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ASEAN INDUSTRIAL  
COOPERATION . \*

A BACKGROUND NOTE

Prepared by  
the  
International Centre for Industrial Studies

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### Introduction

1. The Association of South East Asian Nations (ASEAN) was established in August 1967 in Bangkok by Indonesia, Malaysia, Philippines, Singapore and Thailand. Its organizational structure is given in a chart reproduced as Annex I to this Note. The ASEAN Secretariat is located in Jakarta. The Secretary-General is Mr. Umarjadi Njotowijono (Indonesia).

2. ASEAN has following overall aims:

- (i) To accelerate the economic growth, social progress and cultural development in the region through joint endeavours in the spirit of equality and partnership and peaceful community of South-East Asian Nations;
- (ii) To promote regional peace and stability through abiding respect for justice and the rule of law in the relationship among countries of the region and adherence to the principles of the United Nations Charter;
- (iii) To promote active collaboration and mutual assistance on matters of common interest in the economic, social, cultural, technical, scientific and administrative fields;
- (iv) To provide assistance to each other in the form of training and research facilities in the educational, professional, technical and administrative spheres;
- (v) To collaborate more effectively for the greater utilization of their agriculture and industries, the expansion of their trade including the study of the problems of international commodity trade, the improvement of their transportation and communication facilities and the raising of the living standards of their people;
- (vi) To promote South-East Asian studies;
- (vii) To maintain close and beneficial cooperation with existing international and regional organizations with similar aims and purposes, and explore all avenues for even closer cooperation among themselves.

### Early UN Studies

3. In the field of industry the practical achievements in cooperation, during the early period, were very limited. Several studies were made in respect of various schemes for cooperation in

industry. Two major UN study efforts should, in particular, be mentioned:

- "Economic Co-operation among Member Countries of ASEAN" report of a UN Study Team with Mr. G. Kansu as Team Leader and Professor E.A.C. Robinson as Senior Adviser. The report is published in the Journal of Development Planning, Vo. 7, United Nations, New York, 1974.
- "Asian Industrial Survey for Regional Co-operation", report prepared under the auspices of ECAFE (now ESCAP) in cooperation with the Asian Development Bank and UNIDO. Professor H.C. Bos was coordinator for the study project, Mr. A. Feraldis was leader of the permanent team. The report is published as Document AIDC (9)/1, United Nations, New York, 1973.

4. Three principal and general techniques of cooperation in the field of industry (and trade) were developed in these reports, namely the technique of selective trade liberalization, the technique of industrial complementarity agreements and the so-called 'package deal' technique.

5. Cooperation through selective trade liberalization is designed to increase efficiency and secure a more economic use of resources both in the short run and in the long run by increasing the trade between ASEAN countries and permitting increased specialization on activities of greatest advantage. Given the circumstances of ASEAN, a gradual step-by-step and item-by-item approach was considered appropriate, with a policy of progressive advance towards a long run goal of a limited free trade area.

6. The purpose of industrial complementarity agreements, which have played a significant role in Latin American development, is to expand trade and industrial co-operation, at the level of the individual industry or small group of related industries, through negotiations. These are conducted by representatives of manufacturers in different countries, with the aim of preparing an agreement covering that industry for government approval. Proposals may include measures for the encouragement of specialization and exchange of products or components through uni-directional preferences, reduction or abolition of intra-regional tariffs, removal of quantitative restrictions, establishment of joint ventures, the sharing of markets. In the case of the ASEAN countries a number of industries were suggested (in the two above-mentioned studies) for which complementarity agreements might be beneficial and suggestions were made for the conduct of negotiations and their supervision by governments.

7. The third general technique, that of the 'package deal', takes the form of an agreement to allocate between the various ASEAN countries certain large-scale industrial projects for a specified and limited period of time and to create the conditions, including trade liberalization measures, which would enable them to serve the whole or a large part of the ASEAN market. To test and at the same time to give concrete reality to the 'package deal' recommendations, pre-feasibility studies were carried out in respect of a number of chemical and engineering projects where a prima facie case exists for co-operation in their establishment in the region. These studies have revealed the very substantial economies, and the very big savings in capital and production costs, that can be secured by taking advantage of the economies of scale that are possible if they can be developed to serve the whole ASEAN market.

#### ASEAN Industrial Cooperation

8. In February 1976, in Bali, Indonesia, the ASEAN Heads of Government, meeting for the first time, adopted the document called the "Declaration of the ASEAN Concord" (reproduced as Annex II). The Declaration provides, inter alia, that member states "shall cooperate to establish large scale ASEAN industrial plants particularly to meet regional requirements of essential commodities, and that the "expansion of trade among member states shall be facilitated through cooperation in ASEAN industrial projects".

