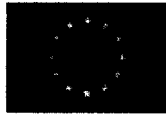


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## **FOREWORD**

The Association of South-East Asian Nations (ASEAN) was established in 1967. Its principal purpose was the creation of an area of stability and security in a region which was under constant communist threat since the end of the second world war. In order for it to play this role, it had to be able to rely on a solid economic basis which could only be provided through economic integration. However for a long time the latter proved to be a difficult process.

Only recently, the willingness of its Member States to intensify mutual cooperation has increased considerably. This is mainly the result of growing economic interdependence on a world-wide scale and more specifically the effect on its economies of rapidly developing trading blocs such as the EC and NAFTA.

Since 1978 political and economic relations between the EC and ASEAN have been steadily growing, culminating in the signing of the 1980 Trade and Cooperation Agreement. The Agreement has outgrown its capacity and should now be adapted to new economic realities in EC-ASEAN trade relations. Therefore it was decided in 1991 to revise and update the Agreement. However disagreement on the implementation of human rights in ASEAN member countries has hindered progress in negotiations with the Community so far. The universalist approach to human rights by the Community as expressed in the 'conditionality' clause in its agreement with third countries, is challenged by the ASEAN Member States. They feel that these principles should be interpreted and applied in the light of the regional and cultural characteristics specific to each country and region. The Community rejects this point of view. It believes that universally recognised principles in this field as laid down by the United Nations should be respected and form the basis and source of progress for all nations.

This working document aims to present a concise overview of EC-ASEAN relations and progress made so far, focusing mainly on their economic aspects.

**DIRECTORATE GENERAL FOR RESEARCH**

**Luxembourg, October 1993.**



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## I. THE ASSOCIATION OF SOUTH-EAST ASIAN NATIONS (ASEAN)

### Description

The Association of Southeast Asian Nations (ASEAN) is an international organisation formed by the governments of Indonesia, Malaysia, the Philippines, Singapore, Thailand and Brunei to accelerate economic, social and cultural progress and to ensure the stability of the South-East Asian region. It was established in August 1967 by the Bangkok Declaration and replaced the Association of South-East Asia (ASA), which had been formed by Malaysia, the Philippines and Thailand in 1961. Brunei joined the ASEAN on the attainment of its independence in 1984. Its principal projects include programmes to relax or eliminate restrictions on free-trade, as well as joint research programmes, teacher, student and cultural exchanges.

The Organisation consists of a Ministerial Conference of the Foreign Ministers of the Member States; a Standing Committee, that normally meets every two months; a secretariat, established in Jakarta, which is the central co-ordinating body; and several specialised permanent committees to consider matters related to shipping, food production, aviation, commerce and industry, science and technology, and transport and telecommunications.

### Obstacles to Intra-ASEAN Cooperation

Initially ASEAN was meant as an alliance against rising communism in Southeast Asia and as a forum to reduce (intra-) ASEAN state tensions. As the communist threat diminished in the seventies, relations between the member states improved and because of a greater political stability successful economical development became possible. Since 1985 ASEAN's members have recorded the most rapid GDP and the fastest export growth of all developing countries in the world. However, since its formation, Asean has recorded few achievements in the field of economic cooperation. Progress has been hindered because there are some obstacles to effective economic cooperation.<sup>2</sup> First of all, since the ASEAN-countries (except Thailand) are ex-colonial countries and have only just gained independence, political and economic nationalism has prevented an efficient coordination of industrial structures and has also limited the willingness to give up some sovereignty to a supranational organisation. The second obstacle is protectionism. During the sixties and seventies ASEAN countries pursued a policy of import substitution to protect their market which consists of 300 million people. The ASEAN countries also fear that once trade is liberalised, they won't be able to compete with the imports of the other ASEAN members: they are each others competitors.

Because of these problems, intra-ASEAN trade has not strongly developed yet; only about 20% of the total trade takes place between the Member States and the figure falls to about 5% if Singapore is excluded. But the statistics show a slow growth, suggesting the six are becoming more important to each other.

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Telephone: 712272: Telex: 47214.

<sup>2</sup> E. BOUMA, Economische samenwerking in Zuidoost-Azië, ESB, 7.4.1993, pp. 310-311

Recent political initiatives also mark growing progress in the region's integration process. The most promising one is the establishment of the ASEAN Free Trade Area (AFTA). Both intra-regional initiatives such as the code of conduct designed to unify Member States, the arrangement set up for the settlement of disputes on the Bangkok Conference on human rights, and extra-regional initiatives such as the acceptance of the principle of non-interference between ASEAN Member States and the neighbouring countries, are contributing in clearing the way for better political and economic cooperation in the region. The ASEAN Treaty of Amity and Cooperation signed by Vietnam and Laos in July 1992, is further emphasising ASEAN's role as a factor for stability and security in South-East Asia.

### **The ASEAN Free Trade Area (AFTA)**

Since 1967 ASEAN has recorded few achievements in the field of economic cooperation, because members are also economic competitors. Attempts at preferential tariff arrangements have been half-hearted and intra-ASEAN trade amounts to no more than 4-5% of the bloc's total international trade. The emergence of regional trading blocs, in the form of NAFTA and the single market in the EC, has provided a strong impetus for greater economic cooperation within ASEAN. By lowering tariff barriers, ASEAN leaders hope to make the region more attractive for trade and investment in the face of competition from Europe and America. Moreover, in the context of contracting and the danger of rising protectionism it is important that the region speaks with one voice. It is in this context that the ASEAN countries adopted at their annual summit meeting in Singapore on 27-28 January 1992 the "Singapore Declaration", which provides for a much closer economic and political cooperation.

The move towards the ASEAN Free Trade Area (AFTA)<sup>3</sup>, which will be progressively set up between 1993 and 2008, is not comparable with achievements in the EC. ASEAN's stated goal is confined to liberalise trade and accelerate the growth of the international ASEAN market by reducing tariffs on intra-ASEAN trade, through a Common Effective Preferential Tariff (CEPT), in manufactured and processed agricultural goods to a maximum of 5% by 2008. CEPT will be the instrument for turning ASEAN into AFTA.

As a first step, the AFTA Council, which met in Jakarta in December 1992, selected 15 categories of goods for accelerated tariff cuts under the CEPT scheme: tariffs currently below 20% will be reduced to a maximum of 5% by 2003; and tariffs above 20% will be reduced to 20% within five to eight years and then to 5% by 2008. The categories affected by these reductions include cement, chemicals, pharmaceuticals, fertilisers, vegetable oils, rubber products, copper cathodes, glass, electronics, wooden and rattan furniture, gems and jewellery.

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<sup>3</sup> Oxford Analytica, *Economic Cooperation*, 13.1.1993

Further agreements on the future AFTA Agreement are, amongst others, the following:

the implementation of the common tariff reduction will be under supervision of a ministerial council; closer ties with Vietnam, Laos, Cambodia and Burma will be pursued, as a first step towards ASEAN-membership; an annual forum with the main trading partners (Japan, EC, US, Canada, Australia, New Zealand and South Korea) and an ASEAN summit every three years will be held; support will be given to the GATT principles; telecommunication and tourism will be jointly developed; and enhanced cooperation in environmental and social issues are an objective.

However, AFTA limitations are very apparent. In the first place, the lucrative trade in non-processed agricultural products and services is excluded from the agreement. Secondly, Member States can use escape clauses if liberalisation of import would harm the internal economy too much. Under AFTA rules, any individual ASEAN country can temporarily exclude specific products or groups of products for up to eight years. In this way, less industrially advanced states will be able to protect a significant number of products from regional competition - which contradicts AFTA's stated purpose. The Philippines has opted to exclude 26% of its AFTA eligible products from the free trade area, Indonesia 19% and Thailand and Malaysia about 15%. Only Brunei and Singapore, which have low or no tariffs, do not plan to exclude any items. Thirdly, not all countries will start reducing tariffs at the same time. The Philippines and Thailand will only begin lowering tariffs, already below 20% in 1996 and 1999 respectively. However, as long as they reach 5% by 2003, they will not have violated the CEPT scheme. And finally, to qualify for tariff cuts, a product must contain at least 40% 'local content', derived from one or more Member States.

Furthermore, levels of support for a free trade area within ASEAN differ. Singapore is the leading advocate of AFTA, arguing that a company in one ASEAN country unable to compete against another ASEAN country, has little hope of coping in more competitive world markets. Thailand, despite the highest average tariffs in ASEAN, vigorously supported AFTA during the administration of Anand Panyarachun. However, enthusiasm is less evident under the current Prime Minister, Chuan Leekpai, who has faced intense lobbying from the Federation of Thai Industries. Indonesia and the Philippines are more lukewarm, afraid of domestic repercussions following the impact of free trade on local producers.

The conclusion is that the initial impact of AFTA on regional trading patterns will be limited, but recognition of the need for economic cooperation will in the long term strengthen ASEAN as a cohesive economic entity.

### **Growth Triangles**

At the last annual ASEAN summit, July 1993, the tariff-cutting mechanism received little attention. With governments having to fight entrenched protectionist lobbies in the private sector and inertia in the public sector, lowering tariff barriers has proved difficult. As a result, attention has shifted from 'grand' cooperation schemes towards lowering barriers to trade and investment at the micro-level, trying to achieve integration on a smaller scale through bilateral agreements and regional growth triangles<sup>4</sup>. These regional

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<sup>4</sup> Oxford Analytica, *Growth Triangles*, 2.8.1993

projects are based on a common use of each others production factors, instead of entering each others markets.

The growth triangle model originated with the southern Johor-Singapore-Riau (JSR) triangle in 1990, involving Malaysia, Indonesia and Singapore. Here, the aim was to marry Singapore's technology and financial resources to the cheaper labour and resources of its two neighbouring regions, the Riau archipelago in Indonesia and Malaysia's southern state of Johor. The synergy thus created was expected to boost the development of all three regions. However, its development has not been entirely smooth. Singapore's role as the growth pole has aroused suspicion in Malaysia and Indonesia. Perceiving the benefits as accruing mainly to Singapore, they have resisted Singapore's request for a formal trilateral agreement.

Other triangles have been suggested, including a northern triangle, comprising southern Thailand, northern Sumatra (including Medan) and the northern states of Malaysia (including Penang), which is less ambitious and more loosely structured; and a triangle including Davao in the Philippines, Manado in Indonesia's Sulawesi Island and Sandakan in Sabah, Eastern Malaysia.

Specialisation and intra ASEAN trade will slowly increase as the countries produce high international competitive products and as their markets grow. The following signs of specialisation are becoming clear: Brunei: petrochemicals; Philippines: metal, fashion, musical instruments; Indonesia: petrochemicals, airplane industry, sports articles; Malaysia: cars, consumer electronics, office machines; Singapore: financial and logistical services, computers, Research and Development; Thailand: food and biochemicals.<sup>5</sup>

In the longer term, further growth triangles are likely to be set up, although much will depend on the regional orientation of participating governments.

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<sup>5</sup> E. BOUMA, Economische samenwerking in Zuidoost-Asië, *ESB*, 7.4.1993, p. 312.

## II. EC-ASEAN RELATIONS

### Overview

The relationship between the countries of the EC and ASEAN goes back many years and until comparatively recently Western Europe was economically dominant in South-East Asia.<sup>6</sup> Despite ex-colonial ties, the Community did not traditionally have the sort of special relationship with the developing countries of South-East Asia that it had with the Lomé Convention countries or the countries of the Mediterranean. The first move to bring about closer relations between the EC and ASEAN came from the ASEAN side. It was the result of fears about the effect on some of their countries' export trade of the loss of Commonwealth preference on the United Kingdom market following British accession to the Community.

At that point the ASEAN side took in 1972 the initiative in setting up a Special Coordinating Committee of ASEAN Nations (SCCAN) in Brussels to deal jointly with the Community. This set in motion a regular dialogue at the political level through exchanges of visits between Commissioners and ASEAN Ministers.

It was after the 1976 Bali Summit, when the ASEAN countries decided to broaden their contacts with the EC, that the relationship gained momentum. A Community proposal for regular meetings at Ministerial level to discuss economic and political questions was welcomed by the ASEAN countries. The first of these meetings, which took place in Brussels in November 1978, set in motion the negotiation of a broad cooperation agreement between the two groups. The formal beginnings of political cooperation are to be found in the part of the Joint Declaration, issued after the first Ministerial meeting.<sup>7</sup>

Ten two-yearly Joint Ministerial meetings have been held since 1978 - in Kuala Lumpur in March 1980 following the signing of the Cooperation Agreement; in London in October 1981; in Bangkok in March 1983; in Dublin in November 1984; in Jakarta in October 1986; in Düsseldorf in May 1988; in Kuching/Malaysia in February 1990; in Luxembourg in May 1991; and in Manila in October 1992.

Furthermore, a Ministerial meeting on economic matters was held in Bangkok in October 1985. On that occasion the Ministers decided to set up a high-level working party, which held its first meeting on 17 March 1986. A second Ministerial meeting on economic topics was held in June 1991 in Luxembourg, immediately after the foreign ministers had met, discussing bilateral trade problems and prospects.

The Community, represented by members of the Commission and the President of the Council, also takes part in the annual Post Ministerial Conference dialogue which brings together the Foreign Ministers of ASEAN and their counterparts from the Community, the United States, Canada, Japan, Australia and New Zealand. The last post-ministerial meeting was held in Singapore in July 1993. On this occasion disagreement between the EC and ASEAN on the subject of human rights

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<sup>6</sup> An historical overview of EC-ASEAN relations can be found in *Bulletin EC*, 11-1978, points 1.4.1-1.4.5.

<sup>7</sup> *Bulletin EC*, 11-1978, point 1.4.4.

was raised again<sup>8</sup> The EC also demanded a firm ASEAN commitment to consolidate its custom duties and to give national treatment to EC service enterprises.

To promote relations between the Community and Asia, and in particular the links between the EC and ASEAN, the Commission established a delegation in Bangkok in September 1979, set up a representation in Jakarta in 1988 and opened a delegation in Manila, November 1990. Further, both political and economic dimensions to the relations are dealt with at regular meetings between the European Parliament and the ASEAN Inter-Parliamentary Organisation (AIPO). The Ninth EP-AIPO Inter-Parliamentary Meeting was held in Strasbourg from 21-24 June 1993.<sup>9</sup>

#### **Towards a new EC-ASEAN Cooperation Agreement**

The EC-ASEAN Cooperation Agreement,<sup>10</sup> signed at Kuala Lumpur on March 1980, is the cornerstone of the Community's relations with the ASEAN States. The two partners have made strenuous efforts to take advantage of the economic integration which has taken place in their respective regions and have as far as possible incorporated this regional aspect into their cooperation.

