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Asean's measures to hasten recovery

Ashraf Abdullah in Hanoi

ASEAN Senior Economic officials concluded their meeting yesterday after finalising "bold measures" to hasten economic recovery.

The measures will include incentives and privileges for those wanting to invest in the region over the next two years.

International Trade and Industry Ministry's secretary-general Datuk Hadenan Abdul Jalil said: "The move is to hasten economic recovery.

"It is like a cheap sale; if investors come within these two years, they will get some privileges and incentives.

"We are giving them two years because we expect the economy to recover in two years," Hadenan, who is heading the Malaysian senior economic officials to the meeting, told Malaysian journalists.

Hadenan said the measures would include possible joint trade missions by Asean member countries to attract investments.

He said the measures, which would be implemented immediately, sought to boost investor confidence in the Asean region.

He, however, declined to reveal details of the incentives and privileges, saying that they would have to be submitted to economic ministers and later to Asean leaders for adoption.

Asean economic ministers and foreign ministers will begin separate meetings on Saturday and meet jointly the next day. The Leaders' Summit is on Tuesday.

"Every country in Asean is going all out to overcome the economic crisis.

"On their own, they have taken some measures on what to do for the next two years," Hadenan said.

He added that the measures would focus on boosting investor confidence in manufacturing, although other sectors like tourism would be included.

Meanwhile, officials said Prime Minister Datuk Seri Dr Mahathir Mohamad, who will arrive here on Sunday, will hold bilateral talks with visiting Cambodian Prime Minister Hun Sen.

Malaysia is pushing for Cambodia's entry into Asean at this Hanoi Leaders' Summit.

It says that Asean should admit Cambodia into its fold as its Government has been legitimately formed under its constitution.

Malaysia's views had won the support of Japan, the world's second biggest economy, which wanted Cambodia to be part of Asean as soon as possible.

Japan, which is Cambodia's largest source of assistance, wants to expand its economic influence in Indochina.

Malaysia and Japan share the view that holding up Cambodia's entry could delay resumption of aid and cause economic and political instability in a country devastated by the rule of the Khmer Rouge in the 1970s and since then, further weakened by civil war.

Dr Mahathir is also expected to meet China's vice-president Hu Jintao and Vietnamese Prime Minister Phan Van Khai during his three-day stay here.

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