9. ASEAN industrial cooperation seeks to take advantage of the ASEAN market so that industries which can not be viably set up in any one ASEAN country can be viably and efficiently established on a regional basis. Thus opportunities will be provided for the expansion and diversification of trade and industrial development. Benefits generated from industrial cooperation schemes, taken together with the benefits from other programmes of regional economic cooperation, should in the long run be equitably shared among the member countries.

10. ASEAN industrial cooperation is envisioned to take place via three approaches, namely (i) the establishment of ASEAN industrial projects (AIP), (ii) ASEAN industrial complementation schemes and (iii) coordination of large scale national projects in selected industry sectors.

ASEAN Industrial Projects (AIP)

11. The first approach to ASEAN industrial cooperation is through the establishment of ASEAN industrial projects (AIP) through the joint efforts of the governments of the member countries. The ASEAN Governments have agreed to study initially five ASEAN industrial projects. These proposed projects being examined are: an ASEAN ammonia-urea project each in Indonesia and Malaysia, an ASEAN phosphatic fertilizer plant in the Philippines, an ASEAN diesel engine project in Singapore and an ASEAN rock salt-soda ash project in Thailand.

12. The ASEAN Economic Ministers have also agreed on the general principle to govern the equity participation of the ASEAN countries in the first five AIPs, namely that for these first five AIPs the host country should have 60 percent of the total equity of the AIP with the balance to be shared equally by the other ASEAN countries. The products of the AIPs were assured preferential access to the member countries through the various instruments of preferential trading arrangements (see below).

13. The Fifth Meeting of the ASEAN Economic Ministers held in Pattaya, Thailand in September 1977, accepted the ASEAN ammonia-urea project in Indonesia as the first of the ASEAN industrial projects. Initial steps are now being undertaken within the respective ASEAN Governments to enable financial commitments to this project to be made by the respective Governments in or about April 1978 as the first of the five ASEAN industrial projects to which financial commitments will be made.

14. Feasibility studies in respect of the other four identified ASEAN projects were expected to be soon completed. The ASEAN Economic Ministers at a meeting in January 1977 had already agreed that pre-feasibility studies would also be undertaken on other possible ASEAN industrial projects, namely heavy duty rubber tyres, metal working machine tools, newsprint, electrolytic tin plating, TV picture tubes, fisheries and potash.



ASEAN Industrial Complementation Schemes

15. It is not intended by the ASEAN Governments that intra-ASEAN industrial cooperation would be only through the AIP. The AIPs are expected to provide an important impetus, but in the long term, it is envisaged that the greater portion of the ASEAN industrial cooperation programme will be implemented and materialized by the direct efforts of the private sector in the member countries through industrial complementation.

16. In response to the conceived role of the ASEAN private sector in achieving ASEAN industrial cooperation, the private sector organized themselves into an ASEAN-Chambers of Commerce and Industry (ASEAN-CCI) in Jakarta in 1971. The ASEAN-CCI is the officially recognized forum for the private sectors of the ASEAN countries to discuss and formulate suggestions for consideration in ASEAN government councils (see Annex III). At the ASEAN-CCI Council Meeting in 1976, it was agreed that the principal vehicle for the ASEAN private sector efforts and cooperation in the ASEAN industrial complementation scheme is through the regional industry clubs (RIC). Industry clubs are defined as the aggrupations of private sector entities, associations, federations or groups within the same industry representing each of the identified industries for possible regional industrial complementation. Regional industry clubs are composed of the representatives of the national industry clubs given official recognition by the individual ASEAN Chamber of Commerce and Industry. Regional industry clubs have to be given accreditation by the ASEAN-CCI through recommendations of its Working Group on Industrial Complementation. Seven RICs were given full recognition by the ASEAN-CCI Council at their Third Conference held in November 1977 in Manila, Philippines. These RICs are ASEAN Automotive Federation, ASEAN Federation of Cement Manufactures, ASEAN Chemical Industry Club, ASEAN Federation of Electrical, Electronics and Allied Industries, ASEAN Federation of Food Processing Industry, Rubber Industries Association of ASEAN and ASEAN Federation of Glass Manufacturers. Other RICs in formative stages include ASEAN Agricultural Machinery Industry Club, ASEAN Diesel Engine Industry Club, ASEAN Pulp and Paper Industry Club, ASEAN Steel Industry Club and ASEAN Engineering Club.

17. The first task of the recognized RIGs is envisioned to be the identification of various products from the existing plants in the member countries that can be traded among them and to negotiate preliminarily the extent of tariff and other trading preferences needed to stimulate this trade. RIGs will thus formulate and submit through ASEAN-COI to the respective committees of the ASEAN Economic Ministers, the schemes for complementation in their respective industries. Upon approval of an industrial complementation scheme by the designated committees of the ASEAN Economic Ministers, particularly the Committee on Industry, Minerals and Energy (COIME), the scheme shall be ready for implementation including the specific tariff and other trade preferences for the products involved. [The Far Eastern Economic Review reported (26 August 1977) that the US\$ 800 million Sumitomo petrochemical complex, the Petrochemical Corporation of Singapore (PCS), is emerging as a de facto ASEAN complementation project with the guaranteed ASEAN market access (and Japanese financial backing) that official status would confer].

