

No timeframe for trade deal with US
Malaysiakini.com
March 18, 2007

Malaysia will not set a timeframe to conclude a free trade deal with the United States, deputy prime minister Najib Abdul Razak said today.

"Malaysia is not tied down to any fixed timeframe. We will study thoroughly every issue being negotiated (before deciding on the free trade agreement)," he was quoted as saying by Bernama news agency.

The US government on Friday all but ruled out the chances of a deal with Malaysia before a crucial deadline expires in two weeks.

US President George W Bush's powers to fast-track trade agreements expire in June. That gives US negotiators up to March 31 to present a deal for a mandatory 90-day congressional review that would then be subject to just an outright yes or no vote without amendments.

Steve Norton, a spokesman for US Trade Representative Susan Schwab, said the Malaysian cabinet remained locked in debate about crucial provisions of the deal, including government procurement rules.

More time needed

After the latest round of talks in February, Malaysia had informed the United States that it needed more time to develop a political consensus in favour of the ambitious pact, he told AFP.

Najib said Malaysia's position on the free trade issue was clear in that Kuala Lumpur would continue negotiations until both sides reached a consensus on the contentious issues. He did not elaborate.

The two countries have held five rounds of talks but negotiations have bogged down over 58 unresolved issues, and no further rounds have been scheduled between the United States and its 10th-largest trading partner.

Among sore points for US trade negotiators are Malaysia's positive discrimination policies for its majority-ethnic Malay community. The policies give preferential treatment to Malay-run companies in the awarding of government contracts.

Malaysian farmers, activists and opposition parties have been demanding a halt to the talks, arguing a FTA would damage livelihoods.

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