

## **SESSION 1 - POLITICAL AND SECURITY ISSUES IN THE ASIA PACIFIC REGION AND INTERNATIONAL SITUATION**

**CHAIRMAN**—Fellow parliamentarians, delegates, welcome to the first plenary session of the 8th annual meeting of the Asia Pacific Parliamentary Forum. I give you the President of the Asia Pacific Parliamentary Forum, President Nakasone.

**PRESIDENT**—Good morning, fellow parliamentarians. I would like to report to you the results of the Executive Committee meeting which was held yesterday. First of all, the Deputy Chair of the Executive Committee, the Speaker of the Australian parliament, Mr Neil Andrew, was selected. Members of the Executive Committee - new participants - were then introduced. There was then a report from the secretariat regarding the status of preparation. Twenty-three countries have sent 109 people to this meeting. These are the official parliamentary delegates. Eighty-seven staff members are taking part. So altogether 199 people are participating in this conference. It is a very large conference indeed. We have three observers. From today onwards, we are going to discuss items following the proposed agenda. We had extensive discussion regarding the proposed agenda items and it was so decided, as proposed.

The Canadian delegation proposed a roundtable discussion at an appropriate time during the plenary meeting. That was the proposal and we decided that we would study this idea. During the plenary meeting, if we have some time, we would like to discuss that with you to see how we can utilise this idea from the next conference onwards. Furthermore, regarding the 9th APPF General Meeting, the delegate from Chile invited us to go to his country in January next year. That was a very kind proposal. It was welcomed and appreciated, and accepted unanimously. Generally speaking, that was what we discussed at the Executive Committee meeting yesterday.

There was one point and that was a matter concerning the Cook Islands. There was a request from the Cook Islands to send an observer to our conference. This person is not a parliamentarian, but he is a Clerk of the parliament. This person will oversee and be present during the conference. It is not the official status of observer, but he can be present in this hall. This person can watch what is going on and listen in on what we discuss during the plenary meeting. It was so decided.

The next point was regarding the Drafting Committee. We asked an Australian parliamentarian to be the chair of the Drafting Committee. We have many draft resolutions and some draft resolutions are overlapping in terms of their contents. If the contents are rather similar, the countries which have come up with those draft resolutions should consult amongst each other so that they can come up with consensus draft resolutions. We discussed that there should be prior consultation so that we can minimise the number of draft resolutions as much as possible. Regarding the joint communique and concluding press conference, the delegate from each delegation should be present following the usual practice.

The Australian parliament presented the idea that this plenary meeting be telecast live on the Internet. At the Executive Committee, we discussed this and thought that it would be a very good idea to have the telecast but we wanted to discuss this with you, the members of the plenary meeting. When there is a concurrence of the participants at the plenary meeting, we will approve that. So, with that condition, the Executive Committee accepted the proposal from the Australian parliament.

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There was an additional point of Y2K. It seems that various countries have disposed of the concerns without any major glitches. All of us are to be congratulated. Each country must have identified various problems. If you could report to us the problems you faced or how you solved those problems, it would be very helpful for other members. So I hope you will do that during this conference. Ladies and gentlemen, this was the report of the Executive Committee meeting. Thank you very much.

**CHAIRMAN**—Thank you, President Nakasone, for that report from the Executive Committee meeting. I understand that it is in fact the plenary meeting's wish to endorse the Executive Committee's recommendation and accept that the chair of the host country – in this case me – should continue in the role of chairman of this the 8th annual meeting, and I am grateful for the meeting's endorsement. It is appropriate, though, that the meeting should now proceed to elect a Deputy Chair, and I would call for nominations for the position of Deputy Chair?

**AUSTRALIAN DELEGATION**—I would like to nominate Senator Margaret Reid, the President of the Australian Senate.

**CHAIRMAN**—Senator Reid, the President of the Australian Senate, has been nominated as the Deputy Chair. Are there any other nominations?

**PERUVIAN DELEGATION**—I propose that we close the nominations.

**CHAIRMAN**—Thank you.

**PERUVIAN DELEGATION**—The Peruvian delegation endorses the proposal and is very happy to have the President of the Senate as Deputy Chair.

**CHAIRMAN**—Thank you, Mr Sandoval. If there are no other nominations, I am pleased to announce that Senator Margaret Reid, the President of the Australian Senate, will be the Deputy Chair of this conference, and I thank her for her willingness to participate.

President Nakasone has handed down an extensive report of the Executive Committee meeting held yesterday afternoon. There are just one or two additional housekeeping matters that, as the Chairman, I would like to bring to your attention. First, as the host country, we will endeavour to produce a daily news. I hope you have all been in receipt of the daily news that was produced of yesterday's events, and I hope you find it a useful way of staying across the events that are occurring on a day-to-day basis. Please look out for the daily news that is being produced by the group.

It was agreed by the Executive Committee that it would be appropriate that the proceedings of this plenary session appear on the Internet. It was also agreed that they should be broadcast on the internal Parliament House broadcast network, which goes wider than Parliament House and picks up a number of the government departments in Canberra as well. I trust the plenary session agrees that it is appropriate that the events of this session should be as widely broadcast as possible.

I thank Mr Nakasone for his recognition of the Cook Islands, and I am very pleased to welcome the Cook Islands Speaker, Mr Puna. Mr Puna was with us for the Commonwealth Speakers and Presiding Officers Conference and it is appropriate that he should stay on for this conference. I am pleased the Executive Committee has endorsed that particular decision.

I come to another matter that I think is most important if we are to make this conference work, as the Peruvians made the seventh conference work. I would encourage those who have

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resolutions that are also being proposed by other countries to get together with the other countries and see if there can be one resolution rather than multiple resolutions available for debate. Let me illustrate that by taking you to the first resolution which is proposed by a number of countries: resolution B(1) on East Timor. In this case, we have resolutions from Australia, Canada and Japan. I would encourage the delegates from Australia, Canada and Japan during the first part of this plenary session to get together in a conference somewhere during the first part of this plenary session, either in a committee room - and we have plenty of committee rooms available - or at the Internet cafe, and come up if possible with one common resolution. That would greatly facilitate not only the debate of this meeting but the opportunity to reach a consensus, and it would make it much easier for the drafting committee to come up with a joint communique at the end of the conference.

There are one or two other matters. Lunch, today, was to have been hosted by the Minister for Finance and Administration, the Hon. John Fahey. I regret that, owing to a family bereavement, Mr Fahey is unable to be with us, but the Minister for Financial Services and Regulation, Mr Joe Hockey, will be hosting the lunch in place of Minister Fahey. I know that there is at least one delegate to this conference very anxious to meet, once again, with Mr Hockey so for at least one delegate that is good news. On behalf of the rest of you, may I say that we regret the fact that Minister Fahey, because of a family bereavement is unable to be with us, but I know that you will find Minister Hockey's remarks very interesting and informative.

I will not delay you too much longer. One of the other matters that I should report is that the Drafting Committee yesterday decided that it would be appropriate to appoint - as President Nakasone indicated - someone from the Australian Delegation as Chairman of the Drafting Committee. The recommendation was that the appointment of the Hon. Alex Somlyay as Chairman of the Drafting Committee should be made. I would appreciate the endorsement of the Plenary Session of the Executive Committee's recommendation. If there is no objection, I will presume that the Plenary Session endorses the appointment of the Hon. Alex Somlyay as Chairman of the Drafting Committee.

If there are no other immediate administrative matters, we will proceed with the normal format of these conferences. In this, the 8th Annual Conference, I invite each of the leaders of the delegations to introduce the members of their delegations to all the other members. I invite the Hon. Alex Somlyay, the leader of the Australian Delegation, to introduce the Australian delegates. We will then proceed alphabetically around the room.

**AUSTRALIAN DELEGATION**—Thank you, Mr Chairman. As you said, my name is Alex Somlyay. I am the leader of the Australian Delegation. The deputy leader is the Hon. Steve Martin on my right, who is a former Speaker of the House of Representatives and has attended many of these conferences in that capacity. We as the host nation have quite a large delegation. We have approximately 30 members of parliament who have shown a deep interest in the APPF and who have come along as delegates. I will not introduce each of them, but I will ask them to introduce themselves starting with the delegates behind me.

**AUSTRALIAN DELEGATION**—My name is Warren Snowdon. I am the member for the Northern Territory of the Australian parliament.

**AUSTRALIAN DELEGATION**—My name is Lyn Allison. I am a senator for Victoria.

**AUSTRALIAN DELEGATION**—My name is Jann McFarlane. I am the member for Stirling in Western Australia.

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**AUSTRALIAN DELEGATION**—I am Peter Nugent. I am a government member from Melbourne in Victoria. I know many of the members here and I welcome the opportunity to renew some acquaintances.

**AUSTRALIAN DELEGATION**—I am Garry Nehl. I am the Deputy Speaker of the House of Representatives and the member for Cowper in northern New South Wales where we have a wonderful climate, great seafood - please come and visit.

**AUSTRALIAN DELEGATION**—I am Bob Charles and am a member of parliament from Victoria.

**AUSTRALIAN DELEGATION**—My name is Paul Neville. I am the member for Hinkler on the Queensland coast where we grow sugar cane.

**AUSTRALIAN DELEGATION**—I am Kay Elson and am the member for Forde in south-east Queensland which takes in the Gold Coast, so I hope you pay us a quick visit.

**AUSTRALIAN DELEGATION**—My name is Christopher Pyne and I am a South Australian member of parliament from the governing party.

**AUSTRALIAN DELEGATION**—My name is John Forrest and I am a Victorian member from an irrigating area along the Murray River in Victoria.

**AUSTRALIAN DELEGATION**—I am Kim Wilkie, the member for Swan in Western Australia - obviously the best state in Australia.

**AUSTRALIAN DELEGATION**—My name is Harry Jenkins. I am the second Deputy Speaker and the member for Scullin, a Victorian seat. I had the pleasure of attending the APPF meeting in Seoul and have the pleasure now of renewing friendships from that meeting.

**AUSTRALIAN DELEGATION**—I am Anthony Byrne, the federal member for Holt in Victoria. My electorate is one of the most ethnically diverse electorates in the country - there are over 140 nationalities represented within the electorate.

**AUSTRALIAN DELEGATION**—My name is Collin Hollis and I am a member of the opposition from New South Wales.

**AUSTRALIAN DELEGATION**—My name is Vicki Bourne. I am a senator from New South Wales.

**AUSTRALIAN DELEGATION**—I am Sue West. I am a senator from New South Wales and Deputy President of the Senate.

**AUSTRALIAN DELEGATION**—I am Gary Hardgrave, the member for Moreton, and a member of the governing party.

**CHAIRMAN**—I thank my Australian colleagues, and now I invite the representatives from Brunei to introduce themselves.

**BRUNEI DELEGATION**—Your Excellency, on my right from the Brunei delegation of observers is Pehin Dato Judin Asar, cabinet secretary, and on my left Mr Sofian Mahammad Tarif, delegation secretary, and I am Pengiran Haji Mokhtar Puteh, a Privy Councillor. Thank you.

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**CAMBODIAN DELEGATION**—Your Excellency Chairman, on my right is His Excellency Senator Song Chhang. On my left is His Excellency Ok Socheat, member of the FAICPI Commission of the National Assembly, His Excellency Chan Ven, Deputy Secretary-General of the National Assembly, and Mr Tep Veasna, assistant to His Excellency Chan Ven.

**CANADIAN DELEGATION**—Mr President and Mr Chairman, my name is Bryon Wilfert. As Co-Chair of the Canadian delegation, it is my pleasure to introduce my colleagues. To my left is Jim Hart, member of parliament from British Columbia. Senator Dan Hays from Alberta is our Co-Chair. To my right is Michel Guimond, member of parliament from Quebec; Sarkis Assadourian, member of parliament from Ontario; Nelson Riis, member of parliament from British Columbia; Senator Sharon Carstairs from Manitoba, Senator Don Oliver from Nova Scotia, and our executive secretary, Norm Radford.

**CHILEAN DELEGATION**—Good morning to all of you. My name is Mario Rios. I am a senator, Deputy President of the Senate and the leader of the Chilean delegation. The delegation also comprises Mr Jose Manuel Lira, Counsellor of the National Congress Liaison Office, who is a participant in the 8th Annual Meeting of the APPF here, but unfortunately is unable to be here; he is working. So the Chilean delegation has only one parliamentarian – me. As mentioned yesterday, in the next four days Chile will hold presidential elections. The totality of members of parliament are busy working over the elections. As some of you may have heard, this is a very contested election and this is the second presidential round. The first two candidates reached an equal percentage of 47.5 per cent of the votes. The definitive election will take place over the next five or six days. This is to explain the absence of some of my colleagues who have requested me to apologise on their behalf. With me is Mr Eduardo Escobar, who has held offices at the national Chilean parliament and has also been present at different organisations including the APPF. Thank you very much for your time.

**CHINESE DELEGATION**—Mr Chairman, I am the leader of the Chinese delegation. My name is Xu Dunxin. I am a member of the NPC and also a deputy chairman of the NPC Foreign Affairs committee. On my left is Mr Hou Zixin. He comes from Tianjin in China. He is also a member of the NPC and he is the Chancellor of the Nankai University at Tianjin. On my right is Mr Gong Xianyong. He comes from the south-western part of China, from the province of Guizhou. He is the deputy chairman of the standing committee of the Guizhou Provincial People's Congress. Thank you.