Coordination of National Projects in Selected Industries

18. An agreed third form of industrial cooperation is the exchange of information on national development programmes in steel, petro-chemicals, pulp and paper and other industrial sectors that may be later agreed upon.

19. Member countries are just beginning the process of exchanging information on large scale national projects in steel and petro-chemicals. The exchange of information is viewed as a means of achieving coordination of the national projects with one another.

ASEAN Preferential Trading Arrangement (PTA)

20. The ASEAN countries have also signed in February 1977, a Preferential Trading Arrangement (PTA) to encourage the expansion of intra-ASEAN trade. The instruments for the implementation of the PTA have been identified as follows: extension of tariff preferences, liberalization of non-tariff measures on a preferential basis, long-term quantity contracts, purchase finance support at preferential interest rates, preference in procurement by government entities and other measures that may be agreed upon in the future.

21. Under the PTA, 71 items have been identified for preferential trading according to two lists (reproduced as Annex IV), one being a list of 21 products which have been agreed to by all countries for preferential trading and the other being a list of 50 products offered voluntarily by each of the countries for preferential treatment.

Relations with other economic groups or countries

22. When the ASEAN Foreign Ministers signed the PTA in February 1977 they also agreed on the desirability of common approaches on economic matters, including the establishment of joint consultative groups, vis-à-vis the EEC and other developed countries (such as Japan, Australia, New Zealand, US).

23. Thus when the ASEAN-CCI met in March 1977 they agreed to ask Japan, which imports mainly raw materials from ASEAN to import more of the group's manufactured goods. An ASEAN-Japan forum was established to follow up, inter alia, on this matter, as well as on possible Japanese inputs to ASEAN industrial projects. Furthermore, the Japanese Prime Minister pledged in August 1977, in connexion with the second ASEAN summit in Kuala Lumpur, a total of US \$ 1 billion in credits for the ASEAN industrial projects - provided they were proved to be economically feasible.

24. Already in 1974 an ASEAN/EEC Commission Joint Study Group was established to liaise on development cooperation \*. The case for closer links with the EEC was presented at the ASEAN-EEC-EBI (European Bankers' International) Conference in Brussels in April 1977 (at which UNIDO was represented). The Special Coordinating Committee of ASEAN and its arm in Brussels, the ASEAN Brussels Committee submitted regional project proposals to the EEC, which were taken up at the Conference.

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\* Although it has met only twice, the Joint Study Group has already discussed tariff questions, arranged for seminars on trade and the promotion of joint ventures, and set up programmes for training and technology exchange.

25. In May 1977 a 2-day dialogue between ASEAN and Australia was held at Solo, Indonesia on ways to stepping up trade relations (for instance, to ensure better access to the Australian market for ASEAN manufactured and semi-processed products) and on Australian assistance to joint ASEAN research and development projects.

26. It has been indicated that serious thought has been given to the establishment of an economic cooperation agreement of ASEAN with Japan, Australia and New Zealand; one model under study being the Lomé Convention, under which the EEC extends substantial trade preferences and which provides for industrial cooperation between the EEC and the more than 40 African, Caribbean and Pacific States which are party to the agreement.

27. A conference on strengthening economic relations between West Asia and the ASEAN countries was held in Singapore in November 1977 and attended by delegates from financial, industrial and commercial circles from Iran, Saudi Arabia and Oman on the part of West Asia.

#### Technical Co-operation

28. Two early studies of basic nature concerning economic cooperation between the South East Asian countries, to which UNIDO contributed, have been mentioned in paragraphs 3-7 above.

29. In December 1971 UNIDO sponsored an Expert Group Meeting on Regional Industrial Co-operation. Pursuant to one of the recommendations made by the meeting, UNIDO financed a three-week visit of a group of senior officials from the ASEAN countries to examine the experience of the ANDEAN Group in regional industrial cooperation. The visit took place in September 1972. UNIDO also sponsored 1975-1977 under its voluntary contributions programme a promotional project, based in Indonesia, for the development of export-oriented industries in selected South East Asian countries, with emphasis on small and medium-scale industry products.

30. A UNDP/ESCAP programming mission visited the ASEAN member countries in June/July 1976 in order to determine the technical assistance requirements for regional cooperation to be met within the framework of the UNDP inter-country programme for Asia and the Pacific region during the period 1977 to 1981. UNIDO was associated in this mission. On basis of the findings of that mission an inter-country programme of UNDP assistance to the ASEAN Group was developed and projects formulated. Information on the projects which are of particular interest in the context of industrial cooperation is given below.