The agreement is made up of a number of chapters which establish cooperation in the trade, economic and development areas. The trade cooperation consists of mutual most-favoured nation treatment, a study of ways and means to overcome trade barriers and other trade promotion measures. Economic cooperation is mainly concerned with promoting investment, but cooperation in science and technology are mentioned as well<sup>11</sup>. Also a Joint Cooperation Committee was established to promote and keep under review the various cooperation activities and to provide a forum for consultations between the parties.

Since the signing of the EC-ASEAN Cooperation Agreement; relations between ASEAN and the EC have expanded considerably to the mutual benefit of both parties, particularly in the field of trade.

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<sup>8</sup> The President of the Council, Belgian Foreign Minister Willy Claes, confirmed the disagreement that appeared during work between ASEAN countries and the EC on the subject of Burma. The President said that an approach other than that of the EC was possible if not defensible but that he also invited the ASEAN countries to show how their 'critical dialogue' with Burma had led to progress in this country as far as the protection of human rights is concerned. There is no reason to change the approach and the EC will pursue application of political and economic sanctions, concluded Willy Claes. (*Agence Europe*, 6031 (n.s.) 29 July 1993)

<sup>9</sup> Annex XII

<sup>10</sup> Annex X

<sup>11</sup> John REDMOND, *The External Relations of the European Community, The International Response to 1992*, London 1992, p. 144.

However, during the Ninth EC-ASEAN Ministerial Meeting (AEMM) in Luxembourg on 30/31 May 1991, it became clear that a revision of the existing Cooperation Agreement was necessary in the light of the major changes which had occurred in the two regions since the Cooperation Agreement was signed.<sup>12</sup> ASEAN is in the view that the dialogue process should serve as a vehicle to enhance political and economic cooperation which would contribute towards global peace and progress for the benefit of the two regions. The intention is to expand cooperation in the areas of investment, science and technology and environmental issues and to extend consultations on trade questions including ASEAN concerns about changes in EC technical standards and environmental matters.

Nevertheless, at the EC-ASEAN Foreign Minister's meeting in July 1992, agreement on the economic accord was blocked, following Portuguese criticism of Indonesia's record on human rights in East Timor. East Timor was annexed by Indonesia in December 1975. In the aftermath it was estimated that the original (pre-1975) population of 688,000 was almost decimated by the Indonesian army. The Santa Cruz massacre of 12 November 1991, when 75-100 mourners were killed by Indonesia troops, exacerbated the situation. Since the end of the Cold War, the principle of 'conditionality' - the linking of aid and economic cooperation to human rights issues - has caused friction in Indonesia's foreign relations and concern within ASEAN.

As usual, the last Ministerial meeting between EC and ASEAN countries - held in Manila on 29-30 October 1992 - resulted in a Joint Declaration covering not only economic questions (bilateral and international) but also political issues. This time it was more difficult to reach an agreement on the text because of the initial difference of opinion concerning the problem of human rights. Under Portugal's request, the Twelve expressed the hope that explicit reference would be made to affairs in East Timor. ASEAN countries contested the very principle of discussing the matter as they felt that it is not up to Europe to impose these criteria and its ideas on the issue. The compromise is represented by the text of point 33 in the Declaration:

"The Ministers emphasised their common commitment, in accordance with the United Nations Charter and the Universal Declaration of Human Rights, to the promotion of and respect for human rights and fundamental freedoms, development, democracy and greater social justice and agreed to continue their dialogue and cooperation on these issues."

During this meeting it was also noted that since the signing of the EC-ASEAN Cooperation Agreement in 1980, commercial, economic and development cooperation has made significant progress. Both groups being outward looking, GATT-consistent and supportive of the progress of trade liberalisation - the EC moving to a single market and the ASEAN to a free trade area - the Ministers agreed to continue to accelerate joint efforts in enhancing EC-ASEAN relations.

At the Ninth EP-AIPO Inter-Parliamentary Meeting in Strasbourg from 21-24 June 1993<sup>13</sup> the members of both delegations, while welcoming the progress made in respect of the volume of trade, regretted that it had proved impossible to renew the 1980 Cooperation Agreement, owing to objections raised by one of the Community Member States. However, MEPs reconfirmed their attachment to the 'conditionality' clause in EC agreements signed with third countries in matters of human rights. They made it clear that a broad body of opinion inside the

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<sup>12</sup> Annex XI

<sup>13</sup> Annex XII

Community was in favour of upholding universally recognised principles in this field, as laid down by the United Nations. They agreed that the best possible use should be made of the provisions of the existing agreement. The common priority should be to increase economic cooperation in the various sectors by stepping up both EC and ASEAN private sector involvement and facilitating the transfer of technology and know-how in sectors of common interest.



### III. AREAS OF EC-ASEAN COOPERATION

The EC-ASEAN relationship contains, apart from the political cooperation, taking place outside the framework of the present Cooperation Agreement, three main areas of importance: trade, investment and other economic cooperation.

#### TRADE

##### Overall Trade

Trade flows<sup>14</sup> have increased considerably since the Cooperation Agreement became effective. The 1980s witnessed a significant increase in the 2-way trade between the EC and ASEAN, which regained new momentum after 1987, as the following table shows:

EC TRADE WITH ASEAN\*  
(in million ECU)

EUR 10

EUR 12

	1980	1984	1986	1987	1988	1989	1990	1991	1992
EC exports	5,369	9,886	8,495	8,906	10,689	14,110	16,083	17,282	19,278
EC imports	6,857	9,662	9,212	10,037	12,203	15,173	16,748	19,947	22,403
Trade balance	-1,488	224	-717	-1,131	-1,514	-1,063	-665	-2,665	-3,125

\* includes Brunei since 1983

Since 1980, there has been a steady increase in the volume of trade between the European Community and the ASEAN countries. From 1981-1987 EC-ASEAN trade grew by 78%, which is faster than ASEAN trade with Japan and the US but also nearly twice as high as total ASEAN trade (42%). For the period 1987 to 1992 total extra EC imports and exports grew respectively by 43.4% and 28.4%, but for the same period imports from and exports to ASEAN countries more than doubled. Two-way trade now exceeds \$50bn. In 1992 EC-ASEAN trade exceeded trade between the EC and the US for the first time, with a trade balance that continues to go largely in favour of ASEAN countries<sup>15</sup>



<sup>14</sup> Annex III

<sup>15</sup> "The two parties are in complete agreement that EC-ASEAN trade relations have changed from relations between a giver and a receiver to a more balanced partnership, within which we are pursuing common objectives" (Declaration of the European Commission at the end of the Singapore Post Ministerial Conference of 27-28 July 1993, *Agence Europe* (n.s.), 29 July 1993).

Since 1985 the Community has a growing trade deficit with ASEAN. Over the period from 1983 to 1991 ASEAN 's share of the EC's growing imports from non-Community countries rose steadily, from 2.4% in 1983 to 4.6% in 1992. The share of ASEAN in the total extra EC export rose from 3% in 1983 to 4.4% in 1992.

The EC continues to rank third among ASEAN's major trading partners, after Japan and the United States, which has overtaken Japan as the most important export market for the ASEAN group. The EC is a more open market for ASEAN than that of Japan or the United States. Therefore ASEAN countries have increasingly focused on the EC and have doubled their share of the EC market. The EC took 15.4% of ASEAN exports in 1990, as compared with the United States' 21.5% and Japan's 19%. The EC accounted for 17.2% of ASEAN's imports in 1990, as against 14.7% for the United States and 23.4% for Japan. These figures make clear that trade plays a significant role in the development of ASEAN economies.

### Commodity Composition

The most interesting feature of the EC-ASEAN trade is the change in profile in ASEAN exports into the Community towards manufactured goods rather than agricultural products and commodities. The ASEAN countries have started to evolve away from labour-intensive industries through a process of industrialisation that should transform them into technology-intensive economies. ASEAN's share of EC imports of manufactured goods have doubled from 2% to 4% between 1980 and 1991. While wood, manioc, rubber and palm oil remain major items of export to the EC, they have been dramatically overtaken by electrical machinery, textiles and clothing. ASEAN exports of electrical machinery, for example, rose from ECU 644m. in 1980 to ECU 3,988m. in 1991, an increase of 519%, as compared to a 26% rise in manioc exports and a 123% rise in exports of palm oil over the same period.

It is, however, in textiles and clothing that the ASEAN countries have recorded the most significant increase in exports. Textile exports to the EC soared from ECU 148m. in 1980 to ECU 751m. in 1991, an increase of 407%. The rise was even higher in the case of clothing (including leather clothing): exports went from ECU 388m. to ECU 2,639m. over the same period, an increase of 580%. As a consequence, ASEAN 's share of the Community's textile and clothing imports from non-EC countries further increased.

ASEAN 's textile and clothing exports to the EC (and indeed, to all industrialised countries) are governed by bilateral agreements, negotiated under the GATT-sponsored Multifibres Arrangement (MFA). Under these agreements, which the ASEAN countries have concluded individually with the 12-nation Community, exports of a very small number of textile and clothing items are restricted by means of quotas. These quotas are fixed in terms of quantity rather than value, to encourage exporters to move up-market and thus earn more foreign exchange for the country.

As ASEAN textile and clothing exporters are highly competitive, they would be among the first to benefit from the elimination of the MFA, currently under negotiation in the Uruguay Round. If these negotiations are successful, transitional measures would replace the MFA, paving the way for the full application of GATT rules to world trade in textiles and clothing.

The following Table shows the changes in the EEC's imports of textiles and clothing under the MFA from ASEAN countries between 1987 and 1991:

**EEC: Textile and clothing imports from ASEAN, (1987-91)**  
(in million ECUs)

-----			
All of MFA products			
-----			
	1990	1991	Percentage change 1991/87
-----			
Indonesia	750	1124	402
Malaysia	334	468	210
Philippines	278	373	79
Singapore	182	260	76
Thailand	745	904	88
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Source: EUROSTAT

### The Generalised System of Preferences

Another significant factor in the promotion of ASEAN trade with the Community has been the General System of Preferences (GSP). The ASEAN countries are among the major beneficiaries of the GSP operated by the EC since 1971. The GSP has undoubtedly helped them increase both their total exports to the EC and the proportion of manufactured products in the total. In fact GSP has been an important factor in ASEAN 's progress towards industrialisation.

This is partly because the Community's GSP scheme has a broader product coverage than other schemes (it includes textiles, clothing and footwear, for example) and is more generous in its treatment of the more competitive developing countries. Thus GSP exports of 148 product groups considered sensitive by the EC are currently subject to quotas in the case of the most competitive countries, but ASEAN countries are effected by only 12 of them. The EC also introduced the cumulative rule of origin in order to make it easier for the ASEAN countries to work as a team in the manufacture of finished products for the Community market.

GSP imports from the individual ASEAN countries for 1991 are shown in the following Table:

GSP: EC IMPORTS, 1991  
(in million ECUs and percentages)

	EC Imports	Manufacture <sup>16</sup> Products	Textile <sup>17</sup> clothing	Agricultural <sup>18</sup> Products
<b>INDONESIA</b>				
Total EC imports	3,577.			
Eligible GSP	2,806.	1,253	1,131	423
Received GSP	1,604.	771	518	313
Utilisation %	57.20	61.5	45.8	73.9
<b>MALAYSIA</b>				
Total EC imports	4,383			
Eligible GSP	3,280	2,450	469	361
Received GSP	1,287	903	122	259
Utilisation %	39.2	36.8	26.1	71.8
<b>THAILAND</b>				
Total EC imports	5,014			
Eligible GSP	3,602	2,116	926	555
Received GSP	1,996	1,176	380	435
Utilisation %	55.4	55.6	41.0	78.4
<b>PHILIPPINES</b>				
Total EC imports	1,473			
Eligible GSP	1,267	655	377	235
Received GSP	597	342	66	185
Utilisation %	47.1	52.2	17.6	78.9
<b>SINGAPORE</b>				
Total EC imports	5,220			
Eligible GSP	4,868	4,565	261	41
Received GSP	1,353	1,311	17	24
Utilisation %	27.8	28.7	6.4	57.4
<b>BRUNEI</b>				
Total EC imports	282			
Eligible GSP	203	203	neg	0.21
Received GSP	0.471	0.30	0	0.17
Utilisation %	0.23	0.15		80.0

neg = negligible

Source: External Trade (GSP) Imports 1991, Vol. 2, EUROSTAT

<sup>16</sup> Sensitive industrial products - Annex I (10)  
Non-Sensitive industrial products - Annex II (30)

<sup>17</sup> MFA textile products - Annex I (40)  
Non-MFA textile products - Annex I (42)

<sup>18</sup> Sensitive agricultural products - Annex I (50)  
Non-Sensitive agricultural products - Annex II (52)

The difference between total exports and exports eligible for GSP benefits, represents exports which (1) enter the EC duty-free because the Most Favoured Nation (MFN) rate of duty is zero; (2) are subject to the MFN rate of duty because they either are not covered by the GSP scheme (e.g. many agricultural products); or (3) fail to meet the GSP rules of origin. However, the share of total exports actually entering under the GSP scheme in 1991 remained at a level of less than 50% while the share of exports theoretically eligible for GSP-treatment was almost 75%. The fact that GSP benefits are never fully utilised is due to a number of reasons. An important reason is that many of the Community's MFN rates are low, so that the trade prefers to forego GSP benefits in view of the formalities involved. During the Ministerial meeting in Luxembourg, May 1991, both parties agreed on the desirability of a revision of the current GSP scheme. The Commission is prepared to establish a clearer and more transparent system in order to improve market access and facilitate the growth of ASEAN's share in EC global imports. The EC is envisaging implementing a new GSP scheme from 1994.

### **Trade promotion**

It is not easy for the emerging industries of the developing countries to compete successfully on the markets of the industrialised countries. The EC in fact has been helping the ASEAN countries develop their exports, not only to the Community but also to other export markets, including the US, under the commercial cooperation provisions of the 1980 EC-ASEAN Cooperation Agreement.

