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AEM-Facility

AEM: INDONESIA BACKS PROPOSED ASEAN MONETARY FACILITY

PETALING JAYA, Oct 14 (Bernama) -- Indonesia threw in its support for a proposed standby fund, called the Asean Monetary Facility (AMF), to help members of the group cope financially with the economic consequences of currency speculation.

"I personally support that idea because we (Asean) are a big family," Bachrum S Harahap, the Indonesian assistant minister for production and distribution, told Bernama. He arrived today for the 29th Asean economic ministers' meeting to be opened tomorrow by prime minister Datuk Seri Dr Mahathir Mohamad.

Bachrum's response followed a statement today by Philippine President Fidel Ramos in Hong Kong that Asean leaders have been consulting each other on setting up the AMF.

Details on the size of the fund and its operating mechanism remains to be worked out, however.

Any idea from Asean members that could cope with currency speculation was "good", Bachrum said.

Reports received here quoted Ramos saying at a news conference that Asean leaders have instructed their finance ministers and central banks to facilitate the creation of the fund. The Filipino president was in Hong Kong for the World Economic Forum East Asia Summit. -- BERNAMA

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