(i) RAS/77/003 Industrial Cooperation in ASEAN. Executing Agency: UNIDO

31. Under RAS/77/003 'Industrial Cooperation in ASEAN' a project document for a small-scale project (with a total UNDP input of \$ 25.400), entitled 'Selection of Technological Families for Complementary Industrial Co-operation in ASEAN Countries', was signed in August 1977 by ASEAN and UNIDO and approved by UNDP in October 1977. The project will require a senior short-term consultant and the convening of a workshop for discussions among ASEAN experts. The immediate objective of the project is to establish the basis of an integrated system of technological families for separate manufacturing operations in the ASEAN countries. Altogether the product families are to cover most of the likely future demands of all the ASEAN countries; however, their manufacture may be beneficially distributed among the participating countries within a system of complementary specialization, to enable each country to concentrate on one or a few families of common technology and to establish production units of reasonable economies of scale. The results expected from the project are:

- (a) a study within ASEAN of the concept of complementary specialization,
- (b) a demonstration of the potential economic and practical advantages arising from this kind of industrial co-operation,
- (c) an initiation of more collaboration among ASEAN countries in industrial development.

(ii) RAS/73/017 Multilateral Trade Negotiations - ASEAN Segment. Executing Agency: UNCTAD/ESCAP

32. For this project the annual UNDP inputs during 1977 and 1978 are \$ 150.000, consisting of advisory services and technical assistance to the ASEAN Segment on the Multilateral Trade Negotiations (MTN) in coordination with the ESCAP region-wide and UNCTAD inter-regional projects on MTN. These services and assistance include preparation of technical and statistical documents and studies in various areas of the MTN intended to assist the government officials in the ASEAN capitals and in Geneva in their preparation for and participation in the MTN. Assistance is also extended to the ASEAN Geneva Committee (composed of the Heads of Missions to the UN of the ASEAN countries based in Geneva) in their consultations/negotiations in various negotiating groups.

(iii) RAS/77/015 ASEAN Trade Development and Cooperation,  
Executing Agency UNCTAD/ESCAP

33. This is a new project for 1978. A draft project document has been drawn up by UNCTAD and ESCAP. Approval is awaited from ASEAN. The project will require inter alia 3 short-term consultants in trade statistics, cost-benefit analysis and international marketing. The UNDP input is estimated to \$ 50,000.

(iv) ASEAN Comparative Study of the Development of the  
Labour-Intensive Industry

34. This is one of three new project proposals \* given priority by ASEAN at the ASEAN-UNDP/ESCAP Review Meeting held in Bangkok on 13 December 1977. At the time of that meeting a project document (prepared by ILO) was being considered by UNDP New York. The purpose of the project \*\* would be to undertake a comparative study on the progress of the development of the manufacturing and construction industries, the current and past industrial promotion policies, and the technological bases of small-scale and labour-intensive industries in individual countries and to advise what policies might be most effective in boosting their development.

(v) Study on the Equalization of the Costs and Benefits of  
Future ASEAN Industrial Projects