**COLOMBIAN DELEGATION**—Thank you, Mr Chairman. First of all, I would like to present you with our greetings and I would like to thank you for your warm welcome and for the human kindness that you have provided us with so that we have been able to stay in this wonderful country and see all the infrastructure that we have seen and the beauty of your country, Australia. We are very happy to be here attending this annual meeting. Our delegation is composed of five members of parliament, the House of Representatives and the House of Senators. This is Dr Dario Saravia of the Colombian coast, Mr Salomon Guerrero of the province of Cundinamarca in the center of the country, Dr Fernando Duque of the industrial section of Antioquia in Colombia, Mr Carlos Barragan of Cali and myself, Jorge Mantilla, of the center of the country of the province of Santander. Thank you very much, Mr Chairman.

**COOK ISLANDS DELEGATION**—I am Ngereteina Puna, Speaker of the Cook Islands Parliament. I would like to thank you all for allowing the Cook Islands to sit in and observe APPF. On my return I will be making some recommendations to my parliament. Thank you.

**FIJIAN DELEGATION**—Thank you, Mr Chairman, Your Excellency the President of the APPF Canberra 2000. I have much pleasure in bringing humble greetings from the country called

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Fiji, where the new day begins. With my small delegation, I have on my extreme right my parliamentary colleague - we are both first time parliamentarians in the new Labour led government - Hon. Simone Kaitani, member for Lomaiviti in Fiji. In the middle is the Madam Secretary General, the evergreen lady who has been guiding us throughout the lower house proceedings. I am Nareish Kumar, member for Labasa Open. We are looking forward to this APPF Canberra 2000. Thank you.

**INDONESIAN DELEGATION**—Mr Chairman, I would like to introduce the delegation of the Indonesian parliament, firstly, Ishak Latuconsina, originally from Ambon but he represents Jakarta, capital of the republic of Indonesia. On my left is Mr Jakob Tobing, who represents central Java, which is a very concentrated area. The population for that one province is around 30 million. Burhan Magenda is from West Nusa Tenggara close to Bali, close to East Timor, so that you may know that East Timor is very close to Indonesia. Imam Addaruqutni is from East Java, which province has a population of 38 million. Professor Jusuf Feisal represents West Java, with a population of 25 million. I myself, Sabam Sirait, chief delegate of the Indonesian parliamentary delegation, represent the capital of the republic of Indonesia, Jakarta. We have a delegation secretary, a non-member, Saiful Islam. We are accompanied by the ambassador. We are at a parliamentary meeting, so I do not want to introduce the ambassador here. Since we had the new election last year, the more democratic election of 1999, we have now a new President and Vice President, Abdurrahman Wahid and Megawati Soekarnoputri. Thank you, Mr Chairman.

**JAPANESE DELEGATION**—The leader is of course President Nakasone. He comes from the Liberal Democratic Party, the largest political party in the parliament. I am the acting leader of the delegation. My name is Tatsuo Ozawa. Representing the largest opposition party, the Democratic Party of Japan, we have Mr Seiichi Ikehata. For many years Mr Kakizawa was the long-time friend of APPF, but he resigned from the Diet membership, so on his behalf we have brought a person who will be well known to you. Post-war Japan was very much assisted by Shigeru Yoshida, our former Prime Minister. He was also foreign minister and so forth. Mr Aso is the grandson of our late Prime Minister Yoshida. I have Mr Taro Aso replacing Mr Kakizawa. As the deputy leader, we have a person from the House of Councillors, Mr Takao Koyama from the Liberal Democratic Party. This is the delegation. The rest of the members are people from the foreign ministry and the House of Representatives, the secretariat and the interpreters. They comprise the Japanese delegation. Thank you.

**KOREAN DELEGATION**—I am the leader of the delegation. My name is Heung Soo Yoo. I was the Chairman of the Seoul APPF conference, and I am really happy to see all the familiar faces here. To my left is Tong-Youn Seok, who is on my staff, and to my right is Young Hwan Seog. Thank you.

**LAOTIAN DELEGATION**—My name is Thongloun Sisoulith. I am a member of the Standing Committee and Chairman of the Foreign Affairs Committee of the National Assembly of Laos. I am very pleased to lead the Laos Delegation to attend the 8th annual meeting of the APPF. On my left is Mr Samane Souvannasao, deputy secretary of the National Assembly and adviser to the delegation. Thank you.

**MICRONESIAN DELEGATION**—Mr President and Mr Chairman, greetings from the people of the free states of Micronesia. It is nice to be in Canberra once again. It is my pleasure to introduce to you my colleague. Our delegation consists of two delegates, me and Senator Resio Moses. I am Isaac Figir, head of the delegation. Thank you.

**MEXICAN DELEGATION**—My name is Senator Eloy Cantu Segovia. I am the Chairman of the Foreign Relations Committee of the Senate of the Republic of Mexico. The Mexican

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parliament comprises two chambers. We have both a House of Senators and a House of Deputies. The delegation comprises three senators of the republic and five federal senators. The senators are Senator Cristobal Arias Solis, who is the Secretary of the Foreign Affairs Committee; Senator Manuel Medellin Milan, who is the Secretary of the Trade Committee; Deputy Fidel Herrera, who is the Deputy Coordinator of the House of Deputies; Deputy Bertha Hernandez, who is the Chairwoman of the Management Committee; Deputy Juan Jose Gonzalez Davar, who is the Secretary of the Parliamentary Group of the Democratic Revolutionary Party and the Coordinator of Economic Development; Deputy Juan Alcaraz, who is the Secretary for the Foreign Affairs Committee of the House of Deputies; and Deputy Ricardo Cantu Garza, who is the Coordinator of the Parliamentary Group of the Workers Party. This is the delegation of Mexico before you.

**MONGOLIAN DELEGATION**—I would like to present our delegation. My name is Bold; I am a member of the Mongolian Parliament and Chairman of the Foreign Investment Committee. As well, I am a member of the Executive Committee of the Inter-Parliamentary Union. I hope that many of us belong to this organisation. To my right is Mr Batbayar, a member of parliament from the Social Democratic Party and our former Finance Minister, and we are very glad to experience our third APPF conference – the first time was in Seoul, then in Lima and this time in the beautiful city of Canberra, Australia.

**NEW ZEALAND DELEGATION**—My name is Doug Kidd. I am the delegation. Until our election seven weeks ago, I was the Speaker of the Parliament for three years, but that is democracy. For the previous six years I was a frontbench minister in the Bolger national government. I think I now revel in the title of Senior Opposition Member of the Parliament.

**PAPUA NEW GUINEAN DELEGATION**—I am Jimson Sauk, the leader of the delegation. Our country has 20 provinces. I introduce the Governor of the Central province, Mr Opa Taureka. We have two ladies in the parliament; I introduce Ms Carol Kidu. I also introduce the member of parliament Mr Joseph Wamil, and the third member of parliament is Mr Gabia Gagarimabu.

**PERUVIAN DELEGATION**—Allow me to present to you the delegation of the unicameral Congress of the Republic of Peru. Congressman Arturo Salazar Larrain is a member of Renovacion Party, a minority party in our Congress, and a very distinguished newsman who is very well known in Peru. We are very happy to have the kind of opposition that his party shows in Congress. I am the delegation leader. My name is Oswaldo Sandoval. I am the Chairman of the Foreign Affairs Committee of the Congress of Peru, former and proud Chairman of the seventh annual meeting of the Asia Pacific Parliamentary Forum in Lima. Allow me to say that, Mr Chairman, we appreciate very much your kind words with regard to the way in which we presented the seventh General Assembly in Lima. To end, this may very well be our last meeting at this conference, since we are having elections next April. Obviously, we are all affected by elections one way or another. Maybe this is the time for me, and probably also for my colleague Salazar, to say goodbye to you.

**PHILIPPINE DELEGATION**—Mr President and Mr Chairman, in the Philippines we have a very special way to address emergencies: we send the women. Allow me, therefore, to read to you a letter from the Chairman of the Committee on Foreign Relations of the Philippines, Senator Francis Tatad:

Your Honors

It is with profound regret that, owing to the convening of a special session of the Philippine Congress on the very same date as the 8<sup>th</sup> Annual Meeting of the Asia Pacific Parliamentary Forum in Canberra, I am unable to leave Manila for the Canberra conference. With the concurrence

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of the Senate President, I am designating Mrs Carmen Arceno, Director of Parliamentary Relations and Protocol of the Senate and Secretary to our abortive delegation, to attend said meeting for monitoring purposes. I beg for your kind understanding and I wish the meeting every success.

There is very close cooperation in the Philippines between the legislative body and the executive. We at the embassy in Canberra have therefore been designated to be with you this morning. As residents of Canberra, may we share the welcome that has been given to everybody. Thank you, Mr Chairman.

**CHAIRMAN**—I thank Her Excellency, the Philippine Ambassador to Australia, for her comments and introductory remarks and I welcome the members who are representing the Philippine Delegation to this conference. Do we have delegates here from Russia? If not, I invite the Singaporean Delegation to proceed with introductions.

**SINGAPOREAN DELEGATION**—Thank you, Mr Chairman. It is my pleasure to introduce the members of the Singaporean Delegation. They are Dr Lily Neo, Member of Parliament; Mr Goh Choon Kang, Member of Parliament; Mr Kenneth Chen, Member of Parliament; Mr Chay Wai Chuen, Member of Parliament; Mr Sinna, Member of Parliament; and the Secretary to our delegation, Mrs Liaw Lai Chun. I am Tan Soo Khoon, the Speaker of Parliament from Singapore. Thank you, Mr Chairman.

**CHAIRMAN**—Thank you. Perhaps I should indicate to members that the Secretary has just indicated to me that he received, late yesterday, an indication from the Russian Delegation that, in view of changes in the political structure of the country with which we would all be familiar, they felt they would be unable to attend this meeting. They send their last minute apologies. I now invite our friends from Thailand to introduce their delegation.

**THAI DELEGATION**—Thank you very much, Mr Chairman and Mr President. It is a pleasure to introduce the members of our delegation. They are the Hon. Noppadon Pattama, Member of the House of Representatives, from the Democrat Party; Senator Burapa Atthakor, Member of the Senate, from the Environmental Affairs Committee; and Miss Supasinee Khamasundara from the National Parliament of Thailand, as Secretary of the delegation. I am Pichai Vasinpong, Head of the Thai Delegation. I am a member of the Senate and also Vice-Chairman of the Foreign Affairs Standing Committee. Thank you.

**CHAIRMAN**—Thank you, our friends from Thailand. I invite our friends from the United States of America to introduce their delegation.

**AMERICAN DELEGATION**—I am very pleased to be the leader of the US Delegation, which consists of two members of the House of Representatives and one of the Senate. The two members from the House are both very distinguished: one is a Democrat and one is a Republican, but both are able to work with members of the other side. Don Payne represents the 10th congressional district of New Jersey. It is interesting that our entire delegation comes from the east coast. I do not know what significance there is in that. But, in any event, Don Payne is very influential. He is chairman of the black caucus. He is a member of the international relations committee and the educational work force and, as it says in his biography, he is a slam dunk to win in the year 2000.

The same can be said too of Amo Houghton, who is another very distinguished member of the House of Representatives. He serves both on the international relations committee and the ways and means committee. He is the only member of Congress to have been chairman or CEO of a Fortune 500.

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Finally, I am Bill Roth. I represent the first state, the state of Delaware. I am chairman of the finance committee. I am happy to say that I have participated in this organisation since its beginning by our most distinguished leader, Prime Minister Nakasone.

**CHAIRMAN**—Last but by no means least I would be very pleased to have introduced the representatives of the Vietnamese Delegation.

**VIETNAMESE DELEGATION**—I have the great pleasure of introducing the Vietnamese Delegation to the APPF meeting. Mr Vu Mao is a member of parliament and a member of the standing committee-in Vietnam the standing committee is something similar to Presidium of the National Assembly. Mr Tran Van Phac is a member of parliament and a member of the Foreign Affairs Committee. My name is Ngo Anh Dzung and I am vice-chairman of the Foreign Affairs Committee. Mr Hai Ha is the secretary to the delegation. Dr Khai is an advisor to the delegation and then there is the secretary to the delegation.

The Vietnamese Delegation would like to express once again its thanks to the Australian parliament for their hospitality, warm welcome and excellent arrangements for all of us. We wish the APPF meeting great success.

**CHAIRMAN**—Friends, you will find available to all of you hard copies of the technological working committee meeting yesterday, the executive committee meeting yesterday and the opening ceremony. These are readily available to you. We will endeavour to make sure you have a hard copy of the proceeding day's conference proceedings every day before the conference starts.

## **SESSION 1 - POLITICAL AND SECURITY ISSUES IN THE ASIA PACIFIC REGION AND INTERNATIONAL SITUATION**

### **Review of the 6th ASEAN Regional Forum (ARF)**

**CHAIRMAN**—We now move to the first of our business items: the political and security issues in the Asia-Pacific region and the international situation. I will invite a representative from the Singaporean Delegation to present a review of the 6th ASEAN Regional Forum.

