

## 1. **HEADLINE: Bush Team Embarks On Free Trade Push.**

The Australian, 28 Mar 2001

The Bush administration will pursue free trade and intends to seek market openings and trade expansion around the world, including in the Asia-Pacific region, according to commerce secretary Donald Evans. Addressing the 14th Annual Asia-Pacific Business Outlook Congress in Los Angeles, Mr Evans told his audience that the new administration is "strongly committed to liberalising trade".

"Clearly, our aims in the Asia-Pacific region must fit within the broader outline of our trade policy agenda ... one that leans heavily on the promotion of open markets."

He said the US had been in active negotiations with ASEAN members and China for better market access. Mr Evans said China needed to complete the accession process so "Americans and Chinese can benefit from this major market opening".

"We have made progress with bilateral trade in the region, especially with Vietnam. We must now get Congress to ratify our bilateral agreement with Vietnam."

Mr Evans said Japan needed to do more regarding market opening and deregulation. He warned that as the US pursued trade openings and work in the Asia-Pacific region it would "insist on a level playing field", ensuring strong compliance and strict enforcement of trade agreements.

"We have also accomplished very significant work with the Asian Pacific Economic Co-operation forum, establishing this organisation as a progressive force for liberalisation and open markets."

Mr Evans said one of **APEC's** main accomplishments was the "Bogor vision" to establish free and open trade and investment in the region by 2010 for industrialised economies and by 2020 for developing nations.

As well, he said **APEC** leaders had called for the conclusion of the Information Technology Agreement in the WTO and they had acted as "a decisive catalyst toward successful completion of that agreement". "Now, we need to take concrete steps to make free trade happen in **APEC**, and to ensure the spread in the region of new tools like e-commerce, which will speed productivity and competitiveness, thereby expanding trade."

As well as Asia-Pacific, the new administration would try to work closely with the European Union "to fulfil the promise of a stronger Trans-Atlantic marketplace".

Another priority for the US is the completion of a Free Trade Agreement of the Americas to create a huge integrated market of the Western hemisphere. The ability of President George W. Bush to conclude new trade deals will depend on Congress, which must renew the fast-track authority to allow the President to sign off new trade agreements.

"The first thing we have to do is secure presidential trade promotion authority," Mr Evans said. Mr Bush's predecessor, Bill Clinton, was denied the new authority when it came before Congress about two years ago.

While bilateral agreements are important, the Bush administration will also focus on a new round of multilateral trade negotiation. Mr Evans said: "We must launch a new round of global trade negotiations in the WTO." The Commerce Department worked with more than 13,000 US businesses last year, facilitating worldwide exports amounting to more than \$US21 billion (\$42 billion).

## **2. HEADLINE: Cross-Strait Common Market Is Long-Term Goal - Minister.**

Asia Intelligence Wire, 27 Mar 2001

Economics Minister Lin Hsin-yi said Monday he personally supports the proposal broached by opposition Kuomintang (KMT) Vice Chairman Vincent Siew to form a common market across the Chinese Taipei Strait.

Nevertheless, Lin said the formulation of a cross-strait common market should be a long-term goal and that much work has to be done in the process, including adjustment of the present "no haste, be patient" policy on China-bound investment, the opening of direct cross-strait trade, mail and transport links, and removal of various trade barriers. Lin made the remarks while fielding questions from legislators at a meeting of the Legislative Yuan's economic and energy affairs committee.

Siew, who once served as premier, economics minister, chairman of the Mainland Affairs Council under the previous KMT government, formally set up a special foundation Monday to promote the formulation of a European Union-style cross-strait common market for economic integration between the two sides of the Chinese Taipei Strait.

Lin said he does not oppose Siew's initiative, but he added that Chinese Taipei and China must work together to open direct cross-strait personnel, merchandise and currency exchanges as well as to remove many obstacles before this ambitious goal can be realized.

Meanwhile, Lin told lawmakers that he will attend the June 6-7 trade ministers meeting in Shanghai under the framework of the Asia-Pacific Economic Cooperation (APEC) forum in his capacity as "Chinese Taipei economics minister." Lin further said he expects to hold bilateral trade talks with his counterparts from eight APEC member economies, including China, on the sideline of the upcoming APEC ministerial meeting.

Lin said the agenda for his bilateral talks with Chinese trade minister has yet to be finalized. For his part, Lin said he hopes to discuss with his mainland counterpart on trade issues of mutual concern and the signing of an agreement for protecting legitimate rights of Chinese Taipei investors in China.

According to Lin, Chinese Taipei has asked China to sign a cross-strait investment protection accord during their previous talks in Xiamen, Singapore and Taipei. "However, China has consistently rejected the proposal on the excuse that China has legislated statutes to protect Chinese Taipei investors' legitimate rights," Lin said, adding that he will take advantage of the upcoming APEC meeting to pitch for the "accord" proposal again. APEC, a regional forum dedicated to promoting free trade and investment, is one of the few international organizations that accepts both Chinese Taipei and mainland China as its full members.

## **3. HEADLINE: US Trails Local PKI Initiatives.**

The Australian, 27 Mar 2001

Security Australia is about three years ahead of the United States in delivering public key infrastructure (PKI) applications, according to expert Stephen Wilson.

"In terms of our delivery of PKI policies, standards and applications, we are well ahead of the US," the PricewaterhouseCoopers beTrusted Asia-Pacific director said.

"US government authorities are very impressed by the way Australia has got all the various parts of the puzzle right and in synch.

"It's very important that we maintain this lead."