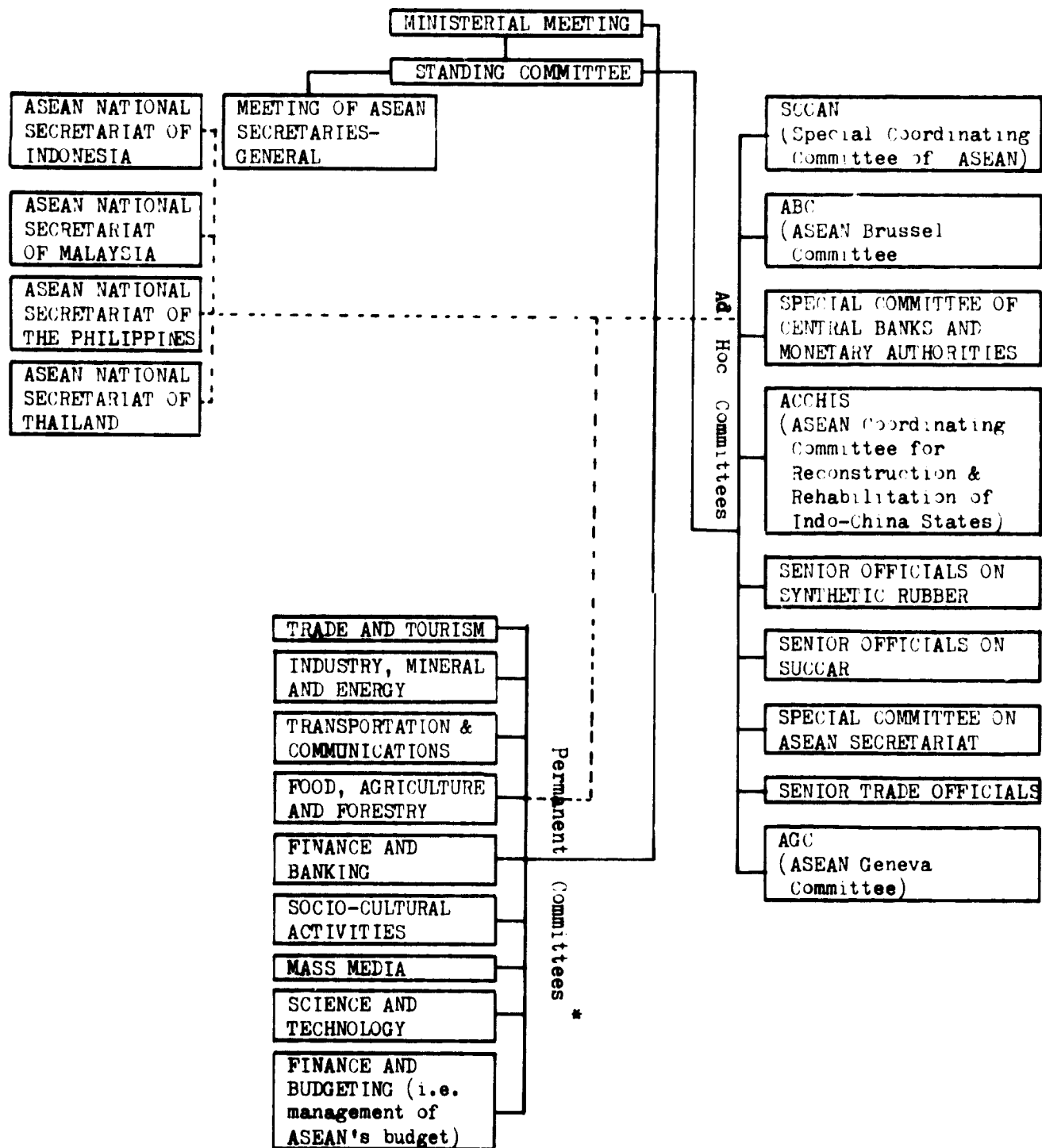
35. The University of the Philippines School of Economics has been requested to assist by gathering together five economists from ASEAN countries to undertake the study. The objective is to provide the necessary information and analysis to enable the ASEAN Committee on Industry, Minerals and Energy and the ASEAN Economic Ministers to decide on which industrial projects in the future can be implemented on an equitable basis in ASEAN. This project proposal (as far as the UNDP assistance was concerned) was put on the reserve list at the ASEAN-UNDP/ESCAP Review Meeting in December 1977.

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\*/ The other two being the ASEAN Trade Development and Cooperation project and a project for Technical Support to the ASEAN Secretariat.

\*\*/According to a summary presented at the Review Meeting.

ORGANIZATIONAL STRUCTURE OF ASEAN



\*/ The Permanent Committees report directly to their respective Ministers, with copy of reports to the Standing Committee.

# Declaration of ASEAN Concord (Bali, Bali, 1976)

ANNEX II

A commitment to development by the member states of the Zone of Peace, Freedom and Neutrality in the framework of the ASEAN Concord. The Declaration of ASEAN Concord shall be published in the official gazettes of the member states of the Zone of Peace, Freedom and Neutrality. The member states shall also inform their citizens of the content of the ASEAN Concord and shall take steps to ensure that the ASEAN Concord is known and understood by the people of the member states and that they contribute to the attainment of the objectives of the ASEAN Concord.

ASEAN member states shall also coordinate and cooperate in the following areas: (i) and (ii) of the ASEAN Concord of political stability.

1. Member states of the Zone of Peace, Freedom and Neutrality shall ensure that their national and regional policies are in conformity with the ASEAN Concord. Member states shall resolve to eliminate threats posed by subversion to its stability, thus strengthening national and ASEAN resilience.

2. Member states, individually and collectively, shall take active steps for the early establishment of the Zone of Peace, Freedom and Neutrality.

3. The elimination of poverty, hunger, disease and illiteracy is a primary concern of member states. They shall therefore intensify cooperation in economic and social development, with particular emphasis on the promotion of social justice and on the improvement of the living standard of their peoples.

4. Natural disasters and other major calamities can retard the pace of development of member states. They shall extend, within their capabilities, assistance for relief of member states in distress.

5. Member states shall take cooperative action in their national and regional development programmes, utilising as far as possible the resources available in the ASEAN region to broaden the complementarity of their respective economies.

6. Member states, in the spirit of ASEAN solidarity, shall rely exclusively on peaceful processes in the settlement of intra-regional differences.

7. Member states shall strive, individually and collectively, to create conditions conducive to the promotion of peaceful cooperation among the nations of Southeast Asia on the basis of mutual respect and mutual benefits.

8. Member states shall vigorously develop an awareness of regional identity and exert all efforts to create a strong ASEAN community, respected by all, and respecting all nations on the basis of mutually advantageous relationships, and in accordance with the principles of self-determination, sovereign equality and non-interference in the internal affairs of nations.