**SINGAPOREAN DELEGATION**—Thank you, Mr Chairman. It is my pleasure to present this report on the 6th ASEAN Regional Forum. Since the inception in 1994 of the ARF it has been increasingly accepted as a major component of the Asia-Pacific regional security architecture. It has developed into a unique multilateral forum where countries inside and outside South-East Asia can discuss important security issues. Significantly the ARF provides a useful setting for the major powers to remain positively engaged in the region.

The ARF's primary purpose is to sustain and enhance the region's stability progress and prosperity. As it evolves and as comfort levels increase, the ARF hopes eventually to carefully manage significant regional power shifts and to defuse and resolve conflicts. In this sense, the ARF is anticipated to evolve through three stages: stage 1, to build confidence and trust amongst its members; stage 2, to develop mechanisms for preventive diplomacy; and stage 3, to discuss approaches to conflict. Critics have derided the ARF for not having resolved any security problems. In fact, some might even claim that 'Revitalisation of the ARF', the title of this report on the agenda, suggests that the ARF is not in good health and needs to be revitalised, thereby implying that it has failed to meet up with expectations. Mr Chairman, I think that such comments tend to misunderstand what the ARF is really about.

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The ARF is not an alliance like the North Atlantic Treaty Organisation, which has come together to take collective action against a common foe, or an organisation that is specifically designed and equipped to handle conflicts. The ARF does not impose resolutions that are binding on its members like the UN Security Council, nor does it have a peacekeeping force to enforce the peace or a peacemaking contingent to resolve matters when contending parties refuse to lay down their arms. The ARF is really a confidence building measure in itself. It provides a framework for countries with security issues in the region to engage each other constructively. From this perspective, in its five years of existence the ARF has made good progress. Participants have managed to establish a degree of trust that allows for candid discussions over sensitive issues like the Korean Peninsula, the South China Sea, nuclear non-proliferation and transnational issues with security implications. The Sixth ARF Ministerial Meeting held in Singapore in July 1999 saw such a positive exchange taking place between the ARF foreign ministers. It is a good sign of how much the ARF since its inception has managed to increase comfort levels and build confidence amongst participating countries.

This leads me to conclude my report by touching on where the ARF is likely to go from here. The ARF is currently at its confidence building stage. Now the organisation is taking its first tentative steps towards moving to preventive diplomacy. Senior officials from the ARF countries, amongst others, have explored the possibility of an enhanced role for the ARF Chair in compiling a registry of ARF experts or eminent persons. In addition, Singapore has been tasked to come up with a concept paper outlining the concepts and principles of preventive diplomacy. These topics will be discussed further at the next intersessional group on confidence building measures to be held in Singapore in April 2000. Another important area that the ARF is moving into is that of transnational crimes. There is agreement that transnational crimes, including piracy, illicit trafficking of small arms and illegal migration, have an impact on regional security and should be taken up at the ARF.

Clearly the ARF is making significant strides in the right direction. Right now it provides a venue for participants to exchange views candidly on sensitive regional security issues. It also provides a forum for countries to discuss grievances and to let off steam. But as comfort levels increase and as members' confidence and trust build up to the extent of entrusting greater responsibilities to the ARF, then we could see the forum actually moving towards tackling directly regional security conflicts and disputes. Thank you, Mr Chairman.

**CHAIRMAN**—Thank you, Speaker Tan. Are there comments or observations that other people would like to make? Delegates from China? I recognise China.

**CHINESE DELEGATION**—Mr Chairman, at the beginning of a new century, it is of great significance that we meet together and extensively exchange our views on regional and international situations on issues of common concern. I would like to extend my heartfelt thanks to the host for the kind hospitality and meticulous arrangements. I believe that under your able leadership, Mr Chairman, and with the common efforts of all participants this annual meeting will surely achieve positive results.

Over the past year, the international situation continued to undergo significant and profound changes. The international situation is, on the whole, moving towards relaxation. Peace, development and cooperation have become the common aspirations of the world's people. But the world is far from being tranquil. The cold war mentality still exists, while capitalism and power politics have registered new developments. Military alliances are expanding and strengthening while military interventionism is gaining momentum. Regional conflicts triggered by ethnic, religious or territorial issues can be seen from time to time. Contradictions between the north and south accentuate on a daily basis, and the gap between the rich and the poor is widening. Neither of

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the two major tasks of peace and development has been resolved so far, and they are still under new challenges.

With regard to the Asia-Pacific region, the overall situation is comparatively stable. It has been a common policy preference of most nations to seek peace, development and cooperation. We are inspired to see that after two years hard work some countries have come out of economic difficulties on a steady recovery towards a good orientation. On the other hand, however, unstable factors influencing regional politics and security still exist. Sticking to the cold war mentality and strengthening the military alliance is against historic trends. Missing out on defence T&D increases the uneasiness of the people and may stimulate an arms race in the region. Attempts to revise the anti-ballistic missile treaty and a refusal to ratify the CTBT seriously impairs the disarmaments and arms control process in the region and the world at large. These issues need our concerted efforts and considerate responses. They need our discussion.

The ASEAN regional forum is the most important official arena for multinational security dialogue and cooperation. The positive role the forum plays in promoting mutual understanding and trust should be fully recognised. Just now, the speaker from Singapore delivered a lot of good opinions in this regard. The Asia-Pacific is the most diversified region in the world for its varying national conditions, different social systems and cultural traditions.

I would like to offer the following views of how to further push forward the process of security cooperation in accordance with the features of the region. First, peace and stability in the Asia-Pacific region are determined by many factors. The most important, in my view, is that each nation should abide by the principles and purposes of the UN charter and other recognised norms guiding international relations. Countries should develop their relations on the basis of the five principles of peaceful coexistence and refrain from bullying the weak and interfering in other countries' internal affairs.

Second, a major task facing regional security cooperation is to enhance trust and disperse misunderstandings. It requires every country to promote mutual understanding and increase consensus in the spirit of mutual respect and seeking common grounds while preserving differences. This is an effective way of achieving regional security cooperation.

Third, we need to stick to peaceful settlements of international disputes. Historic experience tells us that peaceful means instead of resorting to force is the best way to resolve disputes among nations. Strengthening the military alliance and arms expansion will only increase mistrust and bring about a new round of instabilities or even cause confrontations.

Fourth, the security cooperation in this region should proceed from the actual conditions in this region instead of quoting models of other regions. Practice proves that the model proposed by us of a gradual process with consensus, voluntariness and flexibility is a fairly ideal one.

As a member of the Asia-Pacific region and a permanent member of the UN Security Council, China is, as always, committed to maintaining peace and stability in the region and the world at large. China enjoys political stability and continuous economic growth with progress achieved in every field. Stability and sustainable development in China no doubt constitute positive factors in maintaining stability and sustainable development in the region. At the beginning of a new century when challenges and opportunities coexist, we need to seize opportunities and take up challenges. It is my sincere wish that, with our concerted efforts, we shall build the 21st century into a new century characterised by peace, justice, prosperity and stability. Thank you, Mr Chairman.

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**CHAIRMAN**—Thank you, China. We have had intervention from China largely in support of ASEAN, as indeed the Singapore resolution is. There being no other interventions, it can be presumed that the meeting endorses the sentiments expressed by the delegation from Singapore. I thank the meeting for its support and I thank Singapore for their submission of this paper.

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### Subregional issues-East Timor

**CHAIRMAN**—We now move to the subregional issues. There is a resolution on East Timor proposed by Australia, Canada and Japan. I call Mr Martin from Australia.

**AUSTRALIAN DELEGATION**—Thank you, Mr Chairman. Australia's resolution is broader than simply dealing with East Timor – and in our brief discussions with our friends from Canada they agreed that that was the case. Our intention in submitting it was to have it considered under the B(4) subsection on others, and we would request that our particular resolution be left until then.

**CHAIRMAN**—Thank you, Mr Martin. I presume from that that Canada concurs and I trust that Japan finds that consistent with what they want as well. If there is no dispute, I will allow that course to be taken and I will defer to Canada on the question of draft resolutions on East Timor.

**CANADIAN DELEGATION**—Thank you, very much, Mr Chairman. My name is Jim Hart and I am a member of parliament from Okanagan-Coquihalla in British Columbia, Canada. As a member of the official opposition, I vice-chair the House of Commons Standing Committee on Defence and Veterans' Affairs, so it is a great honour for me to speak today to this assembly on the issue of East Timor. Canada has been a very active participant in assisting East Timor, contributing over 650 troops to a multinational mission in September 1999. As such, we are hopeful that this meeting will adopt the Canadian resolution.

Globalisation has enhanced our awareness of issues emerging in different parts of the world, and of the interdependency of our nations. The role of the APPF is very important. Canada has been very active in promoting issues related to peace and security, such as the anti-personnel landmines convention which was adopted by the APPF at the sixth annual meeting. Parliamentarians were pivotal in the global effort to ban the manufacture and use of anti-personnel landmines and, through this assembly's commitment today, we can help ensure a humanitarian solution to the East Timor situation. This resolution calls for the need for humanitarian assistance to overcome the grave situation resulting from violence and damage to property in East Timor and the large-scale displacement of East Timorese civilians, including large numbers of women and children. The purpose of this resolution is to ensure that there is sustained interest and commitment on the part of the international community to support the humanitarian and reconstruction needs of East Timor. We emphasise that the text of this resolution is based on the text of the United Nations resolution which was adopted by consensus in the General Assembly on 16 December 1999. The UN resolution was co-sponsored by Indonesia. Other Asian co-sponsors were Japan, Australia, New Zealand, Korea, China, India and Malaysia.

I will just take a brief moment to give the members of the delegations an overview of what is included in the Canadian resolution. Paragraph 1 of the resolution captures the full range of international intervention in East Timor. It also reflects other development efforts that are under way bilaterally from countries. The words in this paragraph mirror the UN resolution. The second paragraph ensures that the East Timorese people do not become marginalised from the process and calls for close consultation and collaboration with the East Timorese people. Paragraph 3 attaches important references to the human rights infrastructure building a strong civil society and welcomes the creation of an independent human rights institution for East Timor. Paragraphs 4 and 5 call for safe and unhindered access to humanitarian assistance, rehabilitation and development assistance. Paragraph 6 is language again that can be found in the UN resolution which, I would like to remind

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all participants, was adopted by the United Nations. Paragraph 7 calls for the voluntary, safe and unimpeded return of refugees and displaced persons to East Timor.

Mr Chairman, we are working with our colleagues from Japan and will be working diligently to combine our resolution with their resolution, as they are very similar in content. I would like to thank the assembly for your attention and we look forward to your support.

**CHAIRMAN**—Thank you, Mr Hart. I invite the Japanese delegation to participate.

**JAPANESE DELEGATION**—My name is Taro Aso, and I am a member of parliament in the Liberal Democratic Party. With regard to the draft resolution on East Timor, the East Timorese people, through a direct ballot conducted on 19 August 1999, expressed their clear wish to begin the process of transition under the authority of the United Nations towards independence. As a result, however, of discord among them regarding the pros and cons of the East Timorese people gaining their independence, there was created a grave humanitarian situation. In the process of transition towards independence, improvement of such humanitarian situations and promotion of rehabilitation and development will be of crucial importance and this will certainly require international assistance.

Before the direct ballot was carried out, the United Nations dispatched UNAMET in East Timor and, after the ballot, it approved the establishment of the multinational force, with a primary objective of restoring peace and stability in East Timor. The United Nations further adopted a resolution to set up UNTAET – the United Nations Transitional Administration in East Timor – lending strong support to the transition process for East Timorese independence.

In December 1999, Japan hosted a conference of countries supporting East Timor. An agreement was reached to encourage reconciliation and self-efforts to be made by the East Timorese themselves. Japan believes it is essential to call upon the international community to assist with the transition process for the East Timorese who have just set out on the first step towards independence. With that as a background, the Japanese delegation wishes to propose the adoption of the resolution which we have already distributed. As the Canadian representative said, Japan is going to talk with Canada and make a joint resolution, as the chairman recommended.

**CHAIRMAN**—I thank Japan and Canada for their accommodation. Are there any other observations about the draft resolution on East Timor? I invite the Thai delegation to participate.

**THAI DELEGATION**—Thailand would like to give a report on our participation in East Timor affairs. Thailand's peacekeeping role in the world is nothing new. Thailand has engaged in peacekeeping operations since the First World War in 1914. We sent an expeditionary force for peacekeeping duty during the First World War. After the First World War and the Second World War, after the United Nations had been established, we participated in almost every one of those peacekeeping duties. Thailand affirms her stand for peace and adherence to the universal regime for peaceful settlements. Thailand continues to carry on this task with our most recent cooperation with the United Nations in returning peace to East Timor. I now give the floor to Mr Noppadon Pattama, a member of the House of Representatives, to report on Thailand's role in INTERFET and UNTAET.

**THAI DELEGATION**—My name is Noppadon Pattama and I am a member of parliament from Bangkok. I am a member of the Democrat Party, which is the ruling party in Thailand. I am sure that all of us here are aware that in the referendum in East Timor, which was conducted and the result announced in September last year, 78.5 per cent of the voters voted for independence.

