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## Fish and forestry issues in limelight

FISH and forestry products dominated Asia-Pacific Economic Cooperation's (Apec) collective attention as senior officials prepare the groundwork for the leaders meeting next week.

While most of Asia, and parts of the world, are wallowing in one of the worst economic crises in history, Apec officials have been arguing over liberalisation targets that is at least seven years down the road.

There is no sign yet of any discussion on the Asian financial crisis or the reforms to the world's monetary structure that is expected to be the main agenda for the sixth Apec Summit in Kuala Lumpur on Tuesday and Wednesday.

Apec senior officials ended their part of the proceedings without Japan's agreement to cut tariffs on fishery and forestry sectors under the Early Voluntary Sectoral Liberalisation (EVSL) scheme.

The charge against Japan has been led by the US who insisted that Japan's full involvement in the EVSL will provide "balance" in the trade liberalisation package.

US has not minced its words. Its trade representative, Ms Charlene Barshefsky, said Washington is growing "increasingly impatient" with Japan.

Barshefsky said she and her Japanese counterpart Kaoru Yosano had an "exceptionally blunt set of interchanges".

Japan has complained that the issue has been blown out of proportion and that Apec has many other things on which it could better spend its time.

"I think there are more important issues that need to be discussed here during the Apec meeting, and that is how to help the Asian countries get out of the economic crisis," said one irate Japanese trade official.

The deadlocked issue is now in the hands of Apec's trade and foreign ministers who will meet today and tomorrow to finalise the agenda for their economic leaders next week.

Efforts to reach a compromise are already under way, including a proposal to water down the EVSL, which as it stands will cut tariffs to near zero in nine sectors by 2005, with some sort of staggered timetable to remove tariffs.

International Trade and Industry Minister Datuk Seri Rafidah Aziz said yesterday that ministers are "talking to each other".

"Still, we are confident that we will be able to look at these discussions as being positive from now until the meeting because the discussions have not stopped and that's how we have left it," she said.

Rafidah said Apec had foreseen there would be economies with problems in some sectors and these economies were told to identify some products in that sector where they could make offers.

"So this is what it is all about still. And if after all that soul searching some economies still cannot come on board in particular sectors then we at the ministerial level will have to make a decision to evolve a package and how do we treat that package."

The issue has sidelined other topics including Japan's much anticipated aid package to help Asian economies survive the financial crisis.

Japan has announced that it will reveal details of the new aid package that will in part help Asian corporations come to grips with bad loans at the Apec leaders' meeting on Tuesday.

The aid package is part of the US\$30 billion (US\$1 = RM3.80) announced

last month and known as the Miyazawa Plan after the Japanese finance minister.

Malaysia, Thailand, Indonesia and South Korea are some of the countries earmarked for a slice of the aid package.

When ministers begin meeting today to prepare the groundwork for the leaders' summit, the squabble over fish and forestry products may yet be eclipsed.

Malaysia is expected to bring up the matter of hedge funds and unfettered currency trading.

Despite Malaysia's insistence that Apec should not include political issues, the question over sacked deputy prime minister Datuk Seri Anwar Ibrahim is expected to surface when leaders start arriving.

Malaysia is demanding to know whether Canada, last year's host, is going to break tradition by not meeting with the current host. Up to yesterday, Canada's Prime Minister Jean Chretien has not made an appointment to meet with Datuk Seri Dr Mahathir Mohamad.

There is also a line forming to meet with either Anwar or his close family. Among the dignitaries are US State Secretary Madeline Albright, Philippine President Joseph Estrada and Indonesian President B.J. Habibie.

Albright has also said she will raise Anwar's issue at the Apec forum.

Apec groups Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, Malaysia, Mexico, New Zealand, the Philippines, Papua New Guinea, Singapore, South Korea, Chinese Taipei, Thailand and the US while Vietnam, Russia and Peru will join at the weekend.

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