AND HEREBY ADOPTE

the following programme of action as a framework for ASEAN cooperation:

### Political

(1) Meeting of the Heads of Government of the member states as and when necessary;

(2) Signing of Treaty of Amity and Cooperation in Southeast Asia;

(3) Settlement of intra-regional disputes by peaceful means as soon as possible;

(4) Immediate consideration of initial steps towards recognition of and respect for the Zone of Peace, Freedom and Neutrality wherever possible;

(5) Improvement of ASEAN machinery to strengthen political cooperation;

(6) Study on how to develop judicial cooperation including the possibility of an ASEAN Extradition Treaty;

(7) Strengthening of political solidarity by promoting the harmonisation of views, coordinating positions and, where possible and desirable, taking common actions.

### Economy

#### Cooperation on Basic Commodities, particularly Food and Energy

(i) Member states shall assist each other by accordine priority to the supply of the individual country's needs in critical circumstances, and priority to the acquisition of exports from member states, in respect of basic commodities, particularly food and energy.

(ii) Member states shall also intensify cooperation in the production of basic commodities particularly food and energy in the individual member states of the region.

#### Industrial Cooperation

(i) Member states shall cooperate to establish large-scale ASEAN industrial plants, particularly to meet regional requirements of essential commodities.

(ii) Priority shall be given to projects which utilise the available materials in the member states, contribute to the increase of food production, increase foreign exchange earnings or save foreign exchange and create employment.

#### Cooperation in Trade

(i) Member states shall cooperate in the fields of trade in order to promote development and growth of individual states and trade and to improve the trade structures of individual states and among countries of ASEAN conducive to further development and to safeguard and increase their foreign exchange earnings and reserves.

(ii) Member states shall progress towards the establishment of preferential trading arrangements as a long term objective on a basis deemed to be at any particular time appropriate through rounds of negotiation, subject to the unanimous agreement of member states.

(iii) The expansion of trade among member states shall be

facilitated through cooperation on basic commodities, particularly in food and energy and through cooperation in ASEAN industrial projects.

(iv) Member states shall accelerate joint efforts to increase access to markets outside ASEAN for their commodities and industrial products by seeking the elimination of all trade barriers in those markets, developing new niches for their products and in adopting common approaches and actions in dealing with regional groupings and individual economic powers.

(v) Such efforts shall also lead to cooperation in the field of technology and production methods in order to improve production and to improve the quality of export products, as well as to develop new export products with a view to diversifying exports.

#### Joint approach to International Commodity Problems and Other World Economic Problems

(i) The principle of ASEAN cooperation on trade shall also be reflected on a priority basis in joint approaches to international commodity problems and other world economic problems such as the reform of international trading systems, harmonisation of international monetary system and transfer of real resources from the OECD Nations and other relevant multilateral institutions with a view to contributing to the establishment of the New International Economic Order.

(ii) Member states shall give priority to the stability, growth and increase of export earning of these commodities produced and exported by them through commodity agreements including buffer-stock scheme and other means.

#### Machinery for Economic Cooperation

Ministerial meetings on economic matters shall be held regularly or as deemed necessary in order to:

(i) formulate recommendations for the consideration of Government of member states for the strengthening of ASEAN economic cooperation;

(ii) review the coordination and implementation of agreed ASEAN programmes and projects on economic cooperation;

(iii) exchange views and consult on national development plans and policies as a step towards harmonising regional development and

(iv) perform such other relevant functions as agreed upon by the member Governments.

#### Social

(1) Cooperation in the field of social development, with emphasis on the well being of the low-income groups and of the young population, through the expansion of opportunities for productive employment with fair remuneration;

(2) Support for the active involvement of all sectors and levels of the ASEAN communities, particularly the women and youth, in development efforts;

(3) Intensification and expansion of existing cooperation in meeting the problems of population growth in the ASEAN region, and where possible, formulation of new strategies in collaboration with appropriate international agencies;

(4) Intensification of cooperation among member states as well as with the relevant international bodies in the prevention and eradication of the abuse of narcotics and the illegal trafficking of drugs.

#### Cultural and Information

(1) Introduction of the study of ASEAN, its member states and their national languages as part of the curricula of schools, and other institutions of learning in the member states;

(2) Support of ASEAN scholars, writers, artists, and mass media representatives to enable them to play an active role in fostering a sense of regional identity and fellowship;

(3) Promotion of Southeast Asian Studies through closer collaboration among national institutes.

#### Security

Continuation of cooperation on a non-ASEAN basis between the member states in security matters in accordance with their mutual needs and interests.

#### Improvement of ASEAN Machinery

(1) Signing of the Agreement on the Establishment of the ASEAN Secretariat;

(2) Regular review of the ASEAN organisational structure with a view to improving its effectiveness;

(3) Study of the desirability of a new constitutional framework for ASEAN.

Done at Denpasar, Bali, this Twenty-First Day of February in the year One Thousand Nine Hundred and Seventy Six.



