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EU ready to start FTA talks with Malaysia

KUALA LUMPUR: The European Union (EU) is ready for talks on the free trade agreement (FTA) with Malaysia, says ambassador and head of delegation of the EU to Malaysia Vincent Piket.

He said the EU wished to negotiate on all products and sectors, including those which were sensitive within it like agriculture and fisheries, along with certain segments of the electronics sector and automotives.

“We hope Malaysia will be prepared to be as open-minded in discussions on areas like services and government procurement.

“Such areas are sensitive here. But appropriate ways of accommodating such sensitivities can be found as part of the overall negotiation package,” he said at the opening of the Second Malaysia-Europe Trade and Investment Forum on EUMCCI Special Focus on Services Sector.

The event, jointly organised jointly by the EU and EU Malaysia Chamber of Commerce (EUMCCI), was officiated by Energy, Green Technology and Water Minister Datuk Seri Peter Chin Fah Kui.

Also present was EUMCCI chairman David Jones.

Piket said trade and investment were crucial to global recovery and resuming economic growth.

However, he said, in spite of the benefits, trade was often an extremely contentious political issue, both domestically and between governments.

“The challenge for all policy makers in the area today is clear, coming at a time when trade and globalisation is seen by many, as the very things that contributed to the economic crisis.

“In this respect, the EU and Malaysia should continue to work together.

“We need do it at a multilateral level,” he said. — Bernama

With the current deadlock in the World Trade Organisation Doha Liberalisation Round, we have to expand bilateral trade,” he stated.

He said Malaysia was the EU’s second largest trading partner in Asean after Singapore, but clearly ahead of much larger countries like Indonesia, Thailand, the Philippines and Vietnam. “We cannot afford to sit on our laurels. After all, the economic crisis wiped out about 20% of both the EU and Malaysia’s external trade last year.

“Moreover, recent Malaysian Industrial Development Authority figures clearly show that the inward foreign direct investment picture for Malaysia is far from rosy,” he pointed.

Piket said the EU had just launched negotiations with Singapore for a bilateral FTA and had agreed with Vietnam to do the same in the very near future.

In the same vein, he said, the EU would welcome the opening of FTA negotiations with Malaysia and the objective of this was

simple.

“We wish to create new opportunities for businesses on both sides, with companies wanting to sell goods or offering services, enjoying preferential treatment.

“Consumers should also get access to a wide variety of products at better prices,” he explained.

For the EU, Picket said, Malaysia represented a growing market as well as a crucial link to the greater Asean region.

“European companies, thinking about setting up shop in Asean, will be encouraged by the FTA to do so in Malaysia. Likewise, it makes good sense for Malaysia to have better and long term preferential access to the EU, the world’s largest market.

“The EU, with half a billion largely prosperous consumers, is without doubt, a powerful destination for Malaysian exports,” he added. - Bernama

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