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Najib: Asean economic community a reality soon

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GREATER BENEFITS: Regionalisation has substantially increased intra-Asean trade

SYED UMAR ARIFF
PETALING JAYA
news@nst.com.my

THE Asean Economic Community (AEC) is well on its way to be established by 2015, promising a bright trade future for the region.

Prime Minister Datuk Seri Najib Razak, in his message to participants in the 10th Asean Leadership Forum organised by Asian Strategy and Leadership Institute yesterday, said Asean offered an abundance of business and investment opportunities for the private sector inside and outside the region.

The AEC is a comprehensive regional economic integration programme between the 10 Asean members.

The AEC blueprint, formulated in 2007, is pivotal in transforming the region into an economic powerhouse with a sound leap in gross domestic product (GDP).

"The achievement of the AEC and the commencement of negotiations for the Regional Comprehensive Economic Partnership Agreement (RCEP), which resulted in the largest free trade area (FTA), offers exciting prospects for Asean," said Najib.

The RCEP would link an integrated market of half the world's population of three billion with US\$20 trillion (RM47 trillion) market-size to create the world's largest FTA.

Najib noted that regionalisation had substantially increased intra-Asean trade with key partners Japan, India and China.

"Asean's GDP in 2011 exceeded US\$2 trillion and the figure is expected to hit US\$10 trillion by 2030.

"I believe that the journey towards AEC is well on course and irreversible. The promise of Asean is bright and the business community needs to see the growing potential of enhanced regional integration."

Najib, who is also finance minister, reiterated the importance of

focusing on developing the younger generation, investing in human capital development, innovation and creativity.

"These remain as our key challenges in ensuring Asean stay competitive in a globalised economy."

Meanwhile, International Trade and Industry Minister Datuk Seri Mustapa Mohamed said economic integration between Asean countries had been in existence since 1977 and this was further enhanced with the introduction of the Asean FTA in 1992.

"Thus, the journey to integration is not something that is done abruptly as some may think, but it is one that has been progressively implemented.

"As a member of the Asean Economic Council of Ministers that oversees the implementation of the AEC blueprint measures, I am convinced that the AEC will be substantially realised by 2015."

Mustapa said development in

connectivity initiatives to create a single aviation market, single shipping market, food security, tourism and healthcare, among others, had been encouraging.

Former prime minister Tun Abdullah Ahmad Badawi, in an opening speech, said Asean had pioneered the practice of "inclusive regionalism", which focused on inter-regional ties through bilateral partnerships that grew into larger frameworks.

"Besides enhancing understanding and strategic trust, these outreach initiatives have brought tangible benefits to members such as the Asean-China and the Asean-Australia-New Zealand free trade areas."

The Asean leadership forum would, among others, discuss strategic challenges facing Asean and the RCEP. Present were Asean secretary-general Le Luong Minh and former Japanese prime minister Dr Yukio Hatoyama.

"The promise of Asean is bright and the business community needs to see the growing potential of enhanced regional integration."
Datuk Seri Najib Razak