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Unfortunately, subsequently riots, civil commotion and violence ensued. The United Nations deemed it was necessary to set up a peacekeeping mechanism in some form in East Timor.

Thailand was approached by the UN Secretary-General, Indonesia and Australia to take part in the multinational peacekeeping force in East Timor - the so-called INTERFET. We agreed to take part and we sent approximately 1,500 army personnel to East Timor. We were quite honoured to serve as deputy commander of INTERFET. The participation of Thailand in East Timor is based on three important elements: firstly, the peacekeeping is sanctioned by United Nations Security Council resolution No. 1264, which was passed on 15 September 1999; secondly, the invitation of Indonesia, a good friend of Thailand, was extended to Thailand to take part; and, thirdly, Thailand would like to discharge our honourable responsibility as a member of the United Nations.

In the third phase of the peacekeeping, the United Nations Security Council passed resolution No. 1272 on 25 October 1999 authorising the establishment of the United Nations Transitional Administration in East Timor, UNTAET. Thai army personnel will remain in East Timor and take part in the third phase but in reduced numbers. We expect that approximately 900 to 950 Thai army personnel will take part in UNTAET.

Lastly, East Timor independence is possible because of Indonesia, the United Nations and Portugal. The peacekeeping operation is possible because of the leadership of Australia. We also have to thank Japan for her generous contribution to the trust fund of approximately \$US100 million to finance the peacekeeping operation. I would like to conclude my remarks about the Thai involvement in the peacekeeping force in East Timor. Thank you.

**CHAIRMAN**—I was uncertain as to whether Singapore was seeking my attention earlier or not. If not, I will defer to Indonesia.

**INDONESIAN DELEGATION**—We are very happy that in this conference three countries are making three draft resolutions. One is Japan, the second is Canada and the third is Australia. We are happy that there is now confidence in discussing the East Timor problem. We are supporting the draft resolution put by Japan to this conference. We are very thankful to the Thai Delegation for mentioning the relationship between the United Nations and ASEAN regarding what has happened in East Timor. We are especially hoping that there is a direct role played by Australia in the problem of East Timor. That is why we are supporting the draft resolution put by Japan to be the starting point of discussions in this conference. We thank the Chairman of the conference for helping us to discuss this in a good manner.

**CHAIRMAN**—I thank Indonesia for that very significant contribution, and recognise my colleagues from the Australian parliament, in this case Mr Nugent.

**AUSTRALIAN DELEGATION**—Thank you, Mr Chairman. Australia has a resolution on the papers which is not specifically to do with East Timor, but is a broader resolution on peacekeeping which takes in other places such as Bougainville, and I understand that that will be addressed later in the conference. However, I would like to make a brief contribution to this particular debate. I had the opportunity to visit East Timor last month and, without going into the history of the situation, let me just say that the destruction and devastation are very considerable in that country and quite clearly there is a major task for the international community in helping East Timor not only to establish its democratic future as an independent country but also, in the very real practical issues, to rebuild its basic infrastructure. Australia's role, of course, has been well known, and I do not intend to go into that again, but I would emphasise that our participation has been as part of the United Nations organisation. I think it is important that we all understand that the United

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Nations is the driving force behind the subsequent action in East Timor and the recovery procedures that are going to be necessary there.

It seems to me that one of the major issues that we as an international community will have and what is very good about the motions that have been put forward by Canada and Japan is coordination. The reality is that in East Timor at the moment there is very little infrastructure. When I went there in December, there were no international barriers, there was no passport control, there was almost no public transport, and accommodation was obviously very limited. Clearly there is a massive rebuilding task. One of the difficulties in that situation is that a lot of aid agencies from all around the world, a lot of countries, donate aid in dollar terms and in practical or physical terms when often it is not necessarily the right thing, or you get two lots of people doing exactly the same thing but missing out on something else that is vital. So coordination through the United Nations agencies of that well-intentioned and extensive aid and assistance that is being provided is a very important thing for us all to recognise.

To give a practical demonstration of that, just before Christmas a number of schools in my electorate, with the best of intentions, collected lots of toys to send to children in East Timor. Whilst that was a nice idea, the message we were given in East Timor loud and strong was, 'We don't want toys for the children in East Timor; we actually want some money so that we can buy some food, so that we can put up some tents.' That is a much more important thing to do in terms of the use of resources, both human and transportation – more important than clogging up the wharves in Darwin with toys at the present time. So I think that coordination and prioritisation of the international effort will be very important.

The other key thing that we need to be aware of is that the Timorese themselves must be heavily involved in the planning and execution of the rebuilding of that country. It is not good enough for the international community to just go in there and take over. Clearly, if the local community is not committed to what is going on, if things are not done in the way that they would wish to see them done, it will not work in the long term. So it seems to me that we must be very conscious that consultations with the Timorese community in the way that their country is rebuilt is of prime importance.

My final point would be that it is quite often the case in international affairs that, where there is a human tragedy in some shape or form around the world, everybody rushes to give aid and support in one way or another – but six months down the track our televisions are regaling us with the next tragedy and we tend to forget what has gone before. Therefore, we need to be aware that there is a need for long-term involvement. We are not talking about fixing up the problems in East Timor in the next few months. It will take several years, and it will certainly take two or three years before the East Timorese themselves are ready to take over, I suspect. Therefore, I would urge all delegates to give specific attention to those three key issues – that is, the need for coordination in the aid effort, the need to maintain that aid effort in the long term and the need for Timorese involvement in the implementation of that aid and rebuilding.

To our friends from Indonesia, who have been our friends for a long time, I would just like to say that, although we have had some difficulties over this particular incident, from the Australian perspective we want to make sure that we fix any difficulties there may be. We look forward to the opportunity during the APPF conference to perhaps have some private dialogues to make sure that we start to rebuild that relationship. We are close neighbours, we are important to each other and we think it is important that we re-establish our previous good relationship. From an Australian perspective, we would support the motions. Thank you very much.

**KOREAN DELEGATION**—My name is Mr Chae. I would like to make a few comments about the East Timor issue. Japan, Australia and Canada have already submitted a resolution, and I truly hope a good result can come from the resolution. Regarding the issue of East Timor, I would like to express the position of Korea briefly. The Republic of Korea was most concerned to see the violent conflict surrounding the independence of East Timor, and we truly welcome the recent developments towards a peaceful resolution of the situation. In relation to that, we would like to express our support for, and appreciation of, the efforts to restore peace and stability in East Timor by the multinational forces who have been stationed in East Timor, according to resolution 1264 of the United Nations Security Council.

Fellow delegates concerned about the rampant violence and violation of human rights in East Timor: the Republic of Korea has actively participated in international efforts to re-establish peace and security in this region and realise democracy while enhancing the human rights situation of East Timor. Korea so far has contributed to the UN fund for the East Timor referendum. Korea also sent civilian police to the area and has deployed one battalion of peacekeeping forces in response to a request from the United Nations Security Council. This is the activity that Korea has carried out so far. Just as the international community and the United Nations helped us in our time of need during the Korean War, we hope to be able to fulfil our duties as a responsible member of the Asia-Pacific and do our best to contribute to peace and stability in the Asia-Pacific region.

Distinguished members and delegates, although violent conflict has subsided in East Timor, there is still much to be done in order to firmly re-establish peace and reconstruct the society. Refugees and exiles must be able to safely return to their homes, and the ruins must be cleared away to build a new social infrastructure. It is our sincere hope that the international community continues to fully support and aid the activities of the UN transitional administration in East Timor.

**CHAIRMAN**—Thank you. I invite the Indonesian Delegation to speak.

**INDONESIAN DELEGATION**—As proposed by the Indonesian Delegation in our first intervention on this agenda, of the three draft resolutions on East Timor from Japan, Canada and Australia, we support the draft resolution proposed by Japan. To be more specific in our stand, I would like to add some suggestions: that the resolution from Japan be used as a main draft resolution and that the other resolutions — that is, from Canada and Australia — be used as supplements. By doing this, we can overcome technical difficulties in reaching good resolutions. If we discuss these three resolutions, I am afraid there is not enough time to come to a good result. Mr Chairman, you have suggested that the three countries that have proposed the resolutions sit together to discuss their resolutions to come to one resolution. In line with your suggestion, we would like to stress our suggestion to please use the Japanese resolution as the main draft.

We propose this because we believe that the draft resolution from Japan is more comprehensive and attempts to reach something more substantial in the rehabilitation of East Timor, especially in humanitarian assistance. It talks more about what we should do to overcome all of the problems in East Timor rather than about what has happened. Of course we cannot put aside the history of what has happened in East Timor but, as we all know very well, there is much debate on this history. There are many different perspectives on the evolution of events in East Timor during and after the ballot. Since the spirit of the APPF is more on cooperation and good relations between member countries, I think we will have a very accommodative and good resolution if we adopt the Japanese draft resolution as the main resolution.

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I would also like to use this moment to welcome the comments made by the distinguished member of the parliament of Australia, Mr Peter Nugent. He made a very good comment on the importance of the relationship between Australia and Indonesia. He said that this relationship is very important because we are very close neighbours. I think we have had very good relations for a long time. Of course there are ups and downs in the relations, but those relations are very good. Mr Chairman, could you ask the media to give more space to the comment made by the distinguished member of parliament, Mr Peter Nugent? Some more technical suggestions on the things that we have to pay attention to in the rehabilitation of East Timor are the importance of coordination, the involvement of the East Timorese in the process of rehabilitation and the maintenance of regional and international attention on the issue. I think these are very good things for us to remember. This also, I see, supports our proposal to have the Japanese draft resolution as the main resolution. Thank you very much, Mr Chairman.

**CHAIRMAN**—Thank you, Indonesia. I reassure my friends from Indonesia and, I suspect, all delegates that intervention by the Chairman on behalf of Mr Nugent to get additional media space would invariably be counterproductive in Australia both for Mr Nugent and for the Chair, but I do hear what Indonesia is saying. I have also run the risk of having overlooked our friends from New Zealand. Given that we are such close neighbours, that is an unintentionally offensive thing to do, and I now recognise former Speaker Kidd.

**NEW ZEALAND DELEGATION**—Thank you, Mr Chairman. I will first provide a little background with regard to New Zealand's involvement. We took the matter of East Timor very seriously from the outset. The scale of our contribution indicates that we have in East Timor a third of our front-line ground troops, a third of our Navy and half of our Air Force cargo lift capacity. We have not as a nation made such a large commitment abroad since we deployed in support of the United Nations in Korea in 1950. That commitment, of course, is modest compared with Australia's and Thailand's, but it has created a great strain on our resources in New Zealand. I am here to assure delegates that we intend to continue that substantial commitment.

Moving from INTERFET to the United Nations force will see some small reduction in our commitment but, to sustain that, for the first time since 1940 we will be drawing upon our part-time territorial force units to provide sufficient numbers. The first 100 or so of those citizen soldiers will, I am proud to say, come from a South Island regiment of which I have the honour to be the regimental colonel. Our involvement goes well beyond that very substantial armed forces involvement to providing civilian police to UNAMET and UNTAET and to providing ballot observers. Indeed, we contributed a five-man delegation of members of parliament from all parties to take part as observers of the ballot. Subsequently, we have committed to the United Nations Trust Fund for East Timor and have made, and I guess will continue to make, cash grants to international and New Zealand non-government organisations — all of which takes place under the umbrella of a unanimous resolution of the New Zealand parliament to commit ourselves seriously to, and sustain the commitment to, the rebuilding of East Timor.

Mr Chairman, why we come here today to so strongly support the thrust of all of the draft resolutions is that we have some concern that, as East Timor fades from the headlines, so will the support amongst the international community. If one looks now at CNN and the BBC World Service, to take just two, they are back to being consumed, as they have always been, with the troubles, and serious they are too, in the Middle East and in Ireland, where peace has been sought for so long. I want to urge upon delegates here that, in terms of the number who have suffered and the vast numbers who have died and the scale of the destruction, we cannot turn from East Timor or see our contributions as one-off cash injections or contributions of some element of material aid.

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It will take some years— working with the East Timorese people and their government, as it emerges, and their institutions, once they are established — to restore this land to its role in our part of the world. The Pacific Forum countries include a large number of very small states — of which New Zealand is one of the larger ones — and I sit next to my friends from Papua New Guinea who, rather like us, probably have reason to fear that in our corner of the world we will be left alone with this serious task after a short while. I urge delegates, wherever they can and whatever institutional roles they have, to ensure that East Timor is not forgotten and that what these resolutions seek is committed to, and sustained, for whatever time it takes.

**CHAIRMAN**—Can I also indicate to our Indonesian friends that their earlier intervention expressing support for the Japanese resolution might be further aided if they were to consult with Canada to see what amalgam of the Japanese and the Canadian resolutions the Canadians are currently pursuing, as they may be acceptable to Indonesia as well.

**SINGAPOREAN DELEGATION**—Singapore, like the other three ASEAN countries — namely, the Philippines, Thailand and Malaysia — decided to participate in the UN authorised multinational force for East Timor in response to the call by Australia, Indonesia and the UN Secretary-General for ASEAN's participation in the multinational force, INTERFET. ASEAN leaders had agreed at the APEC summit in Auckland last year that ASEAN countries should participate in INTERFET, provided it was sanctioned by the UN and had Indonesia's consent. The ASEAN countries participating in INTERFET have done so as they wanted to be helpful to Australia, Indonesia, East Timor and the UN. It is in everyone's interest to see stability restored in East Timor as quickly as possible.