ANNEX III

**Strudure Of ASEAN—Chambers of Commerce and Industry**

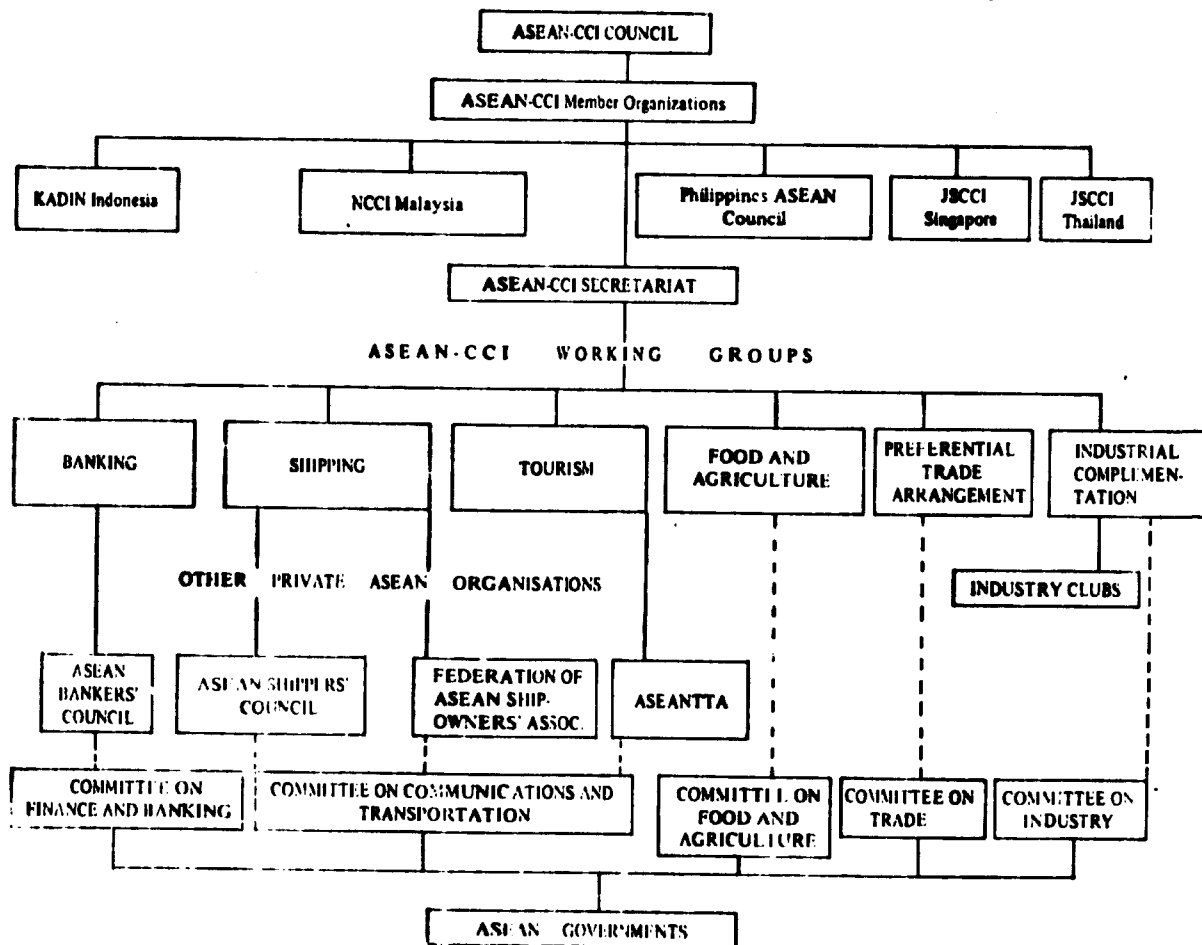


Table 1

ASEAN: List of products for preferential trading

- INDONESIA: certain tyres and tubes for off-road vehicles, calcium carbide, portland cement, certain parts for motorcycles and side cars and certain electrical measuring instruments.
- MALAYSIA: twine, cordage, ropes and cables, plaited or not of Manila hemp, portable electric typewriters and vermicelli and noodles made from rice.
- PHILIPPINES: parafin wax, glass jars for baby food, portable electric typewriters and certain cast, rolled drawn or blown glass.
- SINGAPORE: kain lepas and kain sarong batek, shampoo, raw beet and cane sugar and certain handbags, purses, wallets, briefcases, portfolios and satchels.
- THAILAND: quinine (including its salts), margarine, twine cordage, ropes and cables, plaited or not of manila hemp, and ball bearings.

