

Next round of FTA talks with US soon
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Malaysia today said it had settled on positions to continue free trade talks with the US as the countries missed a March 31 deadline to fast-track the deal, but still flagged no-go areas.

Deputy Prime Minister Najib Razak said a next round of talks with the United States "will be held fairly soon" and that the government had made decisions on negotiating positions.

"We discussed the FTA today and we've made some decisions relating to the FTA. It is now up to the respective ministries to take up our position with the Americans," Najib told reporters.

"The talks continue. We are not bound by any deadline, nor will we give up some of the fundamental positions that we consider very important to Malaysia," he said on the sidelines of an Islamic finance forum here.

The United States government last week ruled out securing a free-trade agreement with Malaysia before President George W Bush loses his "fast-track" trade promotion authority on July 1.

The expiry date gave US negotiators up to March 31 to present a deal for a mandatory 90-day review by the US Congress, which Washington had been racing to meet.

Any agreement secured after the March 31 deadline will make congressional approval a complex exercise.

Consultations in April

The two nations last held a round of FTA talks in February, but failed to set a date for further talks after negotiations bogged down.

After the round, the countries' fifth, Malaysian officials informed Washington that they needed time to seek a political consensus within their cabinet on how to proceed on issues such as their affirmative action regime.

Malaysia maintains positive discrimination policies that provide special privileges to indigenous and ethnic Malay-owned firms, a sore point for US negotiators.

A spokesman for the US Trade Representative last week said despite the failure to meet the March 31 deadline, the US and its 10th largest trading partner had agreed to forge ahead with talks.

A Malaysian team is scheduled to come to the United States in mid-April for consultations, he said.