

ASEAN has coordinated its relations with its major economic partners through "Dialogues" or regular consultative arrangements which include the provision by the "Dialogue" partners of regional development assistance. At present, there are six "Dialogue" partners: Canada, New Zealand, Japan, the European Community, U.S.A. and Australia.

Although the ASEAN economies are competitive rather than complementary, ASEAN's growing political will strongly suggests that fuller economic cooperation is attainable over the long term. Symbolic progress has been registered in three areas. ASEAN Preferential Trading Arrangements (PTA) have resulted in a tariff reduction of between 20 and 30 percent on a range of low-value goods numbering about 6000 items, albeit of low trade content. In a second area, ASEAN Industrial Projects (AIP) member countries are committed to identifying projects in each country which would be owned 60 percent by the host country and 40 percent divided among the other participating member countries. In the third area, that of ASEAN Industrial Complementation (AIC), the focus is on cooperation in the private sector. Various industry groups working through the ASEAN Chamber of Commerce and Industry have set up "industry clubs" (15 in all, including cement, automotive parts, glass, chemicals and pulp and paper). Cooperation takes the form of harmonization of product standards and testing procedures, research and development, and coordination of investment projects.

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