

Najib Vigorously Defends Malaysia's Stand On TPPA Talks
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KUALA LUMPUR, Oct 14 (Bernama) -- There is no denying that Datuk Seri Najib Tun Razak worked vigorously to the defence of Malaysia's stand at the Trans-Pacific Partnership Agreement (TPPA) leaders' talks in Bali last week.

The Prime Minister had made it abundantly clear that whatever decision it makes on the regional pact, it would have to go back to its people through parliamentary debates and the Cabinet.

Like other negotiating countries, Putrajaya told the TPPA leaders' meeting prior to the Bali Asia-Pacific Economic Cooperation (Apec) summit that it is keen to meet the targeted deadline by year-end.

Malaysia has always emphasised that the TPPA timeline must be on a best endeavour basis, so there is no need to rush it before that deadline.

During the 19 rounds of negotiations held so far, with the last one in Brunei in August this year, Malaysia made clear its stand: any decision will be based on the wishes of its citizens.

Malaysia will do whatever it is agreeable on the terms of the TPPA as long as they (the terms) are beneficial to its people and do not jeopardise its national and domestic interests.

Now, the key to all this is flexibility, which Najib stressed is a crucial ingredient to a successful outcome.

No doubt there are difficulties, but the bigger danger is arm-twisting by negotiating parties so that others are browbeaten and made to bend to the pact just to meet the deadline although many outstanding areas are still unresolved.

For instance, Malaysia stood its ground to a paragraph in the TPP Leaders' statement that states:

"We have agreed that negotiators should now proceed to resolve all outstanding issues with the objective of completing this year."

While it is desirable that the deadline be met by year-end, Najib was emphatic that it was an objective that cannot or cannot be necessarily achieved as "it was not cast in stone."

What Malaysia meant was that it would continue to work for the conclusion of the TPPA but if there were certain substantial issues that could not be decided within the stated timeline, then it should be extended until after the deadline.

No doubt the 12 TPP members -- Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, US and Vietnam, represent a huge market of 800 million people.

They collectively make for a combined gross domestic product of US\$27.5 trillion, which is why Malaysia wants to part of the negotiations but on an equitable basis.

One can clearly recall the protracted years of negotiations at the World Trade Organisation, which came to nought after talks collapsed in Cancun, Mexico, due to hardline stance by developed countries.

This should not be repeated for the TPPA.

Like the 1994 Apec in Bogor when Malaysia stood alone in insisting that trade liberalisation must not be non-binding, Malaysia too has strong reservations as far as the TPPA is concerned.

Hardline posturing benefits no one while flexibility enables a forward movement in these delicate negotiations.

Therefore, trade pacts entered into by Malaysia must take into account domestic interests, which is why Najib pointed out that the Bumiputera agenda cannot be ignored.

Negotiators were told that Malaysia's Bumiputera policy must be seen in the context of having fair and just society because Bumiputeras comprise 67 per cent of the population and they include both Muslims and non-Muslim Bumiputeras.

If Bumiputeras were left behind or marginalised, it doesn't augur well for long-term well-being and stability of the country.

To this end, Najib expressed deep concern over several areas in the TPP talks as they impinged on sovereign rights pertaining to the formulation of domestic policies.

He minced no words when he said that TPP goes beyond the normal free trade agreement and investment pacts that Malaysia has had with many countries.

"As you go beyond that, into areas of intellectual properties, investor-state dispute settlement, government procurement, state-owned enterprises, environment and labour, so you (will) impinge on fundamentally the sovereign right of the country to make regulation and policy," he said.

One must take cognisance that it will be a challenge for the government in getting the necessary buy-in from the people if their concerns are not accommodated.

Negotiations on intellectual property rights (IPR), state-owned enterprises (SOEs) and the environment are proving to be difficult and hence there is a long way to go before Malaysia gets an acceptable outcome.

On government procurement (GP), Malaysia has taken a significant step forward and for the first time, offered to open its GP market in a binding way. Pushing Malaysia to go beyond what is possible under GP is not going to help its stakeholders to agree on the TPP.

Malaysia also finds it hard to accept the proposal on SOEs as it goes beyond the aim of creating a level playing field as SOEs have performed a useful role in achieving the country's socio-economic objectives.

As for IPR, Malaysia has amplified more than others that it will not accept any proposal that

would increase the cost of drugs and make healthcare more expensive.

As things stand, what is needed now is a realistic deadline on a best endeavour basis.

If consensus can't be found on current proposals, then an approach that TPPA countries can pursue is not to rule out the possibility of addressing difficult issues as a built-in agenda to be taken in the future, without affecting the overall objective of TPPA.

For Malaysia, its stand should not be misconstrued or misunderstood because it accepts that the TPPA is an important undertaking and as an open economy, it believes in free and fair trade.

It wants to be part of this agreement, provided that its concerns can be accommodated.

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