At their Eighth EC-ASEAN Ministerial meeting in 1990 the ASEAN Ministers expressed their appreciation to the EC for its help with trade promotion. It was agreed that in future fewer, but more in-depth, pluriannual programmes would be launched.

In recent years trade promotion activities have been extended to include trade in services. Today the development of tourism is an important element of trade promotion. A tourist training programme (ECU 1.6m.) is to be conducted through the ASEAN Tourism Information Centre in Kuala Lumpur. A tourist marketing programme (ECU 2.3m.) has also been launched.

The EC is also helping with an integrated port management programme (ECU 1.5m.), to be conducted through the ASEAN Port Authorities Association. The overall aim is to increase the efficiency with which ports in the ASEAN countries are operated.

At their Tenth EC-ASEAN Ministerial Meeting in 1992 the Ministers took note of decisions made by the Joint Cooperation Committee (JCC) and agreed that each side would continue to improve access to its market to maintain the high rates of growth in two-way trade; furthermore, consultation in trade matters would be improved through better use of the EC-ASEAN Trade Experts Meeting (TEM) which would meet at the request of either side; thirdly, both sides would cooperate to create and enhance rapid information networks linking business operators in the two regions (through the establishment of business information centres and networks of European Chambers of Commerce in ASEAN); and finally that the EC would provide more systematic information on the single market with the view to assisting ASEAN to adjust to changes and market opportunities arising therefrom. Currently the Commission is working on the opening of European Information Centres in the capitals of the six ASEAN countries. Their purpose is not only to provide information on the single market, but also to inform EC enterprises on market conditions in ASEAN. The

Ministers also noted that the EC envisaged implementing a new GSP scheme from 1994.

## **INVESTMENT**

Trade and investment go hand-in-hand and the 1980 Cooperation Agreement was the first with an Asian country to contain specific provisions for promoting EC investments in ASEAN industrial production. Some 10 years later the Eighth EC-ASEAN Ministerial meeting reconfirmed that the ASEAN region offers many opportunities to EC investors, who should take advantage of the privileges granted under the ASEAN industrial programmes.

Individual EC countries have always been major investors in the ASEAN region: Germany, the Netherlands and Great-Britain accounted for 80% of EC investment in ASEAN in 1986-89, although this is nothing compared to Japanese activity and investments by the four 'newly industrialised economies' in the region.<sup>19</sup> However in 1990 the volume of European investment exceeded American investment. Major EC investors in statistics on foreign direct investment in fact underestimate the scale of European investment, much of which is through retained profits. Similarly, a good deal of investment by Singapore and Hong Kong is by subsidiaries of European firms based in these countries.

Since the Sixth EC-ASEAN Ministerial meeting held in 1986, the EC has stepped up its activities aimed at promoting European investments in the ASEAN region. To stimulate investment Joint Investment Committees (JICs) were set up in each ASEAN capital in 1987 and 1988, following an agreement between the EC and ASEAN. Both public and private sectors are represented on the JICs, whose twin aims are to stimulate investments and to provide a forum for a discussion on how best to improve the conditions for investment.

On the Ninth EC-ASEAN Ministerial meeting, the ASEAN countries have stressed that they have improved their attractiveness as an investment location. In this context, the EC's financial facility to promote joint ventures in developing countries, the EC International Investment Partners (ECIP), is providing a stimulant to European investments in ASEAN. This pilot facility is particularly aimed at promoting joint ventures, especially between small- and medium-sized companies. It offers financial support for a range of activities, from the identification of potential partners and projects to the financing of capital requirements and provision of management expertise.

The scheme is operated through financial institutions, including development and commercial banks in ASEAN countries. To this end, ECIP has already signed contracts with the ASEAN Development Bank, the ASEAN Finance Corporation and the Investment Finance Corporation of Thailand and others. Some 15 projects involving companies in ASEAN are already in the pipeline. The EC-International Investment Partners' financial facility is seen as a valuable and effective instrument on the future export-oriented development of the private sector in ASEAN. Since it began in 1989 the ECIP scheme has

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<sup>19</sup> John REDMOND, *The External Relations of the European Community, the International Response to 1992*, London 1992, p.150

financed over 100 potential joint ventures between companies and is still expanding. Resources for each ECIP project have been increased to 1 million ECU.

Both sides want to encourage private sector activities in ASEAN Industrial Joint Ventures and to establish a system of Euro-ASEAN Information Centres in ASEAN in order to provide greater information for potential investors. Further, the Joint Investment Committees, which have played a vital role in facilitating EC investment within ASEAN countries, will be reactivated.

At the Tenth EC-ASEAN Ministerial Meeting it was agreed to further encourage private sectors to participate in the various ASEAN industrial programmes and in the ECIP scheme in order to realise more EC-ASEAN joint venture projects. This was all the more urgent since the EC had not kept pace with the post 1988 investment boom in ASEAN. It was essential to promote European direct investment into ASEAN, to increase the presence of European industry in the region, taking account of industrial complementarities, and to accelerate transfer of technology. In this respect the protection of investments and intellectual property rights was considered of the utmost importance. The Ministers commended the 7.5m. ECU EC-ASEAN Patents and Trade Mark Programme.

### **ECONOMIC COOPERATION**

The 1980 EC-ASEAN Cooperation Agreement was the Community's first agreement with Asian (and Latin American) countries to make provision for economic cooperation. From the beginning the aim has been to promote contacts between private economic operators in the EC and ASEAN, in order both to strengthen the Community's presence in the South-East Asian region and allow the ASEAN countries to diversify their economic links. In recent years both the EC and ASEAN have laid even greater emphasis on securing the full and active participation of the private sector.

### **Industrial cooperation**

EC-ASEAN industrial cooperations was important even before the 1980 cooperation agreement gave it formal recognition: the first EC-ASEAN Industrial Conference was held in Brussels in 1977. It was followed up by a second conference in Jakarta in 1979 and by a series of sectoral conferences covering such areas as agricultural equipment, machine tools and food processing.

The third ASEAN Summit in 1987 made the ASEAN Industrial Joint Venture scheme more flexible and attractive to investors. A joint EC-ASEAN exercise sought to identify groups which could benefit from this scheme, and seven groups were identified by September 1988. They included rubber-based products; metal and wood-working machines; rubber and plastics processing machines; food processing and packaging machines and, if required, toys.

The EC and ASEAN are also collaborating on an industrial training programme (with Malaysia as the project coordinator) and an industrial standards and quality assurance programme (for which the lead agency is Thailand's Industrial Standards Institute). The aim of both programmes is to help manufacturers in the ASEAN countries become more competitive, both at home and on export markets, by producing to accepted industrial standards.

The 1992 EC-ASEAN Ministerial Meeting highlighted the need to further encourage joint ventures and industrial cooperation. In this respect the Ministers also agreed that information on business opportunities, new policy directives, rules and regulations in both regions should be widely disseminated to their private sectors.

#### **Human Resource Development**

Rapid, sustained economic growth requires large numbers of trained people. The 1985 EC-ASEAN meeting of Ministers of Economic Affairs put the emphasis on industrial cooperation and human resource development (HRD).

In fact the EC runs over 30 HRD programmes each year for the ASEAN countries, many of them on practical subjects, in order to complement the courses offered by the Community's institutions of higher learning. In 1990 it was decided to limit the number of new activities in the future but to make each of them much bigger. The main emphasis is on various forms of management training and skills of upgrading. The recent establishment (1992) of the EC-ASEAN Management Centre in Brunei, Darussalam will further strengthen HRD efforts in the region.

#### **Scientific and Technical Cooperation**

The 1980 EC-ASEAN Cooperation Agreement broke fresh ground with its provision for scientific and technical cooperation between the two regional groupings. Since 1982 the EC has helped the ASEAN countries upgrade their scientific and technological capacity and strengthen their national industrial research institutions. To this end it has helped organise 45 technical assistance programmes as well as a dozen technical seminars, and it has provided some 120 scholarships for ASEAN nationals to attend postgraduate courses in the EC.

A rapid increase in joint scientific research under the EC's Life Science and Technology for Developing Countries has been noted. The Tenth EC-ASEAN Ministerial Meeting also underlined the need for programmes promoting technology transfer capable of commercial applications in specific ASEAN industrial sectors.

#### **Energy**

The EC-ASEAN Energy Management Training and Research Centre (AEEMTRC), which opened in November 1988 in Jakarta, is the focal point for cooperation between the two regional groupings in energy. Its objectives are to strengthen cooperation among the ASEAN countries and to contribute to the EC-ASEAN dialogue on energy issues of mutual interest. The Centre has in fact already emerged as a permanent analytical and research body for senior ASEAN energy officials.



The Centre both conducts research and acts as a channel for joint research. It organises regular training workshops on topics related to its research programme. A major project is to prepare a regularly up-dated, long-term supply and demand study of the region's energy needs, known as ASEAN 2010. Another major project relates to electricity demand analysis and, in particular, the role of prices.

The Centre also collaborates with non-ASEAN bodies. It is working with the Asian Institute of Technology on a project for the dissemination of energy conservation technology. Furthermore, it cooperates with the consortium of European companies preparing the feasibility study for a natural gas pipeline linking the ASEAN countries.

The EC-ASEAN JCC (Tenth Meeting, 1992) also took measures to promote energy cooperation aiming to assist the strengthening of energy planning and management capabilities by reinforcing energy technology in an environmentally sound manner in the ASEAN member countries but also by creating favourable conditions for a greater presence of European technologies in ASEAN.

#### **Patents and Trademark Programme (ECAP)**

On 13 September 1993 the EC launched its EC-ASEAN Patents and Trademark Programme. Funded by an EC grant of 6.5 million ECUs, the Programme will last three years and will be managed by the European Patent Office (EPO) in Munich. The objective of ECAP is to enhance trade, investment and technology exchanges between Europe and the ASEAN nations through the strengthening of the industrial property systems of the South-East Asian countries. To this effect, the EPO will provide technical assistance, training, equipment and documentation to these countries. It will also try to influence policy with a view to more effective legislation and enforcement of industrial property rights.

#### **DEVELOPMENT COOPERATION**

Development cooperation is an important feature of the EC-ASEAN Cooperation Agreement.<sup>20</sup> Since it was signed in 1980, the EC has provided ASEAN and its Member States a total of ECU 317 million in financial and technical assistance, all of it in grant form. Over 50 projects and initiatives had received Community support. However, less than 10% of this has been devoted to regional projects, although there are moves to increase this percentage. The thrust on multi-annual projects, with the emphasis on environment, rural development, poverty alleviation, population and drugs are areas which are also pertinent to ASEAN's own development needs. In 1990 aid from the EC and its Member States totalled \$859.9m.

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<sup>20</sup> Annex II

## **Regional Development Cooperation**

Regional projects are more likely to focus on transfer of technology; human resource development and environmental protection. Even so, given the economic differences among the ASEAN countries, the lion's share of EC aid will continue to finance bilateral projects, specifically designed to meet the needs of each country. In this respect the Tenth EC-ASEAN Ministerial Meeting in 1992 approved decisions taken at the JCC to improve the criteria for regional projects and programmes.

## **Cooperation in Environmental Protection**

At their meeting in Malaysia in 1990 the EC and ASEAN Ministers voiced their concern over the threat to the global environment. Both sides accepted the need to ensure a more integrated approach to environmental and developmental problems; at the same time they agreed that environmental protection should be seen in a balanced perspective, and due emphasis accorded to promoting economic growth and sustainable development. The EC in fact also agreed to consider helping ASEAN upgrade its facilities, capabilities and expertise in the fields of management of natural resources and environment monitoring. A concrete and important step was made with the inauguration of the Regional Institute for Environmental Technology by Vice-President Marin of the Commission at the end of the 1993 Post Ministerial Conference in Singapore. The purpose of this joint EC-Singapore Institute is the promotion of technology transfer, locally and throughout the whole of South-East Asia in the long-term.

An ASEAN tropical forest mission, led by Indonesia's Forestry Minister, met European Commission officials in Brussels in October, 1990. The discussion focused on sustainable forest management in the ASEAN countries. The issues covered included trade in tropical timber products, which some in the EC want banned. The meeting agreed that ASEAN and the EC have a common interest and common responsibility in conserving and regenerating tropical forests. The Commission in fact expressed its readiness to launch significant pilot projects in the ASEAN region.

At the Tenth EC-ASEAN Ministerial Meeting in 1992 the Ministers welcomed the special resources which the EC had set aside for environmental protection including the conservation and sustainable management of the tropical forests. They underlined the urgent need for plans of action for forestry cooperation.

## **Refugee Relief**

The EC has been contributing financially to the work of the UN High Commissioner for Refugees (UNHCR), the UN Border Relief Organisation (which helps Laotian refugees) and non-governmental organizations (NGOs) in resettling and repatriating refugees in the ASEAN region. Its basic aim is to help refugees become self-sufficient once they are no longer entitled to emergency aid (i.e. roughly six months after becoming refugees) until repatriation or resettlement. EC funds are used mainly to provide care and maintenance while in camps, health care and training.

The Tenth EC-ASEAN Ministerial Meeting reviewed the implementation of the Comprehensive Plan of Action for Indo-Chinese refugees. The Ministers welcomed the progress made so far. They called on the international donor community to continue to fund generously the annual UNHCR CPA appeal and the various programmes for the repatriation to and reintegration of non-refugees in Vietnam, in particular the international programme initiated by the EC. The Ministers, noting the three-year time frame envisaged at the UN International Conference on Indo-Chinese refugees held in Geneva in June 1989, called on the UNHCR to accelerate the resettlement of refugees in third countries, including in particular the long-stayers.

## **Drugs**

The 1990 EC-ASEAN Ministerial meeting in Kuching expressed concern over the growing problem of drug abuse, and the escalation in drug trafficking. While recognising that an effective solution had to be sought at international level, the Ministers expressed satisfaction over the continued cooperation between the EC and ASEAN on drug matters. The EC is currently financing several national projects, as well as continuing its efforts in regional projects.

On the Fourth ASEAN Summit meeting in Singapore in January 1992, the ASEAN countries agreed to intensify their cooperation in overcoming the serious problem of drug abuse and illicit drug trafficking at national, regional and international levels.

At the Tenth EC-ASEAN Ministerial Meeting Ministers reaffirmed the importance of increasing the efficiency of policies and measures to counter the supply and illicite traffic of narcotics and psychotropic substances, the laundering of financial proceeds from such activities and the diversion of trade in the precursor chemicals, as well as measures to prevent and to reduce drug abuse.

