

## **US aims to fast-track Malaysia trade talks - envoy**

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KUALA LUMPUR - The United States wants to fast track free-trade talks with Malaysia and strike agreement by the end of the year, but the complex deal will require flexibility and understanding, US ambassador Christopher LaFleur said.

US Trade Representative Rob Portman and Malaysian trade minister Rafidah Aziz have announced that they were launching talks to hammer out a trade deal, as Washington strives to tear down barriers to its goods in Asia.

LaFleur said that despite concerns Malaysia's reluctance to throw open its auto and banking sectors could become sticking points, he does not anticipate any major problems in the negotiations.

'Both sides understand what the respective concerns are,' he said at a press conference.

'There will be some negotiating points that we have to work harder on than others but we wouldn't have agreed to move forward unless we had a fair degree of confidence that we would be successful at the end of the day.'

LaFleur said the US is trying to expedite the free-trade agreement before the administration's ability to negotiate a deal expires on July 1, 2007.

'We are hoping to move these negotiations on a fast track... to provide Congress with sufficient time to consider the agreement before this authority expires, we will seek to conclude our negotiations by the end of this year.'

'We will need to work very hard with a great deal of flexibility and understanding on both sides to complete such a complex project in such a limited span of time.'

The ambassador said the agreement would help Malaysia, the US' 10th biggest trading partner, cement its most important economic relationship.

'The US has been Malaysia's number-one foreign market and the number-one source of investment for many years. So it seems clear that it would be in Malaysia's interest to reinforce this relationship as we in the Asia Pacific region move into a new and even more competitive era,' he said.

LaFleur said the FTA will also allow Malaysia to increase and diversify its exports, and will raise Malaysia's profile with foreign investors and increase their confidence in the country.

'There is tough global competition for foreign investment these days. The special

relationship established with the US through an FTA will help Malaysia stand out from the crowd,' he said.

The ambassador said that Malaysia, a predominantly Muslim country which advocates a moderate version of Islam, plays 'a very important role in maintaining security in Southeast Asia.'

As the current chair of the world's biggest grouping of Muslim countries it has been 'promoting a vision of the future of the Islamic world, one that emphasizes cooperation, emphasizes economic development, that emphasises political rights and freedoms' he said.