Mr Wilson is chair of the Certification Forum of Australasia, and a member of the Asia-Pacific Economic Co-operation forum's TEL e-security task group.

The **APEC** Telecommunications and Information Working Group met in Canberra this month. "The task group has been chaired by Australia since inception and has been a very effective think tank," Mr Wilson said.

"Cross-recognition is the main issue now - how to deal with recognising certificates across borders." The group was considering establishing "trust lists - identifying certificate authorities in other jurisdictions that each country could choose to recognise.

"If a banker in Singapore wants to trade in Australia, we need to make sure the Australian end of the transaction recognises the Singaporean end," Mr Wilson said.

"We know we're not going to have a single certificate for all purposes - that would be like an Australia Card. There will be application-specific certificates - doctors will have different certificates than bankers and the validity of those electronic credentials needs to be recognised across borders."

Mr Wilson said the work being done by TEL and the Pan Asian Alliance to bridge the gap between public and private sector applications of PKI was "very much leading-edge".

"There are some very good initiatives in Australia to have a co-operative framework between gatekeeper and the private sector, and the same sorts of policy issues are going to be thrashed out in TEL over the next six months."

Mr Wilson said there were legitimate concerns about whether certificate authorities should be generating keys.

"I think it's poor policy," he said. "The worldwide trend is towards end users having responsibility.

"Within beTrusted we don't want to generate keys because we don't want any suggestion that we might be keeping copies of private keys."

Mr Wilson said certificates should be issued within communities of interest and the bar should not be set so high that they effectively became electronic passports.

"We can now put PKI together in a very community-based way, we can decentralise registration rules and we can stop that aggregation of data that you got in some of the older models," he said.

"BeTrusted brings the flexibility and autonomy of an in-sourced private CA with the low-cost, short time to market and global reach of an outsourced service."

#### **4. HEADLINE: Computers - It Professional - Access to Asia hindered.**

Age (Melbourne), 27 Mar 2001

Business arrangements for Internet access to developing countries were "brutal", with one or two economies benefiting and the rest paying, said Richard Thwaites, the new chair of the Asia Pacific Economic Cooperation telecommunications working group.

Thwaites said the United States business model was a barrier to connecting the Asian world. He said Internet charging and the cost of telecommunications infrastructure was a "highly charged and politicised" issue.

Thwaites said a prominent Australian Internet businessman told the **APEC** group, which met in Canberra earlier this month, that the business arrangements were "brutal".

"If you are strong you can determine the price you are going to charge to someone who is weak," the businessman told the group.

He said the American "king of the castle" principle, which "passionately espoused" the free market, would be a barrier to the take-up of the technology in the region.

"So long as it's working on the United States model of being a customer and supplier hierarchy you can't resolve this issue," he said.

The problem was compounded by the government-owned monopolies providing Internet access in some Asian countries. Thwaites, who is the general manager of international matters with the National Office of Information Economy (NOIE), will be the group's chair for the next two years, taking over from Valerie D'Costa, the director (international) at the Singapore Infocomm Development Authority (similar to NOIE).

The working group advises **APEC** government ministers and is currently forming policy positions for next year's **APEC** ministerial meeting.

At the 21-member meeting last week Korea put forward a proposal for a substantial topology study of the technology take-up of the region, which was adopted. The 300 delegates agreed that monitoring the development of the Internet was critical to increasing access. Australia - with its advanced government online strategy - urged **APEC** members to help their small to medium businesses access e-commerce. Thwaites said research had shown e-commerce boosted these businesses, which were the "backbone of economic activity across the Asia Pacific region". The meeting also urged economies in the region to adopt new training strategies and initiatives to address the digital divide.

The **APEC** members agreed to encourage moves to increase network access, especially in remote and rural areas. Distance learning to enhance key IT skills needed in the region was also urged.

#### **5. HEADLINE: Shandong's 90 Percent Overseas Capital From APEC Members.**

Shandong Economic News, 26 Mar 2001

**APEC** members have invested in a total of 23,700 projects, or 93.5 percent of the overseas-funded projects in east China's Shandong Province, according to local official sources. Overseas investment from **APEC** members reached 18 billion U.S. dollars, or 87.4 percent of the province's total reception of overseas capital, Wang Chuntao, top official in charge of provincial foreign trade, said.

The province exported 12 billion U.S. dollars to and imported 7.7 billion U.S. dollars from **APEC** members last year, accounting for 78.7 percent of the province's total import and export value. Wang made the announcement at a press conference on the upcoming second **APEC** Investment Mart to be held in Yantai, port city in the province, June 9-15.

**APEC** is the most important economic cooperative organization in the Asian and Pacific regions. It has 21 member countries and regions, with 45 percent of the world's total population, and 55 percent of GDP and 46 percent of trade volume in the world respectively. Shandong is the third largest province, economically, in terms of GDP in the country.

**6. HEADLINE: Asian Alliance Works On New Digital Policy.**

Australasian Business Intelligence, 26 Mar 2001

Five Asian nations have formed a new alliance to develop a common digital identification policy. The Pan Asian eCommerce Alliance will include authorities from Hong Kong, mainland China, South Korea, Chinese Taipei, and Singapore. The alliance will use public key infrastructure for the international cross-recognition of digital identification processes. In the week ending 23 March 2001, the Asia-Pacific Economic Co-operation group (**APEC**) met in Canberra. Australian member of the **APEC** Telecommunications & Information Working Group, Stephen Wilson, was disappointed that Australia did not take advantage of the meeting to seek more of a role in the new alliance's work. Wilson said that Australia is in a perfect position to play a part in the development of international public key infrastructure.