#### **IV. GENERAL OUTLOOK**

South-East Asian countries' fears of an EC disregard, following changes in Eastern Europe and progress towards the Single Market of 1992 figured high on the agenda of the EC-ASEAN ministerial meeting in Kuching on the 16/17 February 1990. The EC was able to clarify a number of misunderstandings and emphasised in particular the following points:

- the Single European Market is a process of deregulation: it will ensure more competition and more growth, it will create new opportunities, also for ASEAN, and it will be of general interest for international trade;
- the EC will fulfil its responsibilities towards Eastern Europe, but this will not be done at the expense of its commitments to other partners;
- the EC is willing to provide more information on 1992 and help ASEAN countries as they prepare for a more competitive environment in Europe;
- meanwhile, the Commission is preparing a review of its policies towards developing countries to increase its impact.

In the final declaration of this meeting the participating Ministers "recognised that the European Single Market could constitute a major opportunity for trading partners, including ASEAN countries, as a source of economic growth and trade opportunities". Nevertheless, both sides demand better access to respective markets through reduction of tariffs and elimination of non-tariff-barriers. But they agreed, as insistently requested by the EC delegates, that these questions should be dealt with within the GATT and Uruguay Round context, of which a special and differential treatment for developing countries is an integral element.

At the conclusion of the Tenth EC-ASEAN Ministerial Meeting in Manila 1992, the Ministers decided:

- to strengthen cooperation, building on the 1980 Cooperation Agreement;
- to promote further EC-ASEAN bilateral trade and investments, taking account of their respective economic situations;
- to intensify their close dialogue on all areas of mutual interest and priorities of importance to both regions, through the mechanisms for consultation and dialogue agreed between them;
- henceforth to conduct their dialogue at the levels of both Ministers and senior officials (Ministers will meet at least every two years and senior officials will meet in the intervening years between the Ministerial Meetings).

However, it should be noted that the revision of 1980 Cooperation Agreement decided in Luxembourg 1991 (Ninth Ministerial Meeting) is still being hampered by the question of linking economic aid and the respect of human rights and environmental protection by the beneficiaries. Undoubtedly the East Timor question is weighing heavily on future negotiations.

**ANNEXES**

Basic statistics for the ASEAN countries						
	Brunei	Indonesia	Malaysia	Philipp's	Singapore	Thailand
Area (1000 sq. km)	5.77	1,919.4	329.8	300.0	0.62	513.1
Population (MIO), 1991	0.26	187.8	18.3	62.9	2.8	56.9
Population/sq. km	45	98	56	210	4,466	111
Annual growth rates of population (1990):	3.2	2.0	2.3	2.3	1.7	1.6
Infant mortality (per 1000):	15.0	65.0	12.6	43.0	6.7	8.5 (1)
Expectation of life at birth:	73.5	61.8	70.0	64.4	74.3	65.9
Urban population (% of total):	n.a.	30.5	43.0	42.6	100.0	22.6
Gross domestic products:						
Per capita in USD, 1990:	15,390(1)	570	2,320	730	11,160	1,420
Gross national saving (% of GDP in 1990):		34.4	29.3	17.0	44.9	32.9
Balance of payments (1991), MIO USD						
Merchandise: exports (fob):		29,430	33,714	8,840	56,819	28,232
Merchandise: imports (fob):		24,626	33,977	12,051	60,948	34,218
Trade balance:		4,804	-262	-3,211	-4,128	-5,985
Current account:		-4,080	-4,361	-1,034	4,208	-7,564
Direct investment:		1,482	3,454	544	2,883	1,847
Terms of trade, 1987=100, (2):		107.4	92.5	118.9	99.9 (3)	96.4 (1)
External debt (1991):						
Total debt (MIO USD)		73,629	21,445	31,897		35,828
Total debt service (4)		33.0	8.4	23.2		13.1
Labour force (%)(1989):						
Agriculture		53.4	30.8 (5)	51.8 (5)	0.5-1.0	70.9 (5)
Industry		15.9	19.1 (5)	15.7 (5)		10.3 (5)
Services		30.7	39.3 (5)	32.6 (5)		18.8 (5)
Women in labour force (% of total labour force), 1990:	n.a.	31.2	35.1	31.2	32.1	44.6
Adult illiteracy (%), 1990:	14	23	22	10	n.a.	7

Sources: Statistical Yearbook for Asia and the Pacific, 1991, UN  
World Development Report 1992, The World Bank  
Balance of Payments Statistics Yearbook 1992, IMF  
World Debt Tables 1992-93, The World Bank  
International Financial Statistics, April 1993, IMF  
World Tables 1992, The World Bank  
Human Development Report 1992, UNDP  
Trends in developing economies 1991, The World Bank

- (1) 1989  
(2) (export price index divided by import price index)\*100  
(3) 1988  
(4) as % of exports of goods and services  
(5) 1980

## OFFICIAL DEVELOPMENT ASSISTANCE

Net Disbursements ( values mill US\$)

	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1989	1990
EEC + MS	152.4	150.3	258.6	394.7	438.1	413.3	357.1	326.1	328.1	500.3	441.3	691.3	859.9
USA	240.0	221.0	243.0	184.0	173.0	154.0	235.0	225.1	202.0	444.0	290.0	254.0	311.0
Japan	270.1	449.8	572.1	703.4	799.9	684.2	726.8	833.3	798.9	912.3	1,676.7	2,128.3	2,296.1

Source: OECD

EC AID TO ASEAN (region)

Commitments in MECU

	78/79	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	TOTAL
Fin. & Techn. coop	0.90		7.10	0.03	7.50			12.42					3.9			31.85
Trade promotion						1.00	1.71	0.38	0.93	2.49		1.76	1.49	6.51		16.27
Regional integration			0.31	0.46	0.57	0.33	0.56	0.36	0.55	0.25	0.28	0.08	0.22	0.74		4.71
Energy							0.42			0.50		0.90	1.58	1.24		4.64
Training										2.50		4.3	3.29	0.63		10.72
Economic coop.				0.59	0.59	0.50	0.67	1.28	1.13	1.16	2.38	0.12	0.22	1.79		10.43
STD										0.10		0.14				0.24
Drugs									1.45		0.49	0.12				2.06
Energetic programme										0.03	0.74	0.49				1.26
ECIP										0.18	0.19	0.46	0.3	0.02		1.15
Technology tft (energy)											0.33					0.33
<b>TOTAL</b>	<b>0.90</b>		<b>7.41</b>	<b>1.08</b>	<b>8.66</b>	<b>1.83</b>	<b>3.36</b>	<b>14.44</b>	<b>4.06</b>	<b>7.21</b>	<b>4.41</b>	<b>8.37</b>	<b>11.0</b>	<b>10.93</b>		<b>83.66</b>

April 1993



## Geographical breakdown of the external trade of the European Community

Year: 1991

Year: 1992

	EC-imports (cif)			EC-exports (fob)			Balance	EC-imports (cif)			EC-exports (fob)			Balance
	MIO ECU	%	-	MIO ECU	%	-		MIO ECU	%	-	MIO ECU	%	-	
Total	1,199,552	100.0		1,116,385	100.0			1,207,218	100.0		1,136,543	100.0		
of which:														
Extra-EC	493,978	41.2		423,491	37.9			487,674	40.4		435,655	38.3		
*****														
Extra-EC	493,978	100.0		423,491	100.0		-70,487	487,674	100.0		435,655	100.0		-52,019
of which:														
1. Class 1	293,453	59.4		242,346	57.2		-51,107	287,800	59.0		239,867	55.1		-47,934
Class 1	293,453	100.0		242,346	100.0		-51,107	287,800	100.0		239,867	100.0		-47,934
of which:														
USA	91,939	31.3		71,204	29.4		-20,735	86,766	30.1		73,906	30.8		-12,860
Japan	51,816	17.7		22,157	9.1		-29,659	51,508	17.9		20,506	8.5		-31,002
EFTA	110,755	37.7		108,893	44.9		-1,863	111,616	38.8		107,698	44.9		-3,918
2. Class 2	150,302	30.4		142,661	33.7		-7,640	145,717	29.9		152,818	35.1		7,101
Class 2	150,302	100.0		142,661	100.0		-7,640	145,717	100.0		152,818	100.0		7,101
of which:														
Latin America (1)	25,901	17.2		17,504	12.3		-8,397	24,505	16.8		20,050	13.1		-4,454
ASEAN	19,947	13.3		17,282	12.1		-2,664	22,403	15.4		19,278	12.6		-3,125
Near and Middle														
East (2)	19,804	13.2		24,392	17.1		4,588	18,178	12.5		27,147	17.8		8,969
Far East (3)	33,644	22.4		28,015	19.6		-5,629	32,670	22.4		29,357	19.2		-3,313
ACP	19,267	12.8		16,004	11.2		-3,263	17,955	12.3		17,047	11.2		-908
3. Class 4	34,658	7.0		31,942	7.5		-2,716	36,620	7.5		35,244	8.1		-1,376
Class 4	34,658	100.0		31,942	100.0		-2,716	36,620	100.0		35,244	100.0		-1,376
of which:														
U.S.S.R. (former)	18,476	53.3		14,232	44.6		-4,243	16,662	45.5		12,979	36.8		-3,684
Russia								(5)			(5)			
4. Class 5	15,565	3.2		6,542	1.5		-9,023	17,537	3.6		7,726	1.8		-9,810
Class 5	15,565	100.0		6,542	100.0		-9,023	17,537	100.0		7,726	100.0		-9,810
of which:														
P.R. China	14,972	96.2		5,605	85.7		-9,367	16,780	95.7		6,850	88.7		-9,929
*****														
Med. Basin (4)	43,488	8.8		45,852	10.8		2,363	41,163	8.4		45,392	10.4		4,229

Source: COMEXT, EUROSTAT

Production: European Parliament/Statistical Service

Note: Class 1: Western industrialized third countries

Class 2: Developing countries

Class 4: Central and Eastern European countries

Class 5: State-trading countries of America and Asia

(1) LA-20 excluding Cuba (Cuba included in class 5)

(2) Iraq, Iran, Saudi Arabia, Kuwait, Bahrain, Qatar, U.A.E., Oman and Yemen

(3) excluding Japan, ASEAN and state-trading countries

(4) Malta, Cyprus, Yugoslavia, Albania, Turkey, Syria, Lebanon, Israel, Jordan, Egypt, Libya, Tunisia, Algeria and Morocco

(5) not available for the entire year

Community trade with ASEAN, 1985 and 1988-1992  
EC-imports (cif)

MIO ECU

	1985	1988	1989	1990	1991 (1)	1992 (1)
Extra-EC	406,417.7	387,891.2	446,716.7	461,521.4	493,978.2	487,674.0
of which:						
ASEAN	10,416.8	12,202.9	15,171.9	16,730.9	19,941.6	22,403.0
of which:						
Brunei	40.0	213.6	402.8	222.8	281.6	221.6
Indonesia	1,938.4	2,134.3	2,552.9	2,861.0	3,576.6	4,345.7
Malaysia	2,813.2	2,687.1	3,506.8	3,605.8	4,382.8	4,937.0
Philippines	1,228.9	1,209.2	1,325.0	1,257.3	1,472.6	1,608.4
Singapore	2,112.0	2,993.0	4,022.3	4,684.2	5,218.6	5,648.5
Thailand	2,284.3	2,965.6	3,362.2	4,099.8	5,009.5	5,641.8

EC-exports (fob)

	1985	1988	1989	1990	1991 (1)	1992 (1)
Extra-EC	378,650.6	362,909.7	413,009.9	415,319.6	423,491.1	435,655.1
of which:						
ASEAN	10,078.0	10,688.7	14,107.2	16,066.3	17,277.9	19,277.0
of which:						
Brunei	161.7	319.1	573.7	379.9	519.3	418.5
Indonesia	2,270.9	1,934.1	2,038.6	2,838.5	3,201.9	4,052.2
Malaysia	1,563.7	1,385.2	2,048.3	2,495.5	2,940.0	3,103.0
Philippines	632.5	912.2	1,196.9	1,245.6	1,119.4	1,442.6
Singapore	3,812.2	4,066.5	5,485.6	5,687.8	5,681.0	6,348.1
Thailand	1,637.0	2,071.5	2,764.1	3,418.9	3,8162.3	3,912.6

Balance

	1985	1988	1989	1990	1991 (1)	1992 (1)
Extra-EC	-27,767.1	-24,981.5	-33,706.8	-46,201.8	-70,487.1	-52,018.9
of which:						
ASEAN	-338.8	-1,514.2	-1,064.7	-664.6	-2,663.7	-3,126.0
of which:						
Brunei	121.7	105.5	171.0	157.1	237.7	196.9
Indonesia	332.5	-200.2	-514.3	-22.5	-374.7	-293.6
Malaysia	-1,249.5	-1,301.8	-1,458.5	-1,110.3	-1,442.7	-1,834.0
Philippines	-596.4	-297.0	-128.1	-11.6	-353.2	-165.8
Singapore	1,700.2	1,073.5	1,463.4	1,003.6	462.4	699.6
Thailand	-647.3	-894.1	-598.1	-681.0	-1,193.2	-1,729.2

Sources: CRONOS-FRIC and COMEXT, EUROSTAT  
Production: European Parliament/Statistical Service  
(1) concerns F.R. Germany as constituted October 1990

Community trade with ASEAN, 1985 and 1988-1992

EC-imports (cif)	Extra-EC=100/ASEAN=100					
	1985	1988	1989	1990	1991 (1)	1992 (1)
Extra-EC	100.0	100.0	100.0	100.0	100.0	100.0
of which: ASEAN	2.6	3.1	3.4	3.6	4.0	4.6
ASEAN	100.0	100.0	100.0	100.0	100.0	100.0
of which:						
Brunei	0.4	1.8	2.7	1.3	1.4	1.0
Indonesia	18.6	17.5	16.8	17.1	17.9	19.4
Malaysia	27.0	22.0	23.1	21.6	22.0	22.0
Philippines	11.8	9.9	8.7	7.5	7.4	7.2
Singapore	20.3	24.5	26.5	28.0	26.2	25.2
Thailand	21.9	24.3	22.2	24.5	25.1	25.2

EC-exports (fob)

