

# KL to give RM38m for secretariat

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■ From Ashraf Abdullah in Jakarta

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MALAYSIA, lobbying to host the institutionalised Asean+3 secretariat in Kuala Lumpur, will fund the establishment and operations costs of the secretariat.

Announcing this yesterday, Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi said the Government would provide the initial funding and facilities to enable the proposed secretariat to function effectively.

He was speaking to Malaysian journalists at the end of his three-day working visit to Jakarta.

Malaysia's wish to host the Asean+3, the de facto East Asian Economic Grouping, was one of the issues discussed in his bilateral meetings with Indonesian leaders including President Megawati Sukarnoputri and vice-president Dr H. Hamzah Haz.

Although Abdullah did not reveal details, diplomats say Malaysia had proposed a seed funding of US\$10 million (RM38 million) to cover the first five years of the secretariat's operations. Most secretariats of international organisations, including Asean in Jakarta, are funded by member nations.

The move is expected to boost Malaysia's chances of hosting the secretariat. Indonesia already hosts the Asean secretariat, and Singapore the Asia-Pacific Economic Co-operation (Apec) forum.

Asean+3 groups all 10 Southeast Asian countries and the three Northeast Asian countries of Japan, China and South Korea.

Of these 13 nations, only Malaysia so far has expressed keenness to host the Asean+3, the brainchild of Prime Minister Datuk Seri Dr Mahathir Mohamad.

Abdullah said in his discussion

with Indonesian leaders, none of them had raised any objection to Malaysia's offer to host the secretariat.

"In fact, they see this as a positive effort. President Megawati said that as the Asean secretariat is in Jakarta and the Apec secretariat in Singapore, there was nothing wrong in the Asean+3 secretariat being established in Malaysia," Abdullah said.

Asked whether there was fear among Indonesian leaders that an Asean+3 secretariat in Kuala Lumpur would downplay the role of the Asean Secretariat in Jakarta, Abdullah said that each secretariat had different roles.

The Asean+3 office, he said, "will not overlap the functions of the Asean secretariat and will not make it difficult for Apec."

Diplomats said that while the Asean and Apec secretariats could deal with political issues as at present, the Asean+3 secretariat could devote itself entirely to economic issues.

At the Asean Summit in Bandar Seri Begawan last year, the 13 East Asian leaders agreed to institutionalise Asean+3.

The East Asian Vision Group, commissioned by the Asean+3 leaders three years ago, presented its report at the summit and proposed the formation of an East Asian Grouping. The group comprised two members from each of the 13 countries, headed by South Korea.

The leaders also agreed on the formation of the Asean+3 secretariat, which would pave the way for an East Asian grouping.

When Dr Mahathir proposed the establishment of the EAEG in 1990, many countries including the US, Japan and South Korea rejected it outright. Singapore chose not to support it.

The US feared that the grouping

would become an economic bloc that would adopt protectionist measures and run contrary to free trade, of which it is the leading proponent.

Japan, South Korea and Singapore, being allies of the US, and its important trading partners, toed that line.

Abdullah said all 13 East Asian leaders were comfortable with the Asean+3 as they could deliberate on issues affecting both Southeast and Northeast Asian nations.

Citing an example, Abdullah said during the Asean+3 inaugural summit in Kuala Lumpur in 1997, China agreed not to devalue the renminbi although the region was facing a financial crisis.

"If China had devalued its currency, we would have faced a lot of problems," he said.

Meanwhile, Abdullah, who held talks with scholars of the Universitas Islam Negeri (UIN) Syarif Hidayatullah on Tuesday, said the Education Ministry would establish a link with the university to exchange views.

Abdullah said the university's curriculum uniquely blended religious studies with contemporary courses and could be used as an example for Malaysian universities.

Bernamea reports that Abdullah also held a meeting with the People's Consultative Council Speaker Amien Rais yesterday, prior to which he said that his visit had given him the sense that both countries wished to maintain close and mutually beneficial ties.

He said there were wide opportunities for cooperation between Malaysia and Indonesia, not only economically but also in education.

"That is why our visit is seen as timely, as Indonesia is now facing a new era after the (ouster) of former President Suharto and the economic crisis," he said.