Singapore has contributed over \$US200,000 to the UN trust fund for East Timor. We are also participating in INTERFET. Our contribution comprises a medical detachment, military observers, logistic support and two LSTs; a total of 250 personnel are also involved. Our commitment to INTERFET until the end of 1999 is estimated to amount to more than \$SG16 million. This is a small sum but, to a small country like ours, we think it is significant support. Notwithstanding our earlier contributions, we will continue to play a constructive role in UNTAET within the limits of our capabilities. We will consider other forms of assistance to East Timor when the need arises. Finally, we hope that Japan, Canada and Indonesia can come to a consensus on the draft resolution that is agreeable to every member of this forum. Thank you.

**CHAIRMAN**—I thank Singapore. Are there any other interventions on East Timor? I had one from Australia. Are there any others waiting? I recognise Chile.

**CHILEAN DELEGATION**—Thank you, Mr Chairman. Very briefly, I would like to say that for Chile the issue of East Timor is of great concern and interest. We have been very concerned in all the international organisations, as we have expressed. Currently, Chile will participate at the third stage — what is called the third phase. Over the next few days, a Chilean military contingency will arrive in the East Timor region. Basically, we will be there to help with humanitarian aid and any other requirements established by the international organisations in East Timor.

We, as a country, naturally aspire to have all these conflicts amicably and peacefully resolved. It is our desire that all conflicting parties come to a resolution. We understand that there are prior problems too, other than the conflict itself. However, despite the dispositions as have been presented by the press, unfortunately these types of situations become marginalised from other types of events that are taking place in the country. Therefore, the world itself becomes a bit more marginalised in terms of other situations elsewhere. We share the position of New Zealand and we believe, in respect of all those who happen to experience conflict, in showing our affection for those living in East Timor. Our action is towards a resolution that will contemplate those aspects

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mentioned by the Japanese delegation. I think that is a very good step forward in the future and, hopefully, we shall be able to achieve progress as per the Japanese declaration.

Basically, I would like to conclude that it is our role in the eyes of the press throughout the world to clearly demonstrate our intention to help, to cooperate. This is what my country has done. We would like everybody here to participate for the good of the people of East Timor and of all those countries that have participated. Thank you very much for your attention.

**CHAIRMAN**—Thank you, Chile. Mr Snowden from Australia.

**AUSTRALIAN DELEGATION**—Thank you, Mr Chairman. Might I first point out that I represent the Northern Territory in the federal parliament. Darwin is the capital centre for the Northern Territory and is the major staging post for the United Nations into East Timor.

I would like to commend the initiative of both the Canadian and Japanese delegations for putting forward their resolutions today. I am personally comfortable with the content of both those resolutions, as I know my friends in the Australian delegation are. I note the support that the Japanese resolution has been given by our friends from Indonesia and I commend their comments to both the Canadian and Japanese delegations when they are seeking to resolve the final construct of the resolution to go before us.

I want to make a number of short comments on the situation in East Timor. I firstly acknowledge the success of the first two stages under the auspices of the United Nations and I particularly give recognition to the role of INTERFET under the leadership of General Cosgrove. I note that a Philippine general will take control of the peacekeeping operation as of 21 February. That is a very strong endorsement by another ASEAN neighbour of the importance of seeking a long-term peaceful outcome in East Timor.

We should note the very important role that the East Timorese leadership have shown in ensuring that we have an opportunity for a long-term peaceful resolution in that troubled part of our globe, particularly the leadership of Xanana Gusmao. I note that there have been very definite and strong indications of bilateral arrangements between a new leadership group in East Timor and our Indonesian friends. I commend both our Indonesian friends and the East Timorese for taking those initiatives.

It is important to us in Australia that East Timor becomes a good neighbour for both us in Australia and, importantly, for Indonesia, which is not only our closest neighbour but also East Timor's closest neighbour. My friend Mr Nugent has made a number of observations that I think are very relevant. I too have visited East Timor on two occasions in the last six weeks and can say that his acknowledgement of the need for an oversight of the coordination of the aid effort is extremely important. The international community needs to keep a weather eye on ongoing developments in terms of the administration of East Timor, particularly in the administration of aid.

The long-term future of East Timor will only be sorted out with the leadership shown by the East Timorese themselves and with their participation. I commend the resolutions that have been put before this conference and assure our friends from Indonesia that we acknowledge their concerns. They should appreciate and understand that we, along with them, see mutual benefit in having a long-term peaceful resolution with a stable government in East Timor that will benefit the whole region.

**CHAIRMAN**—Thank you, Mr Snowden. If there are no other interventions on East Timor, I commend those working on a joint statement and invite the Indonesian group to join with the

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Canadians and the Japanese in the preparation of a joint statement. We will await the presentation of that joint statement to another plenary session. I suggest that we move to the second item on the agenda under subregional issues, which is the Korean Peninsula.

### **Subregional issues —Korean Peninsula**

**CHAIRMAN**—This issue was submitted, quite understandably, by President Nakasone's office. I invite Korea to participate.

**KOREAN DELEGATION**—We did not prepare any special resolution about the Korean Peninsula issue but, as a country involved in the specific issue, we would like to express Korea's position regarding the Korean Peninsula. Honourable Chairman, as you are well aware, the Korean Peninsula has been a very important issue for a long time. While the rest of the Asia-Pacific has witnessed the end of the Cold War and the opening of a new era of reconciliation and cooperation, the ideological confrontation of the Cold War has yet to leave the Korean Peninsula. The geopolitical situation of the Korean Peninsula makes it such that the stability and peace of the peninsula is a crucial factor to the peaceful and stable development of North-East Asia and the Asia-Pacific at large.

With this in mind, the Republic of Korea has made persistent efforts to engage in continuous dialogue with the North and, through such dialogue, we wanted to rid the peninsula of strife and conflict and transform the relationship between South and North Korea into one of true reconciliation and cooperation. These are the three principles that the Korean government has continuously carried out. In particular, the government of the Republic of Korea has focused on three principles of peace and engagement towards the North: first, the Republic of Korea will not tolerate any sort of armed provocation; second, we will not seek to reunify the peninsula through the collapse of the other side's system; and, third, reconciliation and cooperation will continue to be our top priorities in inter-Korean relations. Our policy of engagement is not meant to isolate or contain the North. Rather, it is a policy that is based on the reality of current times and seeks to find reasonable ways in which to achieve joint prosperity through mutual existence, exchange and cooperation. The peaceful resolution of the situation on the Korean Peninsula also entails close cooperation and in-depth dialogue with our neighbours. Having recognised the need to build trust among our closest neighbours, Korea has steadfastly and actively participated in the four-party talks.

Fellow colleagues and delegates, despite such efforts of the government of the republic of Korea, North Korea has yet to defuse suspicions about its nuclear and missile development program and has continuously undermined the establishment of peace and stability on the peninsula. Thus, tension between the two Koreas continues to rise, neighbouring countries are all the more concerned, and the peace and stability of all North-East Asia and the whole Asia-Pacific is under threat. Under such circumstances, it is heartening to see progress in the US-North Korea missile talks. We also welcome the lifting of economic sanctions against North Korea, and the recent moves by North Korea to improve its ties with such major nations as Japan. Such developments will definitely relieve tension on the peninsula and serve to enhance peace and stability in the Asia-Pacific.

It is our hope that, through such progress, North Korea will come to act as a responsible member of the international community and contribute not only to peace and stability in this region but also to the peaceful future of all mankind. At this point, I would like to express my greatest appreciation to all of you who have provided food, relief goods and other types of humanitarian aid to the North in its time of need. In this new millennium, to achieve reconciliation and cooperation on the Korean Peninsula and throughout North-East Asia and to ensure peace and prosperity in the

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Asia-Pacific, North Korea should refrain from any acts that may heighten tension in this region and, at the same time, it should engage sincerely in inter-Korean dialogue and talks with other nations.

Finally, I would like to ask for the support and cooperation of our fellow APPF members in bringing North Korea to participate in Asia-Pacific affairs as a responsible member of our community. This is the end of my report, and I truly hope that it can help you understand more about the issue of the Korean Peninsula. I will distribute the copies of this report later on to the members of the APPF. Thank you very much, Mr Chairman.

**CANADIAN DELEGATION**—First of all, I would like to point out to the delegates that the Canadian delegation has submitted a theme paper, ‘Peacekeeping, democratic development and human security in Asia-Pacific’. Canada is a Pacific power, and clearly our involvement in Asia over the years has been demonstrated through the Korean War, where more than 500 Canadians gave their lives; peacekeeping in Indochina from 1954 to 1973; Cambodian election monitoring and landmine training programs; and, of course, recently in East Timor. Of concern to our delegation and to our government are the tensions in North-East Asia, because it is the most heavily armed region in the world. Certainly the events in August 1998 with regard to North Korea’s flight test of a multistage ballistic missile over Japan was of extreme concern to our government. The main message of the Canadian government in its foreign policy has been human security, and it takes the safety and the security of people as a principal point of reference. I quote from the theme paper that an important factor in the heightened tension of each of Asia’s hot spots is the low level of human security. The acute poverty the economic crisis has brought to parts of South-East Asia is still less than the chronic levels in India or Pakistan or, in recent years at least, North Korea; and poverty, it seems, fuels everything from ethnic tensions and religious extremism to insularity in foreign policy.

Clearly the challenges of human security are defined by the degree to which the safety of people is at risk and by the systematic and pervasive nature of those threats. There are human security dimensions to a wide range of issues – whether it be children, armed conflict, small arms proliferation, drug trafficking, civil conflict, terrorism et cetera – and so existing human rights and international humanitarian law provide the normative framework upon which the human security approach is based. The Canadian position is that we promote human security. Clearly the changing nature of conflict and the darker sides of globalisation mean that people are increasingly exposed to violence and threats against their rights and their safety. We applaud the approach taken by the government of South Korea, particularly President Kim Dae Jung’s engagement policy towards the north. We believe that any constructive approaches to reduce tensions on the Korean Peninsular will be important and, to that effect, the Foreign Minister of Canada, Lloyd Axworthy, has approved modest steps by which Canada has engaged in dialogue with North Korea, after having received the support of the Korean Ambassador with regard to this issue. We have had an academic delegation visit Korea last December and, at the invitation of the Canadian Food Grains Bank, an eight-person North Korean delegation of agricultural specialists visited Canada in September. We believe that through dialogue and through constructive engagement the tensions on the Korean Peninsula and, indeed, elsewhere in Asia can be reduced, to the benefit of all. I want to point out to the Chairman and the delegates that anything that we can do to achieve that goal will benefit all of us in the long term. Thank you.

**MONGOLIAN DELEGATION**—My name is Batbayar, a member of the Mongolian delegation. Mongolia is a North-East Asian country, therefore we always pay crucial attention to the developments in this subregion. With regard to North-East Asia, the situation on the Korean Peninsular remains of concern. We believe it is important that such dialogue avenues as inter-Korean dialogue and the four-party talks be further pursued to reduce tension and improve our security on the peninsula. We also believe that continued implementation of the non-proliferation

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and arms control regimes is essential to preserve regional peace and stability. Cooperation of major powers on issues of common interest is also important in maintaining peace and security in North–East Asia.

I draw your attention to the issue of refugees in North East Asia. The economic crisis that has struck North Korea since 1994 and the authoritarian policy of the Communist regime led to an unknown number of North Koreans fleeing across the borders with China and Russia. Different sources, including the United States Peace Institute and South Korean and Japanese humanitarian and religious organisations, estimate that between 200,000 and 400,000 North Koreans have fled to China in search of food during the past four years. Some refugee agencies speculated that persons fleeing persecution were amongst those fleeing famine. More than 900 North Koreans have defected to the south since the break-up of the nation in 1949.

In 1999, Mongolia – a distance of some 1,000 kilometres from the North Korean and Chinese borders – has, for the first time, encountered the problem of refugees in the case of North Koreans. A number of North Korean men, women and children fled through north–eastern China into Mongolia last October and November. Neither Mongolia nor North Korea are signatories of the 1951 United Nations convention relating to the status of refugees and its 1967 protocol that established legal standards for refugee protection. Mongolia has been cautious about the refugee issue because of a longstanding fear of a sudden flow of Chinese and Russians into our territory. With no domestic and legal framework needed for refugee protection, China and Russia have signed these two international documents.

I was informed that a couple of the people who fled from North Korea into Mongolia were returned to China and were handed over to South Korea upon Seoul's request. This deportation regime is widely used in cross–border cases. In my view, that happened because the government of Mongolia has never had such refugee related practices and that forces a violation of international standards to protect refugees.

I am obliged to make an appeal to the United Nations High Commissioner for Refugees to establish official contact with the government of Mongolia and to undertake promotion of refugee law and public awareness activities in our country. The country needs national experts to deal with the refugee issue. The concern over the sudden flow of refugees from neighbouring countries might well be dealt with within the international standards by international means rather than through age–old stereotypes.

At the same time, I am deeply concerned that on dozens of occasions China forcibly repatriated North Koreans who had fled into their country back to the regime. China has a treaty with North Korea to return defectors, although it is a party to the United Nations refugee convention. I urge Beijing to approach the issue from a humanitarian perspective and to take the side of the major international treaties over domestic and bilateral commitments.

Russia has also reportedly provided refuge to thousands of North Koreans over the past years, though the local authorities often deported them back to the regime. South Korea is a last hope for North Koreans who choose the dangerous fate of the refugee. Unfortunately, the United Nations High Commissioner for Refugees reported that there were cases of torture of defectors by the South Korean intelligence officials during the post–arrival interrogations. I would also like to urge South Korea to take appropriate measures to protect the rights of their compatriots. I encourage South Korea to reach agreement with the third countries in order to provide safe passage of North Koreans into the south without any complications to the relations with the country of transfer.

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**CHAIRMAN**— I thank the delegate from Mongolia. Before inviting South Korea to respond, however, it has already been indicated to me that Japan wishes to make a contribution and I give them the floor.

**JAPANESE DELEGATION**— Mr Chairman, after the Second World War the Korean Peninsula was, of course, the closest country to us. However, North Korea is the only country with which we could not establish diplomatic relations and normal relations in the order of things after the war. It is a country that is so close to our territory. Some time ago several representatives from Japan went to North Korea and engaged in various consultations and dialogue. Recently, representatives of political parties, including me, have taken part in various missions to North Korea. We were engaged in various discussions, but with no particular visible progress. We heard the remarks of the Korean delegation. I applaud the contents of the remarks. It was a wonderful presentation. We also heard the remarks of the Canadian delegate as well as the Mongolian delegate. All of those remarks were worthy of very keen attention and I would like to thank all the people who have spoken for their high level of intervention.

We all have humanitarian problems. Now, in order to solve such serious humanitarian problems, the North Koreans are saying that there should be consultation between the officers of the International Red Cross, but I believe foreign relations should be dealt with in an official way between governments. Consultations with the Japanese Red Cross and the North Korean Red Cross would not be enough. We should have this dialogue with the blessing and under the coordination and cooperation of the government authorities of both countries. That was the thinking that we had, and we inserted the wording to that effect into the joint communique when we formulated the communique with the North Koreans. They agreed to that. When we had the first conference last year, we were able to insert such wording into the joint communique. When going forward, we would like to go side by side with the government negotiation, and we would like to promote negotiation and consultation between the Red Cross officers of North Korea and Japan.

What I am trying to say is that, as the Canadian delegate mentioned, North-East Asian security is of paramount importance to the people of the region. This is the important recognition that we have. At the same time, we all have humanitarian problems that we have to overcome. These problems have to be firmly resolved. In order to the firm resolution of these problems, it goes without saying that South Korea and Japan must be discussing and getting involved. Also I would like to solicit the cooperation of other countries as well in order to resolve this situation. The representatives of various political parties are working on it and the political parties' representatives are more or less in agreement with what I have been telling you in this meeting. We are trying to continue positively the contact with the North Koreans, having that mind set. Especially to the South Korean delegation, I would like to say that we were much encouraged by your views. I really applaud and commend the high quality of the presentation made by the Korean Delegation, and I would like to thank the Korean Delegation for expressing such a lofty and laudable idea.

APPF has been under the leadership of President Nakasone and, from its inception, Mr Nakasone and other officials have been saying that we should not be too formalistic or binding. This is the forum for parliamentarians to get together and it is not so much bound by legal constraints and so forth. This is the forum for having candid discussions. If we come to any conclusions, of course it is better that we advise our governments based upon the conclusion of this meeting, but this is a good place for the candid exchange of opinions. So I hope the Korean Delegation will also agree, but I think it may be a good idea to invite North Koreans to come to this forum so they will come to have an opportunity to know what is happening in the world. I really feel that we could provide an opportunity for North Koreans even to taste what an international community is like.

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So to our Korean friends, Canadian friends and Mongolian friends, I appreciated your comments. I am thankful for your comments. I hope that as soon as possible the nearest countries to us — North Korea and Japan — would re-establish normal diplomatic relations. That is my good hope. At the same time, my fervent wish is that the orient's security is firmly protected, and my wish has been strengthened by this particular meeting. Thank you very much, Mr Chairman, for giving me the floor.

**CHINESE DELEGATION**—I would like to talk about the Korean Peninsula. DPRK is our close neighbour. The peace and stability of DPRK are very vital to China. Therefore, the Chinese government has been deeply concerned about and also supported the peace and stability of the Korean Peninsula. In our opinion, in recent times the Korean Peninsula, generally speaking, has brought about some positive elements, especially the negotiations between DPRK and the United States. These negotiations have proved one fact - that is, as long as the parties involved can take the other side's situation into consideration and put forward reasonable proposals, any difficult situations can be resolved and mutual understanding can be reached. So I hope that the parties involved can cherish the recent positive development in the Korean Peninsula.

We particularly hope that the north and south sides of the Korean Peninsula can enhance contact through patient dialogue and gradually enhance mutual trust and reach peace. In the meantime, China also welcomes the United States, Japan and Europe. Like our Canadian friends mentioned earlier, I hope that they can normalise their relations with DPRK.

There have been six rounds of negotiations for the four sides. Even though the improvement has not been very obvious, there has been some improvement which we should all see. Because of the historic and some modern situations, to reach agreement on such major issues does take time and also patience. It is our hope that the momentum of such negotiations for all four sides should continue and be sustained. China, as a neighbour to the Korean Peninsula, will continue to contribute to the peace and stability of the Korean Peninsula.

**CHAIRMAN**—It was my intention to recognise the Hon. Heung Soo Yoo last, only because that allowed our Korean friends to sum up what had been said in the debate. I will allow any other interventions before calling Korea. If there are no other interventions, I call Korea.

**KOREAN DELEGATION**—Thank you, Mr Chairman. In relation to the Korean government's policy regarding North Korea, the delegates from Canada, Japan, China and also Mongolia agreed with us. I really thank them all for their opinions. I especially thank the Mongolian delegate who made a remark about the situation of the North Korean refugees coming through China and Russia to Mongolia. I really appreciate that opinion.

Regarding this issue, we wanted to raise it ourselves but there are all these delicate, subtle issues involved, so we were restraining ourselves from it. I really do thank the Mongolian delegate for expressing our view as well. The situation of the North Korean refugees is arising from poverty and also this Communism regime in North Korea. A lot of people are against it and they are suffering from this difficulty so they are fleeing the country. We estimate that the number of refugees at the moment is in the thousands.

These people can be classified by the international standard as refugees. Should they be deported back to North Korea, their lives would be in danger. Therefore, from a humanitarian point of view, I would like to ask member countries of the APPF to please take an interest in this issue, especially the Russian and Chinese delegates, although the Russian delegates are not here today. I would really like to ask the Chinese delegates to show some warm heart towards North Korean refugees.

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I have to be very careful about proposing a resolution, because that might provoke the North Korean government and that is not our intention. I would like to strongly express our concern and worry about this issue to the international community. I would like this issue to be resolved in the near future so this can contribute to the peace and stability in this region. Thank you very much, Mr Chairman.

**CHAIRMAN**—I am sure the meeting understands the wisdom of the Korean position and the record will show the debate that has been held and the comments made by Korea in summary of that debate.

### **Subregional issues — Nuclear and Missile Proliferation in Asian Region**

**CHAIRMAN**—There are four draft resolutions here: one from Australia, one from Japan, one from Peru and one from the Philippines. I will of course, as always, encourage those four delegations to get together and see if they can come up with one resolution which may be helpful. It was my proposal to call each of those people sequentially, but I notice that Japan is seeking my attention, so I will call Japan.

**JAPANESE DELEGATION**—Mr Chairman, I will explain Japan's draft resolution on nuclear non-proliferation and disarmament. The Japanese basic stance on nuclear disarmament is that there should be a steady build-up of realistic nuclear disarmament measures to achieve a world free of nuclear weapons. The international approach to nuclear non-proliferation and disarmament has been developing. For example, at the conference to promote the early entry into force of the CTBT held in Vienna in October 1998, a final declaration was made for the early entry into force of the CTBT. In response to India's and Pakistan's nuclear testing, Japan proposed to hold the Tokyo Forum on Nuclear Non-proliferation and Disarmament in order to achieve a discussion on ways of maintaining and strengthening the nuclear non-proliferation principle and to further promote worldwide nuclear disarmament as well as to formulate some concrete proposals with participation by experts from various countries. The report of the forum was issued in July last year.

Furthermore, since 1994, we have submitted the resolution with a view to the ultimate elimination of nuclear weapons at the UN General Assembly. Last year, a draft resolution was submitted based on the report of the Tokyo forum announced in July to pave the way for the NPT Review Conference to be held this year. This was extremely successful – we gained overwhelming support from the international community. The Institute for the International Policy Studies of Japan, the Konrad Adenauer Foundation of Germany and BCSIA of Harvard University of the USA sponsored the conference and put together a joint proposal. We should take note of such efforts on the part of civil societies for nuclear non-proliferation and disarmament.

It is a fact, however, that there are some worrying developments in the international community, such as the nuclear tests by India and Pakistan in May 1998, which can be seen as a challenge to the international effort to strengthen the international nuclear non-proliferation system. Other worrying developments include the refusal by the United States Senate to ratify the Comprehensive Test Ban Treaty and the deterioration of the relationship between the United States and Russia that nuclear disarmament and international security are based on. Under such circumstances, we believe that it is important to call upon the international community to further promote our approach to nuclear non-proliferation and disarmament. With that as a background, the Japanese delegation would like to propose the adoption the draft resolution. As the Chairman recommended, Japan, Australia, Peru and the Philippines are on the way of combining their resolutions.

**CHAIRMAN**—Thank you, Japan, for your assistance.

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**AUSTRALIAN DELEGATION**—Thank you, Mr Chairman. Australia is pleased to join with Japan, Peru and the Philippines in putting forward these resolutions today. I note, too, that we will be consulting with other countries before finalising the wording of the resolutions. I firmly believe the resolutions express the most heartfelt and urgent wishes of the people, all people, in Australia and the Asia–Pacific region today. There is no other issue on which there is such agreement as this. If our efforts at this conference could contribute to the prevention of the proliferation of nuclear weapons and their eventual elimination, the people of this region will thank us.

The Cold War ended nearly 10 years ago, but there is still a long way to go before we are rid of the weapons capable of destroying all people on this planet many times over. In fact, events of the last two years have not been encouraging. The framework for the second Strategic Arms Reduction Treaty, or START II, was signed by Russia and the US in 1993 and is due to limit the warheads to 3,500 for both nuclear states by the year 2003. The US Senate ratified START II four years ago, but the Russian Duma still has not done so. NATO's expansion eastward and the Balkan intervention have strained relations between the US and Russia and China as well and undoubtedly set back ratification of START II by the Duma.

In the conference on disarmament the only progress in the last five years has been the decision to set up an ad hoc committee to negotiate a ban on the production of fissile material for nuclear weapons, but this committee has yet to be convened. Russia is said to have enough fissile material to build 120,000 nuclear explosives and the US has enough for 80,000. On current stocks, Britain could build another 4,000, France 3,000, China 3,000, Israel 100, India 80 and Pakistan 20 nuclear explosives. As I speak here today, there are 5,000 nuclear missiles pointed at major cities in the world on what is known as hair-trigger alert. Of course, most of these weapons are part of the arsenals of Russia and the US, who between them still have over 30,000 nuclear weapons.

Eleven days ago we faced the changeover from 1999 to the year 2000 uncertain about whether or not the computers which controlled the functions of these missiles, particularly in Russia, were equipped to handle Y2K, as it is known. Russia's early warning and nuclear command systems have been deteriorating for many years. On 1 January we might have been thrust into a nuclear war and neither power was prepared to remove that risk by taking their missiles off hair-trigger alert even while the computers clocked over. 1 January has passed, but this does not mean that we are safe from the possibility of accidental weapon launch.

In May 1998, India carried out five nuclear tests, and Pakistan followed these with its own tests. The Indian Prime Minister argued that the refusal by the nuclear weapon states to fulfil their obligations under the non-proliferation treaty was a continuing threat to India, forcing it to carry out its own tests. The failure of the US Senate to ratify the Comprehensive Test Ban Treaty is said by many to represent the unravelling of nuclear non-proliferation efforts worldwide. In October last year, 52 countries sponsored a new agenda coalition resolution in the hope of reinvigorating our nuclear disarmament agenda and galvanising the international community to push for eradication of nuclear weapons. As a region I believe we must bear in mind the fact that limiting and eventually eliminating nuclear weapons is a very slow process indeed but political change, we know, can happen overnight.

The last year has seen a serious deterioration in relations between India and Pakistan. India itself was not so long ago a strong proponent of the elimination of nuclear weapons. India and Pakistan have both had the technology to build nuclear weapons for more than a decade but chose not to do so until quite recently. They have become nuclear weapon states in spite of the fact that

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polls in India after the tests showed that 73 per cent of Indians oppose making or using nuclear weapons.

In Australia, public opposition to nuclear weaponry is more than 90 per cent; yet back in the 1950s and 1960s the military and some ministers in this country wanted nuclear weapons — and perhaps they still do. Back then, Australia was not successful in buying nuclear weapons from the US or the UK. It did, however, allow the British to test their weapons here and it did allow the US to set up bases in Australia, thereby tying Australia to the nuclear arms race for the foreseeable future. During and after World War II, Australia supplied uranium for nuclear weapons made in Britain and America. In the late 1960s and early 1970s, Australia considered making its own nuclear weapons. In 1984 our foreign minister argued that Australia should develop a pre-nuclear weapons capability. Fortunately, Australia has not gone down this path, and I hope it will never do so.

I want to conclude by saying that we, the people of this region, must ourselves be on hair-trigger alert -alert to the changes in politics which might thrust any one of our countries into the madness of weapons of mass destruction and ever alert to the ways in which we might contribute to the prevention of the proliferation of nuclear weapons and their eventual elimination. While we urge the nuclear capable states to disarm, we too must examine our own consciences and remind our military and our nuclear industries that nuclear weapons are a threat to the survival of humanity and must be eradicated once and for all.

**PERUVIAN DELEGATION**—Mr Chairman, the delegation of Peru also did present a draft resolution on non-proliferation of nuclear arms. Very gladly, in the coordinating meeting this morning with the other delegations that presented resolutions on the same issue, we have concluded on the draft that is being discussed now, which we fully support. Peru has maintained as one of its objectives in external policy to permanently show preoccupation about the non-proliferation of nuclear arms. Peru considered that nuclear arms are a threat to the peace and the security of the nations.

I would like to state, that Peru has made an effort to contribute to KEDO. As you may recall, KEDO is the organisation that was formed in order to procure for North Korea — the people's democratic country of Korea — the necessary help to allow that country not to produce nuclear energy which could, in turn, be eventually used for nuclear armaments purposes. This is why Peru has donated \$100,000 worth of heavy fuel oil for that purpose very recently, in September 1999. It is through this effort of the donation of this fuel that Peru wishes to show its commitment to the possibility of the non-proliferation of nuclear arms. This is why we are very pleased to support the proposal that is being discussed here this morning. Thank you, Mr Chairman.

**CAMBODIAN DELEGATION**—Because this is the first time I have taken the floor, at the outset I would like to congratulate you, Mr Chairman, on your election to the chairmanship of the meeting. Your wealth of professional experience will be valuable in our deliberations and in the fulfilment of our expectations. You can count on my personal support and on that of my delegation. My congratulations go to the president of APPF and the other officials of the meeting.

Cambodia, which is a non-nuclear state, has been very supportive of the NPT, and we pledge here again in this meeting not to acquire nuclear weapons at all. The Comprehensive Test Ban Treaty will be a major milestone on the way to achieving a situation where negotiating the total elimination of nuclear weapons could be contemplated. In the meantime, we greatly value the restraint being shown by most nuclear weapons states, despite nuclear testing. My delegation calls for and supports the nuclear free zone of South-East Asia. We believe that the creation of a nuclear weapon free zone would assist in strengthening our security and could significantly contribute to

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stability in all parts of the world. Cambodia welcomes the progress that is being made through international effort in the elimination and nonproliferation of all weapons of mass destruction in our region and in the world. Cambodia is totally committed to the cause of promoting and maintaining both regional and international peace and stability. We therefore support the ASEAN Regional Forum, ARF. This forum must continue to be an active driving force for political stability and security. The dialogue for the mechanism will provide a very useful platform for the collective sharing of ideas and concerns. We still need to put more effort in to strengthening this confidence building mechanism and developing it into a forum for preventive diplomacy and conflict prevention in the long run.

**CHAIRMAN**—Before calling Vietnam, perhaps I should indicate to those who are relatively new delegates to the APPF that I have not recognised the Philippine Delegation, even though they have a submission in on the whole question of the nuclear test ban, simply because we do not have a parliamentarian here from the Philippines, but of course the Philippine Delegation and Her Excellency will be active in negotiations with Australia, Japan, Peru and any other members who may emerge concerned about the resolution we are currently debating. I now call a representative from the Vietnamese Delegation.

**VIETNAMESE DELEGATION**—As you know, today one of the primary tasks of all countries is to continue to develop and carry out measures towards the general and complete disarmament of nuclear weapons, striving for a world free of nuclear weapons. In this spirit, together with other ASEAN countries, we are deeply involved in the drafting, signing, ratifying and promoting the implementation of the South–East Asian Nuclear Weapon Free Zone Treaty.

Vietnam is of the view that the Comprehensive Test Ban Treaty, CTBT, plays an important role in preventing the nuclear arms race and promoting nuclear nonproliferation. It is our policy that nuclear energy should be used exclusively for peaceful purposes. We hope that all countries, especially the nuclear weapons ones, will actively contribute to re–creating and enabling an environment for the early entry into force of this CTBT and for the world free of nuclear weapons. Therefore, it is regrettable that a number of nuclear weapon states which play a crucial role in the entering into force of the CTBT have not ratified the treaty yet. With this spirit, we highly appreciate the draft resolutions on the issue, but we believe that this resolution, if adopted by the APPF meeting this time, will come into force and help this process to realise our noble idea.

**CANADIAN DELEGATION**—I am certain that I reflect the view of all the delegates here today when I say that surely the ultimate goal of all of us is to have the entire world as a nuclear weapons free zone. On behalf of my delegation, I want to thank the delegations from Australia, Japan, Peru and the Philippines for bringing forward these draft resolutions. I suspect that, of all of the resolutions we will be debating at this conference, these resolutions are likely the most important in that they deal directly with our survival as a species.

I noted that, in his opening remarks, President Nakasone referred to some of the ‘evil things’ that must be discarded in the 21st century. Surely, the issue of nuclear armament would be one of these evil things. I noticed in the newspaper this morning a situation that I think reveals the bizarreness of this issue. We were told that Russia's early warning system is so decayed that Moscow is unable to detect United States intercontinental ballistic missiles for at least seven hours a day, and it is no longer able to spot missiles fired from submarines at all. Mr James Goodby, a former ambassador who negotiated the US funded destruction of Russian nuclear weapons, said, ‘I think the chances for a nuclear mistake are rising.’ Bizarreness, Mr Chairman, is surely the fact that now the United States finds itself in the unusual position of offering to help Russians detect a US missile attack.

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The NPT is the central instrument in which Canada's nuclear disarmament and nonproliferation policy is rooted. Canada refuses to accept a nuclear Realpolitik which validates nuclear weapons as an acceptable currency in international politics and we will continue to oppose any move to legitimise any new nuclear weapons state. The NPT review conference that is coming up in New York will be key to strengthening the global nuclear nonproliferation and disarmament regime. The constructive participation of the DPRK, the ROK, Japan and China will advance that objective. Canadian goals include clarifying the review process, promoting universality and achieving agreement on concrete and meaningful disarmament and nonproliferation objectives for the 2000-05 review period.

The comprehensive nuclear ban treaty is central to the NPT regime, and Canada is convinced that the world will be much more secure with the CTBT than without it. We sincerely hope that all nations who have not yet done so will sign and ratify the treaty. We urge the DPRK to sign and ratify and Cambodia, China, Indonesia, the Lao People's Democratic Republic, Malaysia, Micronesia, Singapore and Thailand to ratify the CTBT without any further delay.

Canada regards the antiballistic missile treaty as a cornerstone of international strategic stability, and we are concerned to ensure that it not be eroded. In Canada's view, the appeal of missile defence systems will decline as and when missile proliferation is halted. Proliferation of missile systems, especially those capable of delivering weapons of mass destruction, and sales of missiles and missile technology are matters of concern to Canada. Tests in South Asia and North Korea reinforce these concerns. Canada strongly supports the strengthening of the MTCR and consideration of broad based, multilateral confidence building measures such as transparency regimes, expanded contacts with non-member states, launch notification agreements, codes of conduct on development testing and transfer, et cetera.

I want to thank particularly the delegate from Australia who spoke so eloquently in setting these resolutions in a very crucial context. To end my presentation, I would simply like to add that most of those who pose a threat to nuclear global peace unfortunately do not attend and participate in these meetings. I think it makes it even more important than ever that we ratify enthusiastically the resolution when it comes before us in a combined state.

**MONGOLIAN DELEGATION**—Thank you, Mr Chairman. I think you all agree that political and security issues are of foremost importance at this assembly. Among these issues, nuclear and missile proliferation is of main concern to all of us, especially now in the face of recent developments in India and Pakistan. I would like to use this opportunity to outline Mongolia's position on that issue. In the Asia-Pacific region, Mongolia's security strategy is to build a multi-pillar framework of security by maintaining friendly, good relations with our neighbours; developing closer bilateral relations with other regional countries; working with the ARF multilateral process; contributing to North-East Asian peace and stability; developing military contacts; implementing global nonproliferation and arms control regimes; and encouraging track two dialogues on security issues. The end of the Cold War substantially improved Mongolia's immediate security environment by bringing about an improvement in relations between two nuclear powers: Russia and China. We see this as a major stabilising factor. Our relations with Russia and China, our sole neighbours, are governed by such principles as balance, good neighbourliness and mutually beneficial cooperation of a long-term nature.

Mongolia has signed treaties of friendly relations and cooperation with Russia and China. We do not have any territorial or border disputes with our neighbours, which serves as a good basis for our good neighbourly relations. As part of our effort to contribute to nuclear nonproliferation and disarmament, in 1992 Mongolia declared its territory a nuclear weapon free zone. In December

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1998 the UN General Assembly adopted a resolution entitled ‘Mongolia's international security and nuclear weapon free status’. We hope that the Asia Pacific Parliamentary Forum welcomes this resolution in the decision to be taken at this assembly. Since the early 1990s, Mongolian scholars have taken part in what is called ‘track two activities on regional security’. Since 1996, Mongolian scholars have worked with CSCAP and were active in its North Pacific Working Group. There have been regular exchanges and several bilateral roundtables on regional security issues. Thank you.

**AMERICAN DELEGATION**—I was one of the members of the US Senate who voted against ratification of the CTBT and I would like to take a few moments to explain my position. Let me stress at the outset that I speak here for myself only, not for the US Delegation as a whole. Let me also say that in my years in the Senate I have been a strong supporter of arms control. Last year I voted in favour of ratification of the Chemical Weapons Convention and in 1994 and 1995, as chairman of the Senate committee with jurisdiction over nuclear proliferation issues, I led the fight to gain congressional support for the unconditional, indefinite extension of the Nuclear Nonproliferation Treaty. I supported the CWC and the NPT because those treaties would make the world a safer place. Unfortunately, the CTBT as currently drafted would not in my opinion have that effect. That is because the CTBT has an ineffective verification regime and a practical nonexistent enforcement process. Moreover, no reliable technology is currently available to ensure the safety of existing nuclear stockpiles.

For the CTBT to be effective we all must be confident that we will be able to detect cheating — in other words, nuclear testing by member states. Under a certain threshold of a few kilotons such cheating is not detectable under the CTBT current verification regime. Advances in mining technology and the use of certain geological formations render certain low yield tests undetectable. Moreover, under the CTBT verification regime requests for on-site inspections of suspect facilities must be approved by at least 30 affirmative votes of the members of the treaty's 51 member executive council. Thus if any one of the countries represented here today believed another country was carrying out a test that was rendered undetectable, an inspection of the suspect site could take place only after 29 other countries concurred. Moreover — and this is crucial — even if an inspection were to gain the necessary 30 affirmative votes, the suspect country can declare a 50-square kilometre area off limits to that inspection.

The Chemical Weapons Convention takes a very different approach to verification. Instead of an affirmative vote of an executive council for approval of an inspection, the CWC requires an affirmative vote to stop an inspection from proceeding. In addition, the CWC does not exclude large tracts of land from inspection. Now even if one of the countries assembled here today were successful in overcoming the obstacles posed by the CTBT verification regime and a suspect state was actually found to be in violation of the treaty, the CTBT prevents an ineffective response from other signatories. To punish a country that has tested nuclear weapons illegally the CTBT allows for only the possible implementation of sanctions. I hope you would agree that history has shown that sanctions are largely ineffective in deterring countries intent on building nuclear weapons or doing anything else they deem is in their own vital interest.

Despite these glaring flaws in the CTBT, some argue that the CTBT creates a new global norm against the proliferation of nuclear weapons. Yet as one who fought for indefinite and unconditional extension of the Nuclear Nonproliferation Treaty I must stress that such a norm is all ready because the NPT was successfully extended. Moreover, the NPT is far more comprehensive and better drafted than the CTBT. Let me close by saying that I would like to see an end to nuclear testing as soon as practical. The CTBT as currently drafted is not an effective means of achieving that goal. The CTBT needs to be amended to make the verification reliable and the punishments swift and effective. A CTBT that ensures no cheating takes place and that has teeth is one we

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should all support. Mr Chairman, I shall not seek to block the consideration of the resolutions, but I shall use for myself the so-called asterisk procedure.

**CHAIRMAN**—Perhaps I should indicate for those delegates who are new to the APPF that the asterisk procedure to which Senator Roth refers will allow him, if he wishes, to indicate by asterisk on the final communique the position of the United States or his position.

I am quite happy to recognise China. But if there are other people who wish to discuss this issue after lunch, then I propose that we recognise China after lunch as well. If there are no other people who wish to discuss this issue, we can recognise China now and conclude the discussion before lunch. Could I just have an indication of any other interest on the question of nuclear non-proliferation? As there is no other interest, without wanting to constrain our Chinese friends, I recognise them at this stage.

**CHINESE DELEGATION**—Thank you very much, Mr Chairman. I will be very brief. I would like to say a few words on the nuclear situation in southern Asia and also the government's position with respect to that. After the tests in India and Pakistan, a resolution was passed on nuclearisation, that is, United Nations resolution No. 1172. However, even after this UN resolution had been passed, the nuclear arms race in southern Asia did not stop. Just recently the Indian government announced that they would put forward a draft on the development of nuclear weapons and they would continue to develop their nuclear capability. We believe that this not only goes against UN Security Council resolution No. 1172 but is also not good for the peace and security of the southern Asian region — in fact, for the peace and security of all the world.

We believe that international society at present should come to a consensus; that is, we will continue to try to put pressure on India and Pakistan to carry out the necessary measures to stop all forms of nuclear testing so that they can enter the CTBT and also sign the non-nuclear proliferation treaty, and to give up their plans to carry out nuclearisation as far as weapons are concerned. But we hope that they will exercise restraint and set up dialogue between themselves, so that the south Asian region can be a peaceful and stable region. Both India and Pakistan are neighbours of China. China will, as in the past, continue to play a positive role in the matters of south Asia. As far as this matter is concerned, Australia and Japan have put forward a draft resolution. We have looked at that resolution and we believe that some of the wording cannot be accepted. But I do not want to talk about this here; I would like to talk about that privately with the Japanese and Australian delegates. Thank you very much for listening to me.

**CHAIRMAN**—I thank the delegate from China and invite him to engage in that private consultation so that a mutual resolution can be agreed. I indicate to delegates that we will return after lunch and take up item B(4), 'Others' under 'Subregional Issues'. This will be led by Australia with its comments about regional peace. We will then have the opportunity for Chile and Peru to submit a comment that they want to make about bilateral arrangements they have entered into.

I should also indicate to the meeting that it is my proposal that a resolution from the United States on trade policy be considered under item 2 'Regional Cooperation in the Asia Pacific Region', A(1) 'Asia Pacific Economic Cooperation'. You have been circularised already with that United States WTO policy. The Secretary has reminded me that it is to be found as APPF8/D.Res/19 — that is, draft resolution No. 19 - which has been circulated to you. The other comment I would make is that a proposal for roundtable discussions from Canada and considered by the Executive Committee has also been listed under C(2) 'Cooperation in Other Fields'. It may be tomorrow when it comes up, but we will make sure that it is appropriately discussed.

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Just before I conclude the meeting for lunch, I indicate to you all that lunch will be in the Senate courtyard. We look forward to hosting you there for lunch. Clearly, I would like the opportunity to welcome all of you to dine with President Nakasone. I know that you would also like that opportunity. For this, the first luncheon, I suggest that we take the delegation leaders from the host countries for the last six APPF conferences and invite them to join President Nakasone at his table on this, the first, occasion. Those countries are Peru, Korea, Canada, Thailand, Mexico and the Philippines, which in this case is represented by Her Excellency the Philippine Ambassador to Australia. One delegate from each of those countries is invited to join President Nakasone on this occasion. Obviously, it would normally be the leader, but that is for each of the delegations to sort out. My only apology for this arrangement goes to our friends from Chile. We would very much like to have had them involved as the next host country. We promise that we will correct that as soon as we can in our delegation protocol.

If no other urgent business needs to be brought to the attention of the meeting before lunch, I declare this first plenary session closed. I invite you to lunch and encourage you to return as quickly as possible at 2.20 p.m. for a 2.30 p.m. start.

### **Proceedings suspended from 12.37 p.m. to 2.34 p.m.**

#### **Subregional Issues — Others**

**CHAIRMAN**—We will now turn to agenda item B (4) - other matters to be raised under the subregional issues relating to political and security matters in the Asia Pacific Region. Under item B (4), the first matter of business is the Australian resolution on peacekeeping. From the Australian delegation, I call the Hon. Steve Martin.

**AUSTRALIAN DELEGATION**—Thank you, Mr Chairman and colleagues. The item that Australia wishes to bring before conference this afternoon was originally grouped with the item dealing with East Timor, but the resolution that Australia is proposing is wider than simply East Timor. The resolution that Australia brings before conference is concerned with the way in which peacekeeping operations in our immediate environment should be viewed in the future. It uses as examples the experience of Australian involvement in both East Timor and Bougainville. There can be nothing more important to any country represented at this conference than regional security. There can be nothing more important than regional cooperation in ensuring that regional security is maintained. If our respective countries can be concerned with economic and social issues pertaining to themselves rather than extraneous matters, then, quite obviously, that is going to ensure that each and every one of our separate countries can prosper. But, to achieve that, regional cooperation is extremely important. We have seen examples in other parts of the world of defence relationships such as NATO or economic relationships such as the European Union, and each and every one of these seems to work for the purpose for which it was established. In terms of peacekeeping in our region, Australia believes that, certainly, we should be actively pursuing regional cooperation and, as an outcome of regional cooperation, ensuring that we can maintain and sustain regional security.

On a number of occasions in recent history, many member nations of this conference have participated willingly, in one form or another, in peacekeeping operations. Thailand, Korea, New Zealand, Australia, Canada and others have been asked by the United Nations, under the mandate of the United Nations, to participate in peacekeeping operations. Indeed, in Australia in the coming six months when we sit down to prepare a white paper on defence, quite clearly peacekeeping, and any role we might wish to play in the future in respect of peacekeeping, is going to loom as a major element of any discussion that we might have. In having that debate in this country, we have to be very careful in any message that we send. We must send a clear, unequivocal message that we are

about regional cooperation; we are not about Australia building some military posture within the region. We have to send a clear message that, should there be a need for peacekeeping operations in our region under the auspices of the United Nations, Australia can participate under the clear understanding that it is based on regional security and regional cooperation issues.

As we heard this morning, at present Australia is involved in East Timor but we are also involved in Bougainville. We have been involved in Bougainville for some time, as have a number of other nations represented at this conference. The question has to be asked — and I think this is important for conferences such as this to consider — how long each participating country should be expected to continue that peacekeeping role. Unless there is a political will to bring a situation to a peaceful end, it may be a never-ending story which will drain the resources of countries that have to maintain defence forces, non-government organisations and so on in each of those areas. And quite often, it seems to me, the United Nations is quite willing for that to happen. The comments I make here are my own and do not necessarily reflect those of the delegation or, I suspect, of the government of the day here in Australia. But my view is that we, as participating countries in our region, should keep the United Nations accountable. If you take the present circumstances of East Timor as an example, we have seen decisions taken originally for peacekeeping in East Timor — with the cooperation, I might say, of Indonesia — and we are about to see the next phase. But, whilst waiting for military withdrawal and for our Filipino colleagues to take command of the next phase, we have seen the United Nations move in and not necessarily release funds to help those people in East Timor who need it. We have seen the United Nations move in, bringing with them floating hotels and brand-new Landcruisers painted with the United Nations logo for United Nations bureaucrats, but not a great deal of help for the people of East Timor.

If we are to continue to participate in operations under the mandate of the United Nations, and if we are to continue to assist people of our region — rightly so for humanitarian reasons — for good, strong, economic, social, political reasons, then quite clearly we have to have a goal in mind. And we have to have the funds of donor countries — like the \$US100-odd million pledged by Japan for East Timor — released so that they can be put to the use for which they have been pledged. It strikes me that it takes far too long for that to happen and for the people who need the benefit to receive them.

I believe that regional peacekeeping is a symbol of security and regional cooperation. It is something which each and every member country of the APPF must look at seriously and consider how it will participate in it. I am encouraged that in Japan at the moment there is debate on its constitution and whether they might become actively involved in peacekeeping with people on the ground rather than simply in a monetary sense. I am encouraged that some consideration has been given by major countries of our region, such as China, to also committing people in peacekeeping and peace monitoring operations. That is the way it should be. As an important and economically progressive part of the world, we must realise that we have a role to play in peacekeeping if it is required and that we should do it cooperatively and on a regional basis.

We have heard much in the past about the United States and the role that it plays as the world's policeman — as the world's only superpower. I think the time has come when each and every one of us who are regionally cooperating should understand that, for the security of our region, we must be prepared to stand up for ourselves. That is why we commend this resolution to the conference today. That is why we believe here in Australia that representative countries around the conference tables here at this very important meeting must look to take back to their respective legislatures consideration as to how regional peacekeeping in the future, if and when required under the auspices of the United Nations, might be put into effect and, importantly, how it might deliver real outcomes for the people we as peacekeepers are there to support. It must not be open-ended and

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open chequebook with no time scale in place; it must be something with clearly defined goals, clearly defined timeframes and clearly defined outcomes but, at the end of the day, with one thing in mind, and that is the continuing prosperity and security of the region in which we all live.

**CHAIRMAN**—It did strike me during Mr Martin's remarks that I may have done him an injustice in referring to him as a former Speaker of the House of Representatives. I should also point out to the meeting, in the spirit of the Presiding Officers Club of Australia, that he is currently shadow spokesman for defence matters in Australia. I should recognise the delegate from Papua New Guinea but, before doing so, given that much of what is being said may be something they would like later to respond to, I will first call the delegate from Colombia, then the delegate from Indonesia and then Papua New Guinea.

**COLOMBIAN DELEGATION**—First of all I would like to take this opportunity to ask for your forgiveness and understanding in terms of an issue that I would like to bring forward. This has been perhaps the most important issue — that of peace and peacekeeping. I would like to point out a number of elements. A process of dialogue has already been initiated in Colombia. The war has resulted in a number of deaths — thousands of people have died — and imminent danger for neighbouring countries within the region. On behalf of all the members of the Colombian delegation, with the support of the majority of the members of the Latin American Parliament, I will present, through special procedure, either by way of resolution or any other process, its report to this plenary session on the process of peacekeeping by the government of Colombia and on the guerrillas in Colombia who have embarked on attacks. We are all suffering from the war. Even though a dialogue conducive to peace has already been initiated, there are constant attacks on the civil population and on the infrastructure of the country. Electric towers and the armed forces have all been attacked by the guerrillas. So far this year we have heard news of more than 42 kidnappings taking place in the central area of Colombia.

Mr Chairman, if you will indulge me, I would like to read a draft resolution. If the plenary were happy to adopt it, that would be of great value to all of us. Thank you very much. Would you like me to read the draft resolution?

**CHAIRMAN**—I am assuming it is not a very lengthy document. If it is a lengthy document we would choose to circulate it.

**COLOMBIAN DELEGATION**—No, it is quite short. This is a draft resolution:

The 8th Annual Meeting of the APPF supports a process of peace initiated in Colombia between the government and the guerilla groups with the hope that this can be undertaken. There are clear parameters conducive to the solution and resolution of economic and social problems affecting all Colombians.

That is all, Mr Chairman. Thank you very much.

**CHAIRMAN**—I thank the Colombian representatives for their input into this debate. I wonder whether it might be helpful if we were deal first with the Australian resolution and then determine what can best be done with the Colombian resolution. Clearly, we want to facilitate what you are endeavouring to achieve, but it does seem to me not necessarily to fit entirely with the Australian resolution. You are very welcome to discuss this with the Australian Delegation, but at this stage I am inclined to keep it separate until the meeting determines otherwise. I invite you to take a look at the Australian resolution; if it does not fit, then we will deal with them as two separate matters. For the purpose of this part of the plenary session, we are focusing on the Australian resolution.

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**PAPUA NEW GUINEAN DELEGATION**—Mr Chairman, for over 10 years the people of Bougainville have suffered at the hands of the Bougainville Revolutionary Army. Essential services such as health, education and the banking system were forced to close. In fact, the whole economy of the island was in total ruin. However, with the help of the governments of New Zealand and Australia, peace and harmony were restored on the island of Bougainville. In this respect, Papua New Guinea is indeed grateful to the governments of New Zealand, Australia, Fiji, the Solomon Islands and Vanuatu in providing a peacekeeping force on the island. With the restoration of peace and general normalcy, all essential services are now slowly returning to the island.

In its effort to reach a permanent solution to the conflict, the government of Papua New Guinea has agreed to give the island of Bougainville self-autonomy. The decision to grant autonomy to the island follows a series of negotiations with the leaders of Bougainville, especially the Bougainville Revolutionary Army and the Bougainville Transitional Government. Under the concept of self-autonomy, the island of Bougainville will have all functions and responsibilities of government, except for foreign affairs and defence which continue to remain the responsibility of the national government.

We commend the Canadian resolution No. 7 on war-affected children as it is relevant to the thousands of children and youth who have grown up in war. We agree with the delegation from Australia that there must be a clearly defined course and outcome. That is what we are aiming for now with Sir Michael Somare, a former Prime Minister, as the minister in charge of Bougainville affairs.

Mr Chairman, the decision to grant autonomy to the island of Bougainville was reached after serious consideration of all political, economic, social and cultural implications. Indeed, the decision was reached