Extra-EC	100.0	100.0	100.0	100.0	100.0	100.0
of which: ASEAN	2.7	2.9	3.4	3.9	4.1	4.4
ASEAN	100.0	100.0	100.0	100.0	100.0	100.0
of which:						
Brunei	1.6	3.0	4.1	2.4	3.0	2.2
Indonesia	22.5	18.1	14.5	17.7	18.5	21.0
Malaysia	15.5	13.0	14.5	15.5	17.0	16.1
Philippines	6.3	8.5	8.5	7.8	6.5	7.5
Singapore	37.8	38.0	38.9	35.4	32.9	32.9
Thailand	16.2	19.4	19.6	21.3	22.1	20.3

Source: Statistical Service, on the basis of official figures

Production: European Parliament/Statistical Service

(1) concerns F.R. Germany as constituted October 1990

Community trade with ASEAN, 1985 and 1988-1992

EC-imports (cif) 1985=100

	1985	1988	1989	1990	1991 (1)	1992 (1)
Extra-EC	100.0	95.4	109.9	113.6	121.5	120.0
of which:						
ASEAN	100.0	117.1	145.6	160.6	191.4	215.1
of which:						
Brunei	100.0	534.0	1006.9	557.0	704.0	553.9
Indonesia	100.0	110.1	131.7	147.6	184.5	224.2
Malaysia	100.0	95.5	124.7	128.2	155.8	175.5
Philippines	100.0	98.4	107.8	102.3	119.8	130.9
Singapore	100.0	141.7	190.4	221.8	247.1	267.4
Thailand	100.0	129.8	147.2	179.5	219.3	247.0

EC-exports (fob)

Extra-EC	100.0	95.8	109.1	109.7	111.8	115.1
of which:						
ASEAN	100.0	106.1	140.0	159.4	171.4	191.3
of which:						
Brunei	100.0	197.4	354.8	235.0	321.2	258.8
Indonesia	100.0	85.2	89.8	125.0	141.0	178.4
Malaysia	100.0	88.6	131.0	159.6	188.0	198.4
Philippines	100.0	144.2	189.2	196.9	177.0	228.1
Singapore	100.0	106.7	143.9	149.2	149.0	166.5
Thailand	100.0	126.5	168.9	208.8	233.1	239.0

Source: Statistical Service, on the basis of official figures

Production: European Parliament/Statistical Service

(1) concerns F.R. Germany as constituted October 1990

## ANNEX IV

Geographical distribution of trade:  
Brunei

## Imports (cif)

	World		EUR-12		USA		Japan	
	MIO USD	%	MIO USD	%	MIO USD	%	MIO USD	%
1984	621.7	100.0	103.2	16.6	94.6	15.2	124.2	20.0
1986	653.3	100.0	155.5	23.8	79.9	12.2	115.5	17.7
1988	743.6	100.0	138.7	18.7	93.6	12.6	118.6	15.9
1990	1,723.4	100.0	533.7	31.0	153.3	8.9	95.0	5.5
1991	1,780.7	100.0	529.0	29.7	178.5	10.0	141.7	8.0

## Exports (fob)

	World		EUR-12		USA		Japan	
	MIO USD	%	MIO USD	%	MIO USD	%	MIO USD	%
1984	3,183.0	100.0	73.9	2.3	176.3	5.5	2,178.0	68.4
1986	1,797.5	100.0	2.3	0.1	109.6	6.1	1,201.9	66.9
1988	1,706.7	100.0	1.4	0.1	35.2	2.1	1,110.2	65.0
1990	2,269.5	100.0	263.3	11.6	83.9	3.7	1,161.6	51.2
1991	2,597.4	100.0	247.7	9.5	25.9	1.0	1,364.5	52.5

Source: Direction of Trade, Yearbook 1992, IMF

Production: European Parliament/Statistical Service

Community trade with Brunei by Member States, 1992

	EC-imports (cif)		EC-exports (fob)	
	1000 ECU	- % -	1000 ECU	- % -
Total	221,591	100.0	418,571	100.0
of which:				
France	46,547	21.0	37,030	8.8
Belg.-Luxbg	46	0.0	2,380	0.6
Netherlands	265	0.1	13,611	3.3
Fr Germany	7,082	3.2	49,431	11.8
Italy	1,318	0.6	27,408	6.5
Utd. Kingdom	166,083	75.0	286,059	68.3
Ireland	50	0.0	1,161	0.3
Denmark	27	0.0	1,284	0.3
Greece	6	0.0	0	0.0
Portugal	92	0.0	5	0.0
Spain	75	0.0	201	0.0

Source: COMEXT, EUROSTAT

Production: European Parliament/Statistical Service

Community trade with Brunei by commodity classes, 1992  
 EC-imports (cif)

	1000 ECU	- % - (1)
Total	221,571	100.0
of which:		
SITC 0+1	290	0.1
SITC 2+4	497	0.2
SITC 3	0	0.0
SITC 5	59	0.0
SITC 7	49,548	22.4
SITC 6+8	155,244	70.1
of which:		
SITC 897: Jewellery etc.	122,237	55.2

EC-exports (fob)

Product groups:	1000 ECU	- % -
Total	418,499	100.0
of which:		
SITC 0+1	4,639	1.1
SITC 2+4	430	0.1
SITC 3	3	0.0
SITC 5	4,808	1.1
SITC 7	115,323	27.6
SITC 6+8	272,051	65.0

Source: COMEXT, EUROSTAT

Production: European Parliament/Statistical Service

Note: SITC 0+1: Food, beverages and tobacco

      SITC 2+4: Raw materials

      SITC 3 : Energy

      SITC 5 : Chemicals

      SITC 7 : Machinery and transport eq.

      SITC 6+8: Other manufactured products

(1) % of total

Geographical distribution of trade:  
Indonesia

## Imports (cif)

	World		EUR-12		USA		Japan	
	MIO USD	%	MIO USD	%	MIO USD	%	MIO USD	%
1984	13,880	100.0	2,134	15.4	2,560	18.4	3,308	23.8
1986	10,724	100.0	1,838	17.1	1,482	13.8	3,128	29.2
1988	13,489	100.0	2,598	19.3	1,734	12.9	3,427	25.4
1990	22,005	100.0	4,138	18.8	2,520	11.5	5,455	24.8
1991	25,869	100.0	4,704	18.2	3,397	13.1	6,327	24.5

## Exports (fob)

	World		EUR-12		USA		Japan	
	MIO USD	%	MIO USD	%	MIO USD	%	MIO USD	%
1984	21,881	100.0	1,100	5.0	4,505	20.6	10,353	47.3
1986	14,809	100.0	1,383	9.3	2,902	19.6	6,644	44.9
1988	19,376	100.0	2,152	11.1	3,138	16.2	8,088	41.7
1990	25,675	100.0	3,029	11.8	3,365	13.1	10,923	42.5
1991	29,142	100.0	3,743	12.8	3,509	12.0	10,767	36.9

Source: Direction of Trade, Yearbook 1992, IMF  
Production: European Parliament/Statistical Service.



Community trade with Indonesia by Member States, 1992

	EC-imports (cif)		EC-exports (fob)	
	1000 ECU	- % -	1000 ECU	- % -
Total	4,345,869	100.0	4,052,411	100.0
of which:				
France	553,149	12.7	1,041,020	25.7
Belg.-Luxbg	308,207	7.1	167,882	4.1
Netherlands	674,997	15.5	332,094	8.2
Fr Germany	1,008,083	23.2	1,544,120	38.1
Italy	532,699	12.3	335,378	8.3
Utd. Kingdom	778,142	17.9	425,880	10.5
Ireland	41,818	1.0	15,386	0.4
Denmark	118,439	2.7	61,271	1.5
Greece	28,904	0.7	4,534	0.1
Portugal	11,597	0.3	53	0.0
Spain	289,833	6.7	124,794	3.1

Source: COMEXT, EUROSTAT

Production: European Parliament/Statistical Service

Community trade with Indonesia by commodity classes, 1992  
 EC-imports (cif)

	1000 ECU	- % - (1)
Total	4,345,802	100.0
of which:		
SITC 0+1	568,054	13.1
of which:		
SITC 07: Coffee, tea, cocoa etc.	160,555	3.7
SITC 05: Vegetables and fruits	140,220	3.2
SITC 2+4	642,764	14.8
of which:		
SITC 42: Fixed vegetable fats and oils, crude, refined or fractionated	322,105	7.4
SITC 24: Cork and wood	147,847	3.4
SITC 3	131,985	3.0
SITC 5	70,940	1.6
SITC 7	221,684	5.1
SITC 6+8	2,682,638	61.7
of which:		
SITC 84: Articles of apparel and clothing accessories	908,881	20.9
SITC 65: Textile yarn, fabrics, made-up articles etc.	474,014	10.9
SITC 63: Cork and wood manufactures	435,745	10.0

EC-exports (fob)

Product groups:	1000 ECU	- % -
Total	4,049,443	100.0
of which:		
SITC 0+1	93,754	2.3
SITC 2+4	57,155	1.4
SITC 3	40,854	1.0
SITC 5	479,396	11.8
SITC 7	2,500,673	61.8
SITC 6+8	621,367	15.3

Source: COMEXT, EUROSTAT

Production: European Parliament/Statistical Service

Note: SITC 0+1: Food, beverages and tobacco

      SITC 2+4: Raw materials

      SITC 3 : Energy

      SITC 5 : Chemicals

      SITC 7 : Machinery and transport eq.

      SITC 6+8: Other manufactured products

(1) % of total

## ANNEX VI

Geographical distribution of trade:  
Malaysia

## Imports (cif)

	World		EUR-12		USA		Japan	
	MIO USD	%	MIO USD	%	MIO USD	%	MIO USD	%
1984	14,057	100.0	1,925	13.7	2,295	16.3	3,692	26.3
1986	10,828	100.0	1,585	14.6	2,034	18.8	2,221	20.5
1988	16,567	100.0	2,207	13.3	2,925	17.7	3,816	23.0
1990	29,170	100.0	4,285	14.7	4,944	16.9	7,055	24.2
1991	36,749	100.0	5,001	13.6	5,626	15.3	9,582	26.1

## Exports (fob)

	World		EUR-12		USA		Japan	
	MIO USD	%	MIO USD	%	MIO USD	%	MIO USD	%
1984	16,563	100.0	2,155	13.0	2,231	13.5	3,770	22.8
1986	13,977	100.0	2,027	14.5	2,297	16.4	3,257	23.3
1988	21,096	100.0	3,047	14.4	3,663	17.4	3,577	17.0
1990	29,420	100.0	4,398	14.9	4,986	16.9	4,506	15.3
1991	34,405	100.0	5,082	14.8	5,808	16.9	5,458	15.9

Source: Direction of Trade, Yearbook 1992, IMF  
Production: European Parliament/Statistical Service

Community trade with Malaysia by Member States, 1992

	EC-imports (cif)		EC-exports (fob)	
	1000 ECU	- % -	1000 ECU	- % -
Total	4,937,003	100.0	3,103,216	100.0
of which:				
France	561,116	11.4	372,970	12.0
Belg.-Luxbg	247,092	5.0	171,712	5.5
Netherlands	529,803	10.7	188,583	6.1
Fr Germany	1,641,558	33.3	1,053,377	33.9
Italy	382,384	7.7	306,683	9.9
Utd. Kingdom	1,185,369	24.0	861,576	27.8
Ireland	36,732	0.7	37,080	1.2
Denmark	73,089	1.5	58,530	1.9
Greece	36,970	0.7	2,436	0.0
Portugal	34,326	0.7	16,244	0.5
Spain	208,565	4.2	34,024	1.1

Source: COMEXT, EUROSTAT

Production: European Parliament/Statistical Service

Community trade with Malaysia by commodity classes, 1992  
 EC-imports (cif)

	1000 ECU	-%- (1)
Total	4,937,120	100.0
of which:		
SITC 0+1	265,607	5.4
of which:		
SITC 2+4	1,003,749	20.3
of which:		
SITC 24: Cork and wood	438,032	8.9
SITC 23: Crude rubber	248,474	5.0
SITC 42: Fixed vegetable fats and oils, crude, refined or fractionated	233,337	4.7
SITC 5	65,866	1.3
SITC 7	2,032,527	41.2
of which:		
SITC 776: Valves, tubes, electronic integ. circuits etc.	540,542	10.9
SITC 762: Radio-broadcast rce. etc.	426,976	8.6
SITC 752: Automatic data processing machines etc.	221,379	4.5
SITC 761: Television receivers etc.	171,042	3.5
SITC 6+8	1,473,644	29.8
of which:		
SITC 84: Articles of apparel and clothing accessories	583,048	11.8

EC-exports (fob)

Product groups:	1000 ECU	- % -
Total	3,103,222	100.0
of which:		
SITC 0+1	151,766	4.9
SITC 2+4	63,944	2.1
SITC 3	8,765	0.3
SITC 5	335,053	10.8
SITC 7	1,809,590	58.3
SITC 6+8	621,163	20.0

Source: COMEXT, EUROSTAT

Production: European Parliament/Statistical Service

Note: SITC 0+1: Food, beverages and tobacco

      SITC 2+4: Raw materials

      SITC 3 : Energy

      SITC 5 : Chemicals

      SITC 7 : Machinery and transport eq.

