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Moving into new phase of free trade with northeast Asia

ASEAN'S relations with its three northeast Asian nations have been further enhanced, providing for greater co-operation.

The grouping is moving into a new phase of free trade and special economic links with the three nations.

The Asean leaders met their counterparts from China, Japan and South Korea in addition to holding their first summit with India.

Asean, which had lost some of its shine, is once again regaining its clout.

China signed a framework agreement to establish a free trade area (FTA), Japan signed a joint declaration for a comprehensive economic partnership and South Korea expressed a desire to have a FTA with the grouping.

With an Asean Free Trade Area (Afta) in the works combined with the FTA with China, the proposals by Japan and South Korea, the seeds of an East Asia-wide free trade area have been sown.

India was the only major power in the region with which Asean did not have regular consultations at the highest levels.

This was rectified with the first Asean-India summit yesterday.

It is seen by New Delhi as an important step in its "Look East" policy.

In the first summit, Indian Prime Minister Atal Bihari Vajpayee asked the Asean grouping to establish an FTA with India in the next 10 years.

He suggested that a task force, set up in Brunei in September last year to enhance trade linkages with India, should explore the possibility of creating an FTA and submit its report to the next Asean summit in Bali in October.

Earlier, he had said that the summit would add greater dynamism to the overall co-operation between Asean and India and contribute in real terms to the economic progress, the security and peace of the whole of Asia.

The Asean leaders, who are in Phnom Penh for their eight summit, were briefed on the New Partnership for Africa's Development (NEPAD) by South Africa's President Thabo Mbeki.

He described NEPAD as a "new, exciting and decisive journey towards the renaissance of Africa".

NEPAD incorporates human resource development, including health, education, skills, gender equality and nutrition, agriculture, diversification of production and market access, debt and capital mobilisation.

The initiative encompasses almost every aspect of development and hopes to cater to the needs of the African population and the formation of what "Prime Minister Datuk Seri Dr Mahathir Mohamad has taught us to understand as a smart partnership between governments, business, labour and social society".

Calling for "consolidation of Afro-Asian solidarity", Mbeki said it was important for Asean and the African Union to initiate a process for the systematic exchange of experiences to help the African States to achieve their goals.

Coming from a continent that continued to experience conflict and war, he said: "We are fully at one with you in your unequivocal condemnation of terrorism."

Asean leaders had issued a Declaration on Terrorism on Sunday and condemned any acts of terrorism.