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Anwar-Trade

BILATERAL PAYMENT ARRANGEMENT TO PROMOTE INTRA-ASEAN TRADE

KUALA LUMPUR, Feb 7 (Bernama) -- A bilateral payment arrangement (BPA) will be implemented to further enhance intra-Asean trade, Deputy Prime Minister Datuk Seri Anwar Ibrahim said today.

The mechanism would also promote the use of currencies of member countries in the transactions, he told a news conference at the Prime Minister's Department to announce measures taken following Prime Minister Datuk Seri Dr Mahathir Mohamad's announcement on efforts to upgrade intra-Asean trade.

Anwar, who is also Finance Minister, said that a committee comprising the relevant ministries had been formed to draw up a list of commodities Malaysia could export to the other Asean countries and items it could import from them.

"I do not foresee too many complications as this should be easily implemented based on our experience with Singapore," he said.

Anwar said that the volume of trade between Malaysia and Singapore, using the ringgit and the Singapore dollar, was getting increasingly higher.

"We are using both ringgit and the Singapore dollar although it is pegged to the US dollar. We import in Singapore dollars, and they import in ringgit.

"That is a good beginning for the other Asean countries to look at...a good model although it can be improved," he said.

Anwar said that so far, a BPA between Malaysia and Singapore had not been necessary in the transactions between the two countries in view of the huge volume of trade.

"The BPA is considered as only a small instrument as it is generally introduced with countries which do not yet have trading arrangements with us," he said.

"But, in the context of creating more opportunities for intra-Asean trade, we will proceed with the BPA," he said.

Malaysia earlier introduced the mechanism to further promote trade among the South countries.

Anwar said that efforts to further enhance intra-Asean trade had to be taken as agreement on the matter had been reached.

Dr Mahathir was in Singapore today to hold talks with Prime Minister Goh Chok Tong on promoting intra-Asean trade and regional economic developments.

He met Philippine President Fidel Ramos in Manila yesterday and Thai Prime Minister Chuan Leekpai in Bangkok on Thursday for similar discussions. -- BERNAMA

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