      SITC 6+8: Other manufactured products

(1) % of total

Geographical distribution of trade:  
Philippines

ANNEX VII

Imports (cif)

	World			EUR-12			USA			Japan		
	MIO USD	-%		MIO USD	-%		MIO USD	-%		MIO USD	-%	
1984	6,262	100.0		688	11.0		1,714	27.4		851	13.6	
1986	5,211	100.0		571	11.0		1,293	24.8		887	17.0	
1988	8,662	100.0		1,049	12.1		1,823	21.0		1,503	17.4	
1990	12,993	100.0		1,450	11.2		2,538	19.5		2,397	18.4	
1991	12,945	100.0		1,318	10.2		2,610	20.2		2,517	19.4	

Exports (fob)

	World			EUR-12			USA			Japan		
	MIO USD	-%		MIO USD	-%		MIO USD	-%		MIO USD	-%	
1984	5,343	100.0		741	13.9		2,032	38.0		1,034	19.4	
1986	4,807	100.0		877	18.2		1,709	35.6		852	17.7	
1988	7,034	100.0		1,245	17.7		2,512	35.7		1,416	20.1	
1990	8,171	100.0		1,453	17.8		3,104	38.0		1,622	19.9	
1991	8,840	100.0		1,645	18.6		3,151	35.6		1,771	20.0	

Source: Direction of Trade, Yearbook 1992, IMF  
Production: European Parliament/Statistical Service

Community trade with Philippines by Member States, 1992

	EC-imports (cif)		EC-exports (fob)	
	1000 ECU	- % -	1000 ECU	- % -
Total	1,608,460	100.0	1,442,819	100.0
of which:				
France	173,429	10.8	230,267	16.0
Belg.-Luxbg	68,795	4.3	56,858	3.9
Netherlands	205,783	12.8	113,558	7.9
Fr Germany	538,878	33.5	483,959	33.5
Italy	136,932	8.5	137,656	9.5
Utd. Kingdom	369,356	23.0	274,379	19.0
Ireland	9,483	0.6	28,696	2.0
Denmark	22,647	1.4	42,728	3.0
Greece	5,514	0.3	982	0.1
Portugal	9,542	0.6	3,022	0.2
Spain	68,099	4.2	70,713	4.9

Source: COMEXT, EUROSTAT

Production: European Parliament/Statistical Service

Community trade with Philippines by commodity classes, 1992  
EC-imports (cif)

	1000 ECU	- % - (1)
Total	1,608,417	100.0
of which:		
SITC 0+1	201,090	12.5
of which:		
SITC 03: Fish products	74,719	4.6
SITC 05: Vegetables and fruits	55,906	3.5
SITC 2+4	180,898	11.2
of which:		
SITC 42: Fixed vegetable fats and oils, crude, refined or fractionated	104,393	6.5
SITC 3	223	0.0
SITC 5	11,873	0.7
SITC 7	405,145	25.2
of which:		
SITC 776: Valves, tubes, electronic integ. circuits etc.	230,285	14.3
SITC 752: Automatic data processing machines etc.	110,264	6.9
SITC 6+8	730,725	45.4
of which:		
SITC 84: Articles of apparel and clothing accessories	323,886	20.1
SITC 63: Cork and wood manufactures	64,194	4.0

EC-exports (fob)

Product groups:	1000 ECU	- % -
Total	1,442,708	100.0
of which:		
SITC 0+1	163,783	11.4
SITC 2+4	12,456	0.9
SITC 3	2,192	0.2
SITC 5	213,868	14.8
SITC 7	743,842	51.6
SITC 6+8	244,794	17.0

Source: COMEXT, EUROSTAT

Production: European Parliament/Statistical Service

Note: SITC 0+1: Food, beverages and tobacco

      SITC 2+4: Raw materials

      SITC 3 : Energy

      SITC 5 : Chemicals

      SITC 7 : Machinery and transport eq.

      SITC 6+8: Other manufactured products

(1) % of total



## ANNEX VIII

Geographical distribution of trade:  
Singapore

## Imports (cif)

	World		EUR-12		USA		Japan	
	MIO USD	%	MIO USD	%	MIO USD	%	MIO USD	%
1984	28,667	100.0	2,969	10.4	4,179	14.6	5,261	18.4
1986	25,513	100.0	2,971	11.6	3,819	15.0	5,078	19.9
1988	43,869	100.0	5,280	12.0	6,824	15.6	9,632	22.0
1990	60,954	100.0	7,816	12.8	9,801	16.1	12,263	20.1
1991	66,257	100.0	7,978	12.0	10,501	15.8	14,115	21.3

## Exports (fob)

	World		EUR-12		USA		Japan	
	MIO USD	%	MIO USD	%	MIO USD	%	MIO USD	%
1984	24,070	100.0	2,426	10.1	4,823	20.0	2,255	9.4
1986	22,501	100.0	2,507	11.1	5,257	23.4	1,931	8.6
1988	39,318	100.0	5,101	13.0	9,370	23.8	3,394	8.6
1990	52,753	100.0	7,601	14.4	11,215	21.3	4,616	8.8
1991	59,188	100.0	8,278	14.0	11,674	19.7	5,133	8.7

Source: Direction of Trade, Yearbook 1992, IMF  
Production: European Parliament/Statistical Service

Community trade with Singapore by Member States, 1992

	EC-imports (cif)		EC-exports (fob)	
	1000 ECU	- % -	1000 ECU	- % -
Total	5,648,400	100.0	6,348,468	100.0
of which:				
France	756,549	13.4	1,002,967	15.8
Belg.-Luxbg	157,715	2.8	300,276	4.7
Netherlands	709,236	12.6	391,744	6.2
Fr Germany	1,759,226	31.1	1,598,523	25.2
Italy	434,725	7.7	889,586	14.0
Utd. Kingdom	1,371,316	24.3	1,729,438	27.2
Ireland	72,269	1.3	68,708	1.1
Denmark	67,027	1.2	175,519	2.8
Greece	59,152	1.0	12,136	0.2
Portugal	37,157	0.7	16,056	0.3
Spain	224,027	4.0	163,516	2.6

Source: COMEXT, EUROSTAT

Production: European Parliament/Statistical Service

Community trade with Singapore by commodity classes, 1992  
 EC-imports (cif)

	1000 ECU	- % - (1)
Total	5,648,576	100.0
of which:		
SITC 0+1	86,610	1.5
SITC 2+4	76,687	1.4
SITC 3	5,316	0.1
SITC 5	192,072	3.4
SITC 7	4,207,531	74.5
of which:		
SITC 752: Automatic data processing machines etc.	1,890,054	33.5
SITC 776: Valves, tubes, electronic integ. circuits etc.	405,961	7.2
SITC 759: Parts and accessories to auto. data pro processing machines etc.	321,033	5.7
SITC 762: Radio-broadcast rce. etc.	253,841	4.5
SITC 761: Television receivers etc.	159,776	2.8
SITC 6+8	999,356	17.7
SITC 84: Articles of apparel and clothing accessories	213,211	3.8

EC-exports (fob)

Product groups:	1000 ECU	- % -
Total	6,348,277	100.0
of which:		
SITC 0+1	355,062	5.6
SITC 2+4	30,975	0.5
SITC 3	65,238	1.0
SITC 5	715,085	11.3
SITC 7	3,049,732	48.0
SITC 6+8	1,727,847	27.2

Source: COMEXT, EUROSTAT

Production: European Parliament/Statistical Service

Note: SITC 0+1: Food, beverages and tobacco

      SITC 2+4: Raw materials

      SITC 3 : Energy

      SITC 5 : Chemicals

      SITC 7 : Machinery and transport eq.

      SITC 6+8: Other manufactured products

(1) % of total

## ANNEX IX

Geographical distribution of trade:  
Thailand

## Imports (cif)

	World		EUR-12		USA		Japan	
	MIO USD	%	MIO USD	%	MIO USD	%	MIO USD	%
1984	10,415	100.0	1,290	12.4	1,409	13.5	2,803	26.9
1986	9,165	100.0	1,384	15.1	1,312	14.3	2,421	26.4
1988	20,298	100.0	3,140	15.5	2,753	13.6	5,493	27.1
1990	33,392	100.0	4,871	14.6	3,600	10.8	10,144	30.4
1991	37,518	100.0	5,200	13.9	3,997	10.7	10,803	28.8

## Exports (fob)

	World		EUR-12		USA		Japan	
	MIO USD	%	MIO USD	%	MIO USD	%	MIO USD	%
1984	7,414	100.0	1,534	20.7	1,273	17.2	965	13.0
1986	8,864	100.0	1,899	21.4	1,606	18.1	1,260	14.2
1988	15,910	100.0	3,315	20.8	3,200	20.1	2,545	16.0
1990	23,181	100.0	4,974	21.5	5,240	22.6	3,970	17.1
1991	27,562	100.0	5,734	20.8	6,021	21.8	5,038	18.3

Source: Direction of Trade, Yearbook 1992, IMF  
Production: European Parliament/Statistical Service

Community trade with Thailand by Member States, 1992

	EC-imports (cif)		EC-exports (fob)	
	1000 ECU	- % -	1000 ECU	- % -
Total	5,641,945	100.0	3,912,877	100.0
of which:				
France	650,297	11.5	676,884	17.3
Belg.-Luxbg	376,942	6.7	311,180	8.0
Netherlands	1,235,618	21.9	278,770	7.1
Fr Germany	1,329,690	23.6	1,344,445	34.4
Italy	491,269	8.7	425,217	10.9
Utd. Kingdom	929,133	16.5	641,738	16.4
Ireland	23,516	0.4	26,661	0.7
Denmark	112,257	2.0	109,089	2.8
Greece	38,508	0.7	9,083	0.2
Portugal	101,326	1.8	11,607	0.3
Spain	353,389	6.3	78,204	2.0

Source: COMEXT, EUROSTAT

Production: European Parliament/Statistical Service

Community trade with Thailand by commodity classes, 1992  
 EC-imports (cif)

	1000 ECU	- % - (1)
Total	5,641,964	100.0
of which:		
SITC 0+1	1,891,509	33.5
of which:		
SITC 05: Vegetables and fruits	1,240,799	22.0
SITC 03: Fish products	411,365	7.3
SITC 2+4	154,531	2.7
SITC 5	28,594	0.5
SITC 7	959,225	17.0
of which:		
SITC 761: Television receivers etc.	209,865	3.7
SITC 752: Automatic data processing machines etc.	181,822	3.2
SITC 6+8	2,544,714	45.1
of which:		
SITC 84: Articles of apparel and clothing accessories	727,389	12.9
SITC 65: Textile yarn, fabrics, made-up articles etc.	228,929	4.1
SITC 66: Non-metallic mineral manufactures etc.	219,091	3.9
SITC 897: Jewellery etc.	189,816	3.4

EC-exports (fob)

Product groups:	1000 ECU	- % -
Total	3,912,758	100.0
of which:		
SITC 0+1	271,113	6.9
SITC 2+4	52,056	1.3
SITC 3	8,918	0.2
SITC 5	535,823	13.7
SITC 7	1,944,246	49.7
SITC 6+8	901,970	23.1

Source: COMEXT, EUROSTAT

Production: European Parliament/Statistical Service

Note: SITC 0+1: Food, beverages and tobacco

      SITC 2+4: Raw materials

      SITC 3 : Energy

      SITC 5 : Chemicals

      SITC 7 : Machinery and transport eq.

      SITC 6+8: Other manufactured products

(1) % of total

## I

*(Acts whose publication is obligatory)*

**COUNCIL REGULATION (EEC) No 1440/80  
of 30 May 1980**

**concerning the conclusion of the Cooperation Agreement between the European Economic Community and Indonesia, Malaysia, the Philippines, Singapore and Thailand — member countries of the Association of the South-East Asian Nations**

**THE COUNCIL OF THE EUROPEAN COMMUNITIES,**

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 113 and 235 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament<sup>(1)</sup>,

Whereas the conclusion of the cooperation Agreement between the European Economic Community and Indonesia, Malaysia, the Philippines, Singapore and Thailand — member countries of the Association of the South-East Asian Nations, appears necessary for the attainment of the aims of the Community in the sphere of external economic relations; whereas certain forms of economic cooperation envisaged by the Agreement exceed the powers of action specified in the sphere of the common commercial policy,

**HAS ADOPTED THIS REGULATION:**

*Article 1*

The Cooperation Agreement between the European Economic Community and Indonesia, Malaysia, the Philippines, Singapore and Thailand — member countries of the Association of the South-East Asian Nations, is hereby approved on behalf of the Community.

The text of the Agreement is annexed to this Regulation.

*Article 2*

The President of the Council shall give the notification provided for in Article 8 of the Agreement<sup>(2)</sup>.

*Article 3*

This Regulation shall enter into force on the day following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 30 May 1980.

*For the Council*

*The President*

G. ZAMBERLETTI

<sup>(1)</sup> OJ No C 85, 2. 4. 1980, p. 83.

<sup>(2)</sup> The date of entry into force of the Agreement will be published in the *Official Journal of the European Communities* by the General Secretariat of the Council.

**COOPERATION AGREEMENT**

between the European Economic Community and Indonesia, Malaysia, the Philippines, Singapore and Thailand — member countries of the Association of South-East Asian Nations

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

of the one part, and

THE GOVERNMENTS OF INDONESIA, MALAYSIA, THE PHILIPPINES, SINGAPORE AND THAILAND — MEMBER COUNTRIES OF THE ASSOCIATION OF SOUTH-EAST ASIAN NATIONS, hereinafter referred to as ASEAN,

of the other part,

Having regard to the friendly relations and traditional links between the member countries of ASEAN and the Member States of the Community:

Affirming their common commitment to support mutually the efforts of ASEAN and the Community to create and to strengthen regional organizations committed to economic growth, social progress and cultural development and aiming to provide an element of balance in international relations:

Inspired by their common will to consolidate, deepen and diversify their commercial and economic relations to the full extent of their growing capacity to meet each other's requirements on the basis of comparative advantage and mutual benefit:

Affirming their willingness to contribute to the expansion of international trade in order to achieve greater economic growth and social progress:

Conscious that such cooperation will be between equal partners but will take into account the level of development of the member countries of ASEAN and the emergence of ASEAN as a viable and cohesive grouping, which has contributed to stability and peace in South-East Asia:

Persuaded that such cooperation should be realized in an evolutionary and pragmatic fashion as their policies develop:

Affirming their common will to contribute to a new phase of international economic cooperation and to facilitate the development of their respective human and material resources on the basis of freedom, equality and justice:

Have decided to conclude a Cooperation Agreement and to this end have designated as their plenipotentiaries:

THE COUNCIL OF THE EUROPEAN COMMUNITIES:

Attilio RUFFINI,  
President-in-Office of the Council of the European Communities,  
Minister of Foreign Affairs of the Italian Republic;

Wilhelm HAFERKAMP,  
Vice-President of the Commission of the European Communities;

THE GOVERNMENT OF THE REPUBLIC OF INDONESIA:

Prof. Dr MOCHTAR KUSUMAATMADJA,  
Minister of Foreign Affairs;

THE GOVERNMENT OF MALAYSIA:

TENGGU AHMAD RITHAUDEEN,  
Minister of Foreign Affairs;

THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES:

CARLOS P. ROMULO,  
Minister for Foreign Affairs;

THE GOVERNMENT OF THE REPUBLIC OF SINGAPORE:

S. RAJARATNAM,  
Minister for Foreign Affairs;



THE GOVERNMENT OF THE KINGDOM OF THAILAND:

AIR CHIEF MARSHAL SIDDHI SAVETSILA,  
Minister for Foreign Affairs;

WHO, having exchanged their full powers, found in good and due form,

HAVE AGREED AS FOLLOWS:

*Article 1*

**Most-favoured-nation treatment**

The Parties shall, in their commercial relations, accord each other most-favoured-nation treatment in accordance with the provisions of the General Agreement on Tariffs and Trade, without prejudice, however, to the provisions of the Protocol annexed to this Agreement.

