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APEC-NEWS-HOWARD

INEVITABLE TO REFER EVSL TO WTO, SAYS HOWARD

By: Mohd Arshi Daud

KUALA LUMPUR, Nov 16 (Bernama) -- Australian Prime Minister John Howard said today that Apec's decision to refer the early trade liberalisation scheme for nine key sectors to the World Trade Organisation (WTO) could not be avoided.

"One should not despair that it is going to WTO. Given what has happened in the region, it was inevitable," he told a press conference after meeting Prime Minister Datuk Seri Dr Mahathir Mohamad on the eve of the Apec summit.

But he said he "would have preferred" that the Vancouver summit declaration on Early Voluntary Sectoral Liberalisation (EVSL) in the nine sectors be adhered to.

"In that sense it (bringing the EVSL to WTO) is a second best result," said Howard.

To a question, he said: "One of the best things that will come out of this meeting (Apec summit) is renewed emphasis on economic and financial governance."

The nine sectors identified for fast-track liberalisation are toys; telecommunications mutual recognition arrangement (MRA); forest products; fish products; gems and jewellery; medical equipment and instruments; environmental goods and services; energy; and chemicals.

The Australian government had said in a statement that it planned to spend A\$50 million to help seven Apec nations improve their economic and financial management over the next three years.

It said the aid package would be concentrated on China, Indonesia, Thailand, the Philippines, Vietnam, South Korea and Papua New Guinea.

"The objective is to assist the affected economies to strengthen economic governance and thereby help to restore international confidence and promote economic recovery," it said.

Howard said one of the problems in some Apec economies was inadequacy of government infrastructure: bankruptcy laws, regulatory supervision and financial regulation.

On Malaysia's selective exchange controls, he said: "Many of the economies in the region, including Malaysia, have suffered more over the last 12 to 18 months than they deserve to."

-- BERNAMA

AD YBY