

Malaysia may face long wait for trade deal: US envoy
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Malaysia will face a long wait for a free trade deal with the United States if the countries fail to conclude current negotiations before a crucial deadline, the US envoy here warned today.

The two countries have held five rounds of talks for a free trade agreement (FTA), but negotiations have bogged down over 58 unresolved issues with no further rounds scheduled yet.

Washington must conclude the FTA by the end of March to give the US Congress the requisite three months to consider the deal, and the "window of opportunity" is closing, said the US Ambassador to Malaysia, Christopher LaFleur.

"I hope we won't miss this opportunity, because it won't come again for a while," LaFleur told reporters.

"Our time is indeed very limited... effectively we really only have a few more weeks to work on this before our window of opportunity closes," he said.

The FTA must be passed before July 1, when US President George W Bush loses his Trade Promotion Authority which allows deals to be fast-tracked, with fears an Democrat-controlled Congress will not renew it.

"After June there aren't going to be any more FTAs to be signed by the United States for a long time if you assume Congress won't renew president Bush's authority," LaFleur said.

Sensitive issues

The ambassador refused to be drawn on a date for the next round of negotiations but said he still held hope negotiations could be concluded.

"We're coming up to the point in which we won't be able to continue, but between then and now we still have some time left," said LaFleur.

"Hopefully we can use that time very efficiently and make the kind of progress we need to make," he said.

LaFleur declined to elaborate on the 58 unresolved issues that had stalled the fifth round of negotiations in Sabah earlier this month.

Malaysia's trade minister Rafidah Aziz insisted after the round that the talks will continue, and has said both parties are trying to resolve the issues informally.

She said sensitive or "no-go" issues, such as Malaysia's positive discrimination policies for its majority ethnic Malays, would be excluded from the next round of negotiations.