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Rafidah-Thailand

RAFIDAH: NEED FOR CROSS-BORDER INTRA ASEAN POLICIES

By: Wan Nurzila Wan Abdul Rahman

LANGKAWI, July 27 (Bernama) -- Asean governments must beef up efforts to work out intra regional policies that can apply on a cross-border basis to enhance opportunities for cross flows of trade and investment, International Trade and Industry Minister Datuk Seri Rafidah Aziz said today.

She said these policies should, among others, include the necessary elements of "Asean priority" and "Asean Preferential Treatment."

She cited how greater competitive strengths could be achieved through sharing of know-how, synergistic research and development efforts, collaborative efforts on the development of new technologies and joint efforts on a larger scale production and collaboration in marketing.

"We also need strong Asean brands backed by quality, reliability and competitive pricing as well as for Asean members to adopt common approaches to capacity building to move joint capacities to a higher plane," she said.

Rafidah said this when addressing more than 300 participants comprising representatives of the private and public sectors from Malaysia and Thailand during the inaugural Malaysia-Thailand Technology and Business Partnership dialogue from July 27-28, here.

The dialogue was held in conjunction with the bilateral talks between key cabinet members of both countries led by Prime Minister Datuk Seri Dr Mahathir Mohamad and his Thai counterpart Thaksin Shinawatra.

Rafidah, however, cautioned that the Asean private sector could not afford to wait for pointers and direction from their respective governments and the public sector on the way forward for more integration efforts.

For Asean economic integration to become a reality, she said, the private sector of Asean should also assume the role of driving the integration process forward.

"It is Asean business which should proactively seek out key areas that Asean companies and industries can effect mutually and beneficially."

She said that the Asean business community should see the need for firm and intra-industry collaboration, motivated by the need to survive well in the increasingly competitive world.

"Asean is a big market in itself with the necessary resource endorsements which can be mobilised and utilised within the region," she said.

In 2001, total intra-Asean trade stood at US\$152 billion (RM577.6 million), accounting for only 22.1 per cent of Asean's total trade, whereas intra-European Union trade accounted for 70 per cent of the community's global trade.

Over the longer term, Rafidah said, the aim should be to energize the Asean potential for intra-Asean trade and investment crossflows and to make Asean a highly competitive production base to serve the global market.

She also advised Asean businesses to strategize to ensure their continued survival, and more so, to see their markets expand beyond the region itself.

Therefore, approaches towards technology and economic integration would open up the opportunities for enhancing such trade and investment cross flows, provided such approaches were pragmatic and market driven, she said.

Up to this point in time, she said, initiatives for economic integration in Asean had been public-sector driven with Asean governments taking the lead to formulate and implement policy measures and programmes

aimed at harnessing Asean's economic potential.

"The question is: can there be greater economic integration, given that each country is competing against one another for the same investments and the same market?" she said.

She said that working with the competitor in a regional context would enhance national economic resilience and strength, and strategised approaches towards integration in key areas of economic activities could contribute towards adding value to individual economic efforts.

Going deeper, she said the business communities of Thailand and Malaysia should spearhead joint efforts in exploring economic synergy and forge effective linkages with third countries such as China, Japan and South Korea.

Meanwhile, during a question and answer session, Rafidah said that companies involved in the automotive industries from the two countries should set aside their differences and discuss potential areas to penetrate beyond their respective markets.

"I do not know why they cannot sit down and discuss (possible areas) of collaboration and leverage on each other's capability to capture a bigger market," she said.

Meanwhile, Thailand's Minister of Science and Technology, Phinij Jarusombat, invited Malaysian companies to take part in the development of technologies and services in Thailand.

He said that at the moment, Thailand was developing a network of specialised science and technology capabilities, such as in the areas of solar energy, geo-informatics, electronics and computers.

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