*Article 2*

**Commercial cooperation**

1. The Parties undertake to promote the development and diversification of their reciprocal commercial exchanges to the highest possible level taking into account their respective economic situations.
2. The Parties agree to study ways and means of overcoming trade barriers, and in particular existing non-tariff and quasi-tariff barriers, taking into account the work of international organizations.
3. The Parties shall in accordance with their legislation and in the conduct of their policies :
  - (a) cooperate at the international level and between themselves in the solution of commercial problems of common interest including trade related to commodities ;
  - (b) use their best endeavours to grant each other the widest facilities for commercial transactions ;
  - (c) take fully into account their respective interests and needs for improved access for manufactured, semi-manufactured and primary products as well as the further processing of resources ;
  - (d) bring together economic operators in the two regions with the aim of creating new trade patterns ;
  - (e) study and recommend trade promotion measures likely to encourage the expansion of imports and exports ;
  - (f) seek, in so far as possible, the other Parties' views where measures are being considered which could

have an adverse effect on trade between the two regions.

*Article 3*

**Economic cooperation**

1. The Parties, in the light of the complementarity of their interests and of their long-term economic capabilities, shall bring about economic cooperation in all fields deemed suitable by the Parties.

Among the objectives of such cooperation shall be :

- the encouragement of closer economic links through mutually beneficial investment,
  - the encouragement of technological and scientific progress,
  - the opening up of new sources of supply and new markets,
  - the creation of new employment opportunities.
2. As means to such ends, the Parties shall, as appropriate, encourage and facilitate *inter alia* :
    - a continuous exchange of information relevant to economic cooperation as well as the development of contacts and promotion activities between firms and organizations in both regions,
    - the fostering, between respective firms, of industrial and technological cooperation, including mining,
    - cooperation in the fields of science and technology, energy, environment, transport and communications, agriculture, fisheries and forestry.

In addition the Parties undertake to improve the existing favourable investment climate *inter alia* through encouraging the extension, by and to all Member States of the Community and by and to all member countries of ASEAN, of investment promotion and protection arrangements which endeavour to apply the principle of non-discrimination, aim to ensure fair and equitable treatment and reflect the principle of reciprocity.

3. Without prejudice to the relevant provisions of the Treaties establishing the Communities, this Agreement and any action taken thereunder shall in no way affect the powers of any of the Member States of the Communities to undertake bilateral activities with any of the member countries of ASEAN in the field of economic cooperation and conclude, where appropriate, new economic cooperation agreements with these countries.

#### Article 4

##### Development cooperation

1. The Community recognizes that ASEAN is a developing region and will expand its cooperation with ASEAN in order to contribute to ASEAN's efforts in enhancing its self-reliance and economic resilience and social well-being of its peoples through projects to accelerate the development of the ASEAN countries and of the region as a whole.
2. The Community will take all possible measures to intensify its support, within the framework of its programmes in favour of non-associated developing countries, for ASEAN development and regional cooperation.
3. The Community will cooperate with ASEAN to realize concrete projects and programmes *inter alia* food production and supplies, development of the rural sector, education and training facilities and others of a wider character to promote ASEAN regional economic development and cooperation.
4. The Community will seek a coordination of the development cooperation activities of the Community and its Member States in the ASEAN region especially in relation to ASEAN regional projects.
5. The Parties shall encourage and facilitate the promotion of cooperation between sources of finance in the two regions.

#### Article 5

##### Joint Cooperation Committee

1. A Joint Cooperation Committee shall be set up to promote and keep under review the various cooperation activities envisaged between the Parties in the framework of the Agreement. Consultations shall be held in the Committee at an appropriate level in order to facilitate the implementation and to further the general aims of this Agreement. The Committee

will normally meet at least once a year. Special meetings of the Committee shall be held at the request of either Party.

2. The Joint Cooperation Committee shall adopt its own rules of procedure and programme of work.

#### Article 6

##### Other agreements

Subject to the provisions concerning economic cooperation in Article 3 (3), the provisions of this Agreement shall be substituted for provisions of Agreements concluded between Member States of the Communities and Indonesia, Malaysia, the Philippines, Singapore and Thailand to the extent to which the latter provisions are either incompatible with or identical to the former.

#### Article 7

##### Territorial application

This Agreement shall apply, on the one hand, to the territories in which the Treaty establishing the European Economic Community is applied and under the conditions laid down in that Treaty and, on the other hand, to the territories of Indonesia, Malaysia, the Philippines, Singapore and Thailand.

#### Article 8

##### Duration

1. This Agreement shall enter into force on the first day of the month following the date on which the Parties have notified each other of the completion of the procedures necessary for this purpose, and shall remain in force for an initial period of five years and thereafter for periods of two years subject to the right of either Party to terminate it by written notice given six months before the date of expiry of any period.
2. This Agreement may be amended by mutual consent of the Parties in order to take into account new situations.

#### Article 9

##### Authentic languages

This Agreement is drawn up in seven originals in the Danish, Dutch, English, French, German and Italian languages, each of these texts being equally authentic.

Til bekræftelse heraf har undertegnede befuldmægtigede underskrevet denne aftale.

Zu Urkund dessen haben die unterzeichneten Bevollmächtigten ihre Unterschriften unter dieses Abkommen gesetzt.

In witness whereof the undersigned Plenipotentiaries have signed this Agreement.

En foi de quoi, les plénipotentiaires soussignés ont apposé leurs signatures au bas du présent accord.

In fede di che, i plenipotenziari sottoscritti hanno apposto le loro firme in calce al presente accordo.

Ten blijke waarvan de ondergetekende gevolmachtigden hun handtekening onder deze Overeenkomst hebben gesteld.

Udfærdiget i Kuala Lumpur, den syvende mars nitten hundrede og firs.

Geschehen zu Kuala Lumpur am siebenten März neunzehnhundertachtzig.

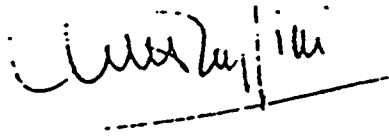
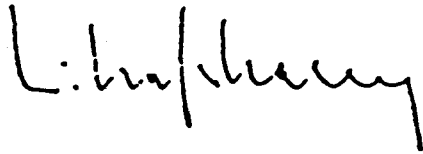
Done at Kuala Lumpur on the seventh day of March in the year one thousand nine hundred and eighty.

Fait à Kuala Lumpur, le sept mars mil neuf cent quatre-vingts.

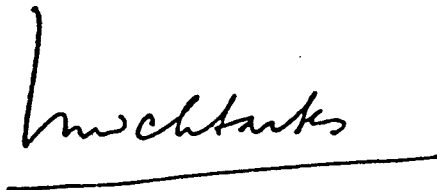
Fatto a Kuala Lumpur, addì sette marzo millenovecentottanta.

Gedaan te Koela Loempoer, de zevende maart negentienhonderdtachtig.

For Rådet for De europæiske Fællesskaber  
Für den Rat der Europäischen Gemeinschaften  
For the Council of the European Communities  
Pour le Conseil des Communautés européennes  
Per il Consiglio delle Comunità europee  
Voor de Raad van de Europese Gemeenschappen

A handwritten signature in black ink, appearing to be 'L. Krauthaus', written over a horizontal line.A handwritten signature in black ink, appearing to be 'L. Krauthaus', written below the first signature.

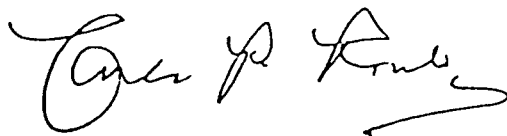
For the Government of the Republic of Indonesia

A handwritten signature in black ink, appearing to be 'Mochtar', written over a horizontal line.

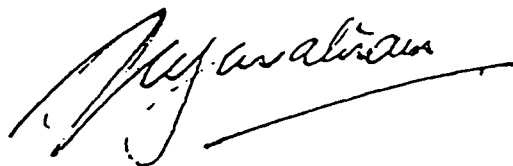
For the Government of Malaysia

A handwritten signature in black ink, appearing to be 'R. S. S.', written over a horizontal line.

For the Government of the Republic of the Philippines



For the Government of the Republic of Singapore



For the Government of the Kingdom of Thailand



—

**PROTOCOL**  
concerning Article 1 of the Agreement

1. According to the provisions of this Protocol, the European Economic Community and a Party that is not a contracting party to the General Agreement on Tariffs and Trade shall, with regard to imported or exported goods, grant each other most-favoured-nation treatment in all matters relating to:
    - customs duties and charges of all kinds including the procedures for collecting such duties and charges,
    - regulations concerning customs clearance, transit, warehousing or transshipment,
    - direct or indirect taxes and other internal charges,
    - regulations concerning payments including the allocation of foreign currency and the transfer of such payments,
    - regulations affecting the sale, purchase, transport, distribution and use of goods on the internal market.
  2. Paragraph 1 shall not apply to:
    - (a) advantages granted to neighbouring countries to facilitate frontier-zone traffic;
    - (b) advantages granted with the object of establishing a customs union or a free trade area or as required by such a customs union or free trade area;
    - (c) advantages granted to particular countries in conformity with the General Agreement on Tariffs and Trade;
    - (d) advantages which the member countries of ASEAN grant to certain countries in accordance with the Protocol on Trade Negotiations among Developing Countries in the context of the General Agreement on Tariffs and Trade;
    - (e) advantages granted or to be granted within the framework of ASEAN provided these do not exceed those that are granted or may be granted within the framework of ASEAN by member countries of ASEAN which are contracting parties of the General Agreement on Tariffs and Trade.
-

#### 4. Economic and trade relations between the EC and ASEAN

— A 3-0119/92

#### RESOLUTION

on economic and trade relations between the EC and ASEAN

*The European Parliament,*

- having regard to its resolution of 12 September 1991 on the situation in South-East-Asia <sup>(1)</sup>,
- having regard to its resolution of 14 December 1990 on the Commission communication to the Council concerning the Generalized System of Preferences — guidelines for the 1990s <sup>(2)</sup>,
- having regard to its resolutions of 25 October 1990 on measures to protect the ecology of the tropical forests and on the conservation of tropical forests respectively <sup>(3)</sup>,
- having regard to its opinion of 14 June 1991 on the Commission proposal for a Council regulation on the 'EC-International Investment Partners' financial facility for countries of Asia, Latin America and the Mediterranean region <sup>(4)</sup>,
- having regard to its opinion of 10 September 1991 on the Commission proposal for a Council regulation on financial and technical assistance to and economic cooperation with the developing countries in Asia and Latin America <sup>(5)</sup>,
- having regard to the report adopted on 16 July 1991 by the Committee on Development and Cooperation on measures to encourage and provide financial support for private investment in developing countries <sup>(6)</sup>,
- having regard to its resolution of 10 January 1989 on trade in drugs <sup>(7)</sup>,
- having regard to its resolution of 21 November 1991 on the hurricane in the Philippines <sup>(8)</sup>,
- having regard to the joint EC-ASEAN declaration adopted in Kuching, Malaysia on 17 February 1990,

<sup>(1)</sup> OJ No C 267, 14. 10. 1991, p. 159.

<sup>(2)</sup> OJ No C 19, 28. 1. 1991, p. 588.

<sup>(3)</sup> OJ No C 295, 26. 11. 1990, pp. 193 and 196.

<sup>(4)</sup> OJ No C 183, 15. 7. 1991, p. 460.

<sup>(5)</sup> OJ No 267, 14. 10. 1991, p. 35.

<sup>(6)</sup> A 3-0204/91.

<sup>(7)</sup> OJ No C 47, 27. 2. 1989, p. 53.

<sup>(8)</sup> OJ No C 326, 16. 12. 1991, p. 187.

Friday, 10 April 1992

- having regard to the joint EC-ASEAN declaration adopted in Luxembourg on 31 May 1991,
  - having regard to the report 'The ASEAN: an Overview' presented on 2 October 1991 by the ambassadors of the ASEAN countries,
  - having regard to the Declaration of the ASEAN Heads of Government adopted in Singapore on 28 January 1992 (Fourth ASEAN Summit),
  - having regard to the resolution of the Council and of the Member States of the Community meeting in Council, adopted in Brussels on 28 November 1991, on human rights, democracy and development,
  - having regard to the reports of the recent visits made by the rapporteur to Singapore, the Philippines and Indonesia (1),
  - having regard to the motion for a resolution by Mrs Peijs (Doc. B 3-0049/91) on the EC's economic and trading relations with the ASEAN countries,
  - having regard to its resolution of 22 November 1991 on human rights, democracy and development (2), and its resolution of 15 January 1992 on the financial protocols with Syria, Morocco, Algeria, Egypt, Tunisia, Jordan, Lebanon and Israel, and these countries' respect for human rights and international agreements (2),
  - having regard to its recent resolutions on the various areas of tension, conflict and non-respect of fundamental rights in the region (East Timor, the Philippines, etc.),
  - having regard to the report of the Committee on External Economic Relations (A 3-0119/92),
- A. whereas the countries of ASEAN (Brunei, Indonesia, Malaysia, Philippines, Singapore and Thailand), with 315 million inhabitants at present, are politically and economically among the most important partners of the European Community,
- B. whereas ASEAN during the last twenty years has recorded GDP growth rates larger than in any comparative group of countries in the world (for example, the average economic growth rate in 1988 was over 8%),
- C. whereas growth in EC-ASEAN trade in recent years has by far exceeded growth in trade with any other partners; trade between the EC and ASEAN during 1987 and 1988 grew by an average of 24,5%,
- D. whereas the EC is now ASEAN's third trading partner, after Japan and the USA,
- E. whereas it is in the interest of the Community to support the role of ASEAN as an area of peace, prosperity and political stability in South East Asia and whereas a strong Community presence in this area is also in the Community's interest,
- F. whereas the profound changes in the political landscape of the world and the rapid development of political and economic ties between the EC and ASEAN since the entry into force of the present Cooperation Agreement necessitate a stocktaking of present EC-ASEAN relations and the constitution of common guidelines for the development of relations up to and beyond the year 2000,

*as regards economic and commercial cooperation in general*

1. Considers that the present EC-ASEAN cooperation agreement from 1980, while having been useful in the past, is no longer a sufficient basis for a satisfactory development of further relations;

(1) PE 156.152, 4. 2. 1992.

