumpur from December 1-2 and the Apec finance ministers meeting in Canada next May.

Given the seriousness of the situation, Asean spokesman Philippines Prime Minister Fidel Ramos will urge leaders on behalf of the group, to give the matter serious consideration at the two-day meeting here.

They further agreed that the Apec leaders should agree on the proposal by central bank and finance ministry deputies in Manila recently on the New Framework for Enhanced Asian Regional Cooperation to promote financial stability.

Canada Prime Minister Jean Chretien, briefing reporters on the bilateral session with Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad early yesterday, said Dr Mahathir had mentioned that "he had no problems" with the accord reached in Manila.

It was stressed in Manila that the support facility for countries undergoing financial turmoil will only be applied in International Monetary Fund-support programmes and will work on a case-by-case and voluntary basis.

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