

**C**OME Dec 10, the Asean Business Advisory Council (Asean-BAC) will be holding its third Asean Business & Investment Summit (ABIS). The two-day summit, to be held in Kuala Lumpur, is in conjunction with the 11th Asean Summit.

The summit, themed 'One Vision, One Identity, One Community - Beyond Borders: Developing Asean's Competitive Advantages', will set the stage for Asean businesses to realise their collective potential and for global business communities to discover new opportunities.

ABIS 2005 is organised by the Asean-BAC together with the Asean Chamber of Commerce and Industry, East Asia Business Council and Asian Strategy and Leadership Institute, and is supported by the Asean Secretariat. The Asean-BAC was established by Asean leaders as the primary vehicle for private sector feedback and guidance to boost efforts to create an integrated and competitive Asean economy. The first ABIS, which was held in 2003 in Bali, Indonesia, inaugurated a new era in fostering business networking for the region with a gathering of over 700 business leaders from Asean and beyond. ABIS 2004 in Vientiane, Laos, brought together more than 500 business leaders from Asean, China, Japan, South Korea, India, Australia, New Zealand, the United States and the European Union to discuss business integration and explore opportunities in trade and investment. Prime Minister Datuk Seri Abdullah Ahmad Badawi heads the list of speakers, which also includes other Asean heads of state, at ABIS 2005.

The objectives of this year's summit include fostering an exchange of views and perceptions between the private sector and the governments within Asean and East Asia. It also aims to facilitate commerce and trade between the communities in the Asean and East Asia region. The summit intends to explore the enormous investment potential of the



*Syed Amin: There are still a lot of things that can be done to create cohesiveness*

## KNOW THY NEIGHBOURS

Asean Business Advisory Council Chairman Datuk Syed Amin Aljeffri shares his aspirations for the third Asean Business & Investment Summit.

*By Ishun P Ahmad*

region and to provide an interactive platform to the industries and businesses in the region to showcase business potential in the state.

Asean-BAC Chairman Datuk Syed Amin Aljeffri recently met with *Malaysian Business* to share his aspirations for the summit.

**How successful has the Asean entity been in promoting economic cooperation?**

Everybody has been talking about the very fact that Asean is a big market and that it can be a global player as a region. It has the cooperation of more than 500 million people with good purchasing power and abundant manpower. This is already well-known.

However, I believe there are still a lot of things that can be done to create cohesiveness within Asean itself. This is despite the fact that Asean has been established for more than 40 years.

Moreover, Asean has always been seen as a political entity rather than an economic association. It is only recently that emphasis on the economy is taking shape. Fortunately, there is now a desire to create economic integration within Asean countries.

The awareness has been that Asean leaders only meet to formulate issues and policies that are not utilised by the business community at large but cater to certain large corporations or government-linked corporations.

One of the main purposes of ABIS is to create Asean integration. Our current emphasis is on economic cooperation. There is a lot of work to be done to introduce Asean to the Asean people first.

**What are the main impediments to Asean integration and how can they be solved?**

We need to first recognise these impediments before we can foster closer ties and economic integration within Asean. One of them is recognising Asean as a heterogeneous region with diverse cultures, various religions, values and economic developments. This will help in

the understanding of the region and ways to improve cooperation within Asean.

Another area that needs to be improved is the interaction of people via better transportation and communication systems. There is also a need to reduce the cost of travel, promote the freedom of stay and improve logistics within Asean. A good example is the European Union (EU) where its people are free to move among the EU countries without applying for visas.

Another main impediment is the people's apprehension or fear due to the unfamiliarity of the cultures and values of their peers. In the end, the key is to improve the flow and dissemination of information within Asean which will help its people understand each other better.

**This time around, what do you expect from the summit?**

I believe the summit would be helpful in setting the stage for Asean businesses to foster closer ties and provide a platform for them to network among themselves.

This, I hope, will also build up the spirit of Asean corporations. We also believe that through this summit, a number of memoranda of understanding (MoUs) will be signed which will formalise intra-Asean trade and business relationships.

I expect the Indian delegation to push their pharmaceutical products, which is one of their key strengths. As for China, I believe they will be keen to source for agents and representative offices here. China is also expected to push its products as well as source for raw materials. In Russia's case, it is likely to promote its high technology products like electronics, IT and civil engineering.

**How has the response to the summit been?**

To date, 350 participants have signed up, but as usual, we expect more to come in at the last minute. We have great hopes that participation this time around would be very encouraging, especially from businesses.

So far, we have got four heads of state

confirmed to attend the summit.

Apart from Asean leaders, we have also invited non-Asean heads of state such as China, Korea, Japan and Russia for the special leader dialogue session that will be held on Dec 13, the second day of the summit. As for the latter, their confirmation is likely to come later due to their busy schedules and security reasons.

**What level of participation do you expect from the participants?**

At the end of the day, we hope that participants would pour and openly voice their views about any problems, comments and suggestions they have on Asean as a whole and on economic integration. This will be very helpful in providing feedback that will be presented to Asean leaders.

We hope that the Asean committee will be able to use this feedback to come up with some action plan to help break down the barriers to economic integration so as to be able to see the true potential of Asean itself.

The summit also hopes to promote greater private and public communication between ministers and senior officials in improving the dissemination of information. ABIS will also help set the stage for the realisation of Asean economic integration and community.

**How can we work together for the betterment of Asean and to avert a pandemic like the bird flu?**

There is definitely a need for Asean countries to work closer to enhance social and economic integration. This is important for the betterment of Asean as well as to avert pandemics such as the bird flu from afflicting other countries.

In order for this to happen, we also need the harmonisation of standards and measures in Asean. This will help to speed up and improve communications between Asean.

**Is language differences a hurdle in communications between Asean countries?**

This is partly true, but it should not be

looked at as an obstacle. Apart from English, there are only three other main languages, namely, Bahasa Malaysia, Bahasa Indonesia and Thai, spoken in Asean.

Collectively, about 300 million people speak Bahasa Malaysia and Indonesia while 100 million speak Thai. Only a small portion of the Asean population speaks other languages like Vietnamese.

So in terms of languages, there is not much diversity and we only need to know these three languages to be able to communicate with the larger Asean community.

### **How can Asean companies work more closely together?**

For economic integration to work, businesses need to be involved and be one of the main drivers. One good way to push this agenda is to implement the Asean conglomerate concept.

At the first Asean Business Summit in Bali, Asean leaders recognised the need for this concept. However, I believe that we need to fine-tune the definition of an Asean conglomerate.

At this summit, we will be proposing that some conglomerates in Asean embark on palm fibre technology for the building industry that will be spearheaded by Malaysia, Singapore and Thailand.

Other non-producing palm oil countries have also been invited to participate as it includes a whole range of production activities from upstream to downstream.

If the concept is accepted by Asean leaders, it will also help to set other similar frameworks in the future. By way of acknowledgement, the proper incentives from the governments can be given to further promote this Asean conglomerate concept.

At the moment, business cooperation within Asean remains low-key with most of it driven by friendship. This could be due to the lack of information and unfamiliarity of investors with the various markets in Asean. **mb**