

Malaysia and US miss

FTA deadline

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WASHINGTON: Malaysia and the United States missed their deadline on Saturday to submit a bilateral Free Trade Agreement (FTA) to the US Congress that would have secured fast-track approval from Capitol Hill.

US ambassador to Malaysia Christopher LaFleur said here earlier that "although the two countries won't make the deadline, what's important is not the timing but the substance of the agreement."

The goal of the two countries was "to reach a high quality FTA that would benefit both countries", he said when addressing the Malaysian-American Society at the American University here.

The Bush administration is keen to take advantage of the presidential "fast track" or "Trade Promotion Authority" (TPA) which runs out in June.

Under the current TPA statute, an FTA would have to be submitted 90 days before the end of June to ensure either an "up or down" voting without amendments to the trade agreement by congress.

LaFleur said discussions were ongoing between the administration and the Hill about

what to do with trade agreements that had yet to be completed.

The US and South Korea are also negotiating an FTA and the deadline has been extended by 48 hours.

Meanwhile, US-Malaysia trade talks which stalled in Sabah will be revived in Washington in mid-April.

The Office of the US Trade Representative noted that the Malaysian officials had asked for time to seek a political consensus within the Malaysian cabinet on how to proceed with outstanding issues.

The perceived threats to bumiputra rights and Malaysian farm products were among the issues voiced by Malaysia in going forward with the FTA.

LaFleur said media reports that the trade agreement would result in a flood of American rice in the Malaysian market were "completely fiction" because American rice would probably cost more than local rice.

"The challenge would probably come from Thailand or Vietnam rather than the US," he said. - Bernama