Walk away if TPPA terms unsuitable: Nazir

BY PREMALATHA JAYARAMAN

KUALA LUMPUR: Malaysia must be willing to walk away if the terms of the Trans-Pacific Partnership Agreement (TPPA) are not suitable for the country, said CIMB Group Holdings Bhd group chief executive Datuk Seri Nazir Razak.

"It is important that when you enter into a negotiation, you go in willing to walk away if it is not right. That's the fundamental prerequisite of good negotiation," he told reporters after presenting a talk on "Transformational Leadership - The Case of CIMB" at the first of the CIMB-Universiti Tun Abdul Razak leadership series here yesterday.

Nazir said the objective of the TPPA is to provide access to enter new markets.
"It is a good one. So, we should try for it. But the condition that comes with it, we must be careful, in particular (when) Malaysia has a unique way to do business and the terms should cater to what Malaysia needs," he said.

Nazir said many of the companies in Malaysia are state-owned. Thus, it is important for the Ministry of International Trade and Industry to negotiate the terms of the TPPA cognizant of the fact.

"It (TPPA) is premature and we don't know the details. It is still being negotiated. Just because we are hosting this round of negotiations (in Kota Kinabalu), it does not mean we are more inclined to agree to things. The devil is in the details," he added.

On whether CIMB Group has plans to enter the Philippines after aborting its proposed acquisition of San Miguel's 99.98% stake in the Philippine's Bank of Commerce recently, Nazir said it will look into other opportunities to enter the Philippines, adding that there is no rush.

On Bank Negara Malaysia's recent move to tighten consumer lending, he said: "We are very supportive of the rules. It is quite consistent with what regulators are doing across the region. Sometimes, it is good for regulators to intervene to cool things down."
3 business bodies back TPP talks, ACCCIM wants China in

KUALA LUMPUR: Chambers of commerce in the country have lent their support to the Trans-Pacific Partnership (TPP) trade negotiations, saying a pact promotes a secure and mutually beneficial trade environment and brings greater opportunities for participating countries.

The American Malaysian Chamber of Commerce, the Malaysia Canada Business Council and the Malaysia New Zealand Chamber of Commerce said government commitment to promoting free trade, while ensuring the success of the TPP negotiations in the current economic climate, is more crucial than ever.

“A firm and increasing commitment to the Asia-Pacific region via the TPP negotiations will allow companies to eliminate duplicative and unnecessary barriers,” they said in a joint statement yesterday.

“The companies will also be able to streamline their operations across the board, and disseminate regional and international best practices, thereby, fostering an efficient and mutually beneficial trade environment.

“Obtaining such an outcome is important to ensure that the TPP lays an effective foundation for future regional integration and international trade,” they added.

The three business bodies said local small and medium enterprises can better integrate into the supply chains of multinational corporations, while adopting international standards and creating new opportunities for industries. Foreign companies investing in TPP countries will benefit from the eased process of foreign direct investments.

However, in a separate statement, the Associated Chinese Chamber of Commerce and Industry of Malaysia (ACCCIM) said the TPP agreement (TPPA) should include China in the negotiations in order to build a promising free trade environment in Asia-Pacific.

“TPPA could interfere with the efficient supply chain developed in Asia if China remained excluded.”

The chamber urged the government to hold consultative sessions with national-level chambers of commerce and affected stakeholders before concluding the TPPA. An advisory committee system should be set up for meaningful consultations to take place, it said.

“ACCCIM is of the view that the government needs to ensure that the costs to Malaysia will not outweigh the benefits,” it said.

It added that the government must give priority to national interests over commercial interests in terms of non-trade-related issues.

The TPPA is a free trade initiative involving 12 countries and the 18th round of talks is being held in Kota Kinabalu.