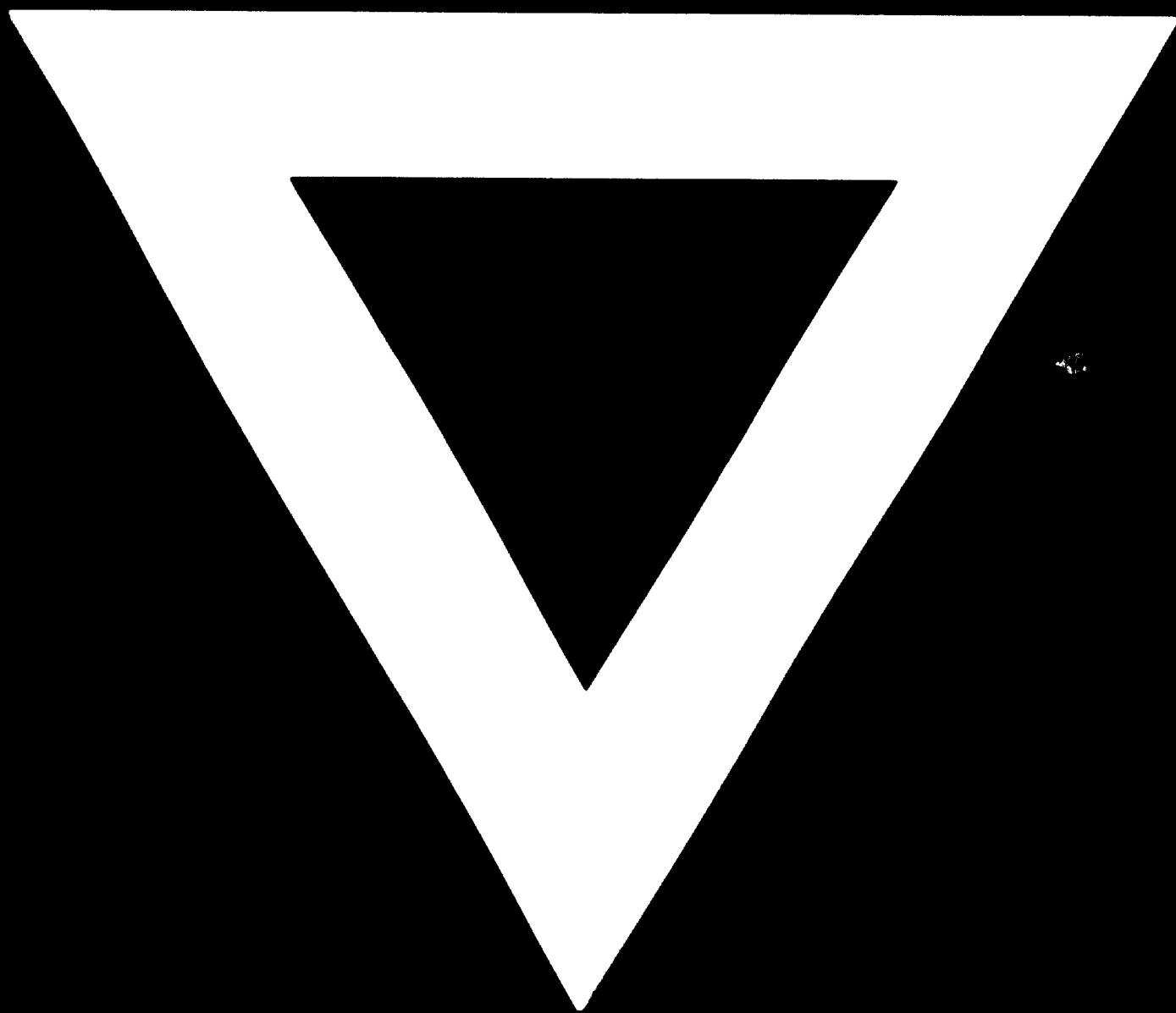
Table 2

ASEAN: Voluntary list of products for preferential treatment

- INDONESIA: maize, canned vegetables, cutlery, jewelry, filter blocks, facial tissues, sanitary towels, sorghum, white rice flour and clinker.
- MALAYSIA: soda ash, live animals (cattle), vegetables, potatoes, onions, extracts (concentrate of coffee), rice, maize, certain salts, gypsum, certain raw sugar and sharks fins.
- SINGAPORE: undergarments (cotton knitted or crocheted, not elastic), undergarments (other articles not knitted or crocheted, not elastic), shirts (knitted or crocheted), outer garments for infants, shirts (not knitted or crocheted), stockings, socks (knitted or crocheted, not elastic), cotton-made handkerchiefs, and brassieres.
- THAILAND: sawed timber, other nonconiferous lumber, certain vegetables (except garlic and onions), lead-base rods, solder, insecticides, nutmeg not powdered, chili not powdered, parafin wax and certain other chemicals for agricultural use.
- PHILIPPINES: meat from offal or bovine cattle, maize, green and yellow mango beans, crude and refined palm oil, palm kernel oil, crude gypsum, antracite coal, graphite and carbon electrode, tractor tyres and ball bearings.



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