(2) OJ No C 326, 16. 12. 1991, p. 259.

(3) Minutes of that sitting, part II, item 7.



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2. Warns in this connection against any short-sighted 'eurocentrism', which could make EC-ASEAN relations seem relatively less important than in the past;
3. Points to the dangers of European industry leaving the highly competitive and interesting markets of South East Asia to its competitors, as this in the longer term will weaken its position in the European market;
4. Notes with satisfaction the agreement on the need for a revision of the present Cooperation Agreement expressed in the Joint Declaration of the EC-ASEAN Ministerial Meeting in Luxembourg on 30-31 May 1991;
5. Shares the point of view expressed in the Joint Declaration that a new agreement should be broadened in scope and cover all domains of cooperation; in particular the following fields should be covered:
  - political dialogue,
  - economic cooperation,
  - trade cooperation,
  - industrial cooperation,
  - investment,
  - research and development and technology transfer,
  - cooperation concerning standards,
  - cooperation between financial institutions,
  - services — with special emphasis on tourism and transport,
  - protection of intellectual property,
  - the development of human resources and the protection of the environment and human rights;
6. Expects that a broad agreement of this sort would make a significant contribution to strengthening economic, political and cultural links between the EC and the ASEAN countries and thereby help to end the current domination of Japan, the USA and Taiwan (in the field of investments) in this region;
7. Considers it of great importance that political cooperation between the Community and the ASEAN countries will also be intensified and will be a part of the new cooperation agreement;
8. Considers it important that a new agreement should provide for appropriate consultation procedures to be applied in the event of trade disputes in order to minimize the damage to trade caused by such disputes; in this connection the creation of Joint Committees between the EC and individual ASEAN countries to supplement the joint Ministerial Meetings should be considered;
9. Calls on the Commission in the near future to set up a study with the ASEAN proposals on the achievement of complementarities in industrial production, based on division of labour in the industrial area, whereby the least-developed ASEAN countries would concentrate initially on (low-value) labour-intensive sectors; an EC-ASEAN working group could be given the task of listing the sectors to which this scheme might apply, bearing in mind the damaging effects which could result from the exploitation of unskilled labour in these countries;
10. Notes that the ASEAN countries, as far as their economic development is concerned, do not form a homogenous bloc, but that there are large disparities between them; recommends therefore that the trade and cooperation agreement contain separate protocols for the separate ASEAN countries on important specific areas of cooperation; moreover in future stronger bilateral contacts should be maintained between the EC and the separate ASEAN countries;
11. Notes with surprise that trade among the ASEAN countries themselves is not at all well developed and in 1989 accounted for less than 20% of total ASEAN trade; on the whole the situation is the opposite in the EC and the USA; considers it therefore very important — in

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trade relations with the rest of the world as well — that the ASEAN countries themselves considerably intensify their efforts to achieve an ASEAN Free Trade Zone; takes the view, in this respect, that the results of the Fourth ASEAN Summit meeting held in Singapore on 27 and 28 January 1992 are encouraging as a first decisive step;

12. Considers it essential that a new agreement should contain a direct reference to the ILO Conventions and that the parties undertake to respect this Convention; and urges that powerful measures be taken to reduce child labour in the EC and the ASEAN countries;

13. Stresses the importance of the Chambers of Commerce of the EC and ASEAN in connection with the promotion of trade and investment between the two areas;

14. Asks the Commission to examine possibilities of encouraging cooperation between EC chambers of commerce in connection with their representation in the ASEAN countries — possibly through partial EC funding of joint representations of chambers of commerce from several Member States in an initial phase;

15. Notes that in statistics and brochures on the EC's external relations the ASEAN countries are hardly mentioned; calls on the Commission to rectify this omission;

16. Welcomes the declaration of the Fourth ASEAN Summit that ASEAN will intensify its cooperation in overcoming the serious problem of drug abuse and illicit drug trafficking at national, regional and international levels, and urges the Commission and the ASEAN countries to intensify their cooperation in the fight against trade in the drugs;

*as regards EC-ASEAN trade*

17. Is surprised that the percentage of use of the GSP in the ASEAN countries was only 39 in 1988 and only 42 in 1989; notes that too many products are not covered by the current system or are actually excluded from preferences because of current quantity restrictions;

18. Reiterates its support for the Commission's proposal for a general simplification of the GSP involving the introduction of a system based on only three possible treatments of each country/product pair in respect of all products subject to customs duties, together with the abolition or reduction of import duties;

19. Is convinced that the ASEAN countries' can make greater use of the GSP, if

- the GSP becomes simpler and more transparent with fewer administrative procedures;
- more products are covered by the GSP; it is particularly important for the least-developed ASEAN countries that more outlets are found for processed agricultural products,
- quantitative restrictions in the GSP are drastically reduced or abolished,
- import duties are reduced or abolished;

20. Notes the importance for the ASEAN countries of extending the rules of origin, and particularly that the introduction of a 'donor content' rule would lead to greater use of the GSP;

21. Has with satisfaction taken note of the introduction of an 'ASEAN origin' in the Community's rules of origin allowing for unlimited cumulation among the ASEAN countries for products entering under the GSP;

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22. Requests the Commission in the light of the results of the Uruguay Round, to examine the possibilities of reducing EC import duties on tropical products of importance to ASEAN — for instance palm oil, coconut oil and pineapples;

23. Demands that a satisfactory solution be found concerning the technical trade barriers which at present prevent alternatively refined natural grade carrageenan (imported from the Philippines) from entering the Community considering the fact that all available evidence indicate that this product is completely safe for human consumption;

24. Is alarmed at the widespread fear in the ASEAN countries of the possible development of a 'Fortress Europe'; considers that this fear is principally occasioned by ignorance of the realities of the internal market; appreciates, however, that the EC's proposals on rebalancing may provide some grounds for this fear among the least-developed ASEAN countries with one-sided agricultural structures possibly facing a reduction in agricultural product exports to the EC;

25. Asks the Commission to supply more information to the ASEAN countries about the implications of the internal market and to make information about the Community's technical standards and test and certification procedure widely available in these countries;

26. Asks the Commission to examine the possibility of, on the basis of reciprocity, authorizing tests and certification concerning the compliance of ASEAN products with Community standards to be carried out in ASEAN countries;

27. In this context moreover advocates an intensification of the EC programmes to encourage trade, provide help with education programmes and management training, technical assistance and participation in scholarships, seminars, etc;

28. Understands the ASEAN countries' desire to be better informed in advance about the Community's anti-dumping regulations, so that they can be more precisely applied and do not give the impression of being used as a protectionist instrument;

29. Emphasizes that the ASEAN countries themselves can also make greater efforts to improve trading relations; points out the still large number of tariff and non-tariff barriers which exist in several ASEAN countries; not only do they hinder free competition in the markets concerned but high import duty on investment goods must in fact be considered an import duty on investment;

*as regards EC investment in the ASEAN countries*

30. Points out the need for increased EC investment in ASEAN in order to prevent a too strong Japanese presence in this part of the world;

31. Stresses that the most important investment incentive would be a definite agreement on the creation of an ASEAN Free Trade Area and therefore considers the decision of the ASEAN countries to create such an area to be an important step towards improved investment conditions;

32. Notes with satisfaction the marked increase in EC investments; is aware that the functioning of some EC-ASEAN Joint Investment Committees has diminished recently and asks the EC to intensify the work of these committees; recommends the encouragement of cooperation with the European chambers of commerce whenever possible;

33. Notes with concern that some ASEAN members continue to hinder investment through excessive bureaucracy and fiscal restrictions;

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34. Notes that in some ASEAN countries the development of new infrastructure is inadequate, which has an adverse effect on trade; calls on the ASEAN countries to give greater priority to infrastructure development; considers it important for the EEC and the Member States to increase their efforts in this area in the context of development cooperation;

*as regards development cooperation*

36. Takes the view that increased assistance to the countries of Central and Eastern Europe should not lead to a reduction in Community aid either in the case of ASEAN or in the case of other regions of the world;

37. Notes that there is great diversity among the ASEAN countries in their levels of economic development; stresses the need to concentrate aid on the least developed ASEAN countries and points out the particularly precarious situation of the Philippines where the situation is aggravated by natural disasters; repeats the view expressed on 21 November 1991 that the ECU 100 m currently allocated to development cooperation activities in the Philippines should be considerably increased;

38. Believes that, in order to be successful, development policy towards the ASEAN countries should continue to promote export-led growth, which is complementary to that of the Community;

39. Considers that the private sector in ASEAN and the EC should play a leading role in future export-oriented development and sees in this connection the EC-International Investment Partners' financial facility as a particularly valuable and effective instrument; considers that this instrument could be even more effective if the accessibility to the facility was improved by increasing the number of affiliated financial institutions in the ASEAN countries and by increasing the corresponding appropriation in the budget of the Community;

40. Stresses the importance of promoting regional economic integration in connection with development projects;

41. Calls for a particular effort to be made in order to reduce the dependence of certain rural regions on monocultures and diversify their agricultural production; points out in particular the importance of land reform for the Philippines and calls on the Commission to increase its participation in such projects;

42. Notes that Singapore in particular in the field of transport (shipping, ports, air travel, communications) is among the most developed countries in the world; recommends that this expertise is used to benefit other ASEAN countries and developing countries, in close cooperation with Community countries and/or institutions (joint expertise in assisting developing countries);

*as regards services*

43. Points out the increasing importance of reciprocal services between the Community and the ASEAN countries, particularly in the field of transport, tourism, communications and financial services; considers it important that in the context of the GATT negotiations agreement be reached at least on the general principles which should apply;

44. Notes that, particularly with regard to air traffic, the ASEAN countries are uncertain of the potential implications of the liberalization of air traffic in the EC after 1992; calls for an air traffic agreement to be drawn up between the EC and the ASEAN countries, with a view to opening up the air travel markets on both sides on a reciprocal and non-discriminatory basis;

45. Calls on the ASEAN countries to remove current national restrictions on financial services, preferably by means of arrangement in the context of GATT;

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46. Notes that Singapore, in particular, plays a key role with regard to trade and services in the Pacific region; calls on the Commission to investigate the possibility of independent permanent representation in Singapore (possibly together with Brunei), e.g. in conjunction with an EC Information Centre and an EC — Singapore technology centre;

47. Calls particularly on the governments involved to step up their efforts to eradicate sex tourism;

*as regards human rights*

48. Urges that the relationship between economic cooperation, development cooperation and human rights be thoroughly discussed in the Community and also in the European Parliament; considers that, pending this discussion, a consistent policy must be applied;

49. Notes that some cooperation agreements with Latin American countries (including the United Mexican States) contain a clause to the effect that 'the main beneficiary of cooperation is man, and that respect of his rights should therefore be promoted';

50. Calls for a similar human rights clause to be included in the new agreement to be concluded with the ASEAN countries;

51. Calls on the Commission and Council, in applying agreements in the region, to take account of Parliament's monitoring of fundamental rights situations in the region;

*as regards the environment*

52. Reiterates its grave concern about the rate of tropical deforestation in several parts of the world including ASEAN; reiterates also that the threat to the global environment is a common concern requiring urgent and appropriate international action and that the protection of the environment should be viewed in a balanced perspective, with due emphasis to be accorded to the promotion of economic growth and sustainable development, including eradication of poverty, meeting basic needs and enhancing the quality of life;

53. Notes with satisfaction the declared commitment of ASEAN countries towards a sustainable management of tropical forest in a way which is environmentally, socially and economically acceptable<sup>(1)</sup>; notes with satisfaction the regulations which have been in force in Indonesia since 1989, which are a great improvement on paper at least;

54. Notes, with reference to previous large-scale deforestation, that the above policy is in general clearly not being implemented and monitored because of lack of political will (at local level) and lack of knowledge on behalf of the enterprises concerned;

55. Asks the Commission to examine the possibilities of establishing a joint EC-ASEAN research programme in tropical forest management which respects the ecological balance, and of possibly associating other developing countries with the programme; refers in this context to its Resolution of 21 November 1991 on the hurricane in the Philippines;

56. Is of the opinion that the situation in Sarawak, Malaysia is particularly worrying and reiterates its demand for a ban on imports of tropical hardwood from this region, pending the introduction of a form of forestry management that is both ecologically and culturally

(1) See Jakarta Resolution on Sustainable Development, 1987; Third ASEAN Summit Declaration in Manila, December 1987; Kuala Lumpur Accord on Environment, June 1990; ASEAN-Mission to European Community, led by the Indonesian Minister of Forestry, 8-18 October 1990.

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acceptable; considers the pledge of the Sarawak Government to achieve sustainable management of its forests by implementing the recommendations of the ITTO report a first step;

*as regards intellectual property*

57. Considers the present level of protection of intellectual property in several ASEAN countries insufficient both in terms of legislation and law enforcement;

58. Believes that sufficient intellectual property protection within the framework of GATT is a necessary element for further expansion of EC-ASEAN economic and trade relations;

59. Urges the Commission to assist those of the ASEAN countries which have particular problems in connection with the protection of intellectual property to render the operation of their patent and trade mark offices more efficient;

*as regards scientific and technological cooperation and development of human resources*

60. Has noted with satisfaction the declaration of 31 May 1991 of the EC-ASEAN ministers to improve the flow of technical, economic and cultural exchanges between the EC and developing countries, including the strengthening of their scientific and technical potential;

61. Considers scientific and technological cooperation and development of human resources to be one of the potentially most important areas of cooperation and asks the Commission to ensure that the proposal for a new EC-ASEAN Cooperation Agreement takes this sufficiently into account; in this connection a provision for the creation of a joint EC-ASEAN committee for scientific and technological cooperation should be considered;

62. Calls on the Commission to encourage cultural exchanges between the EC and ASEAN countries, particularly between those countries which have maintained close historical ties;

63. Instructs its President to forward this resolution to the Commission, the Council and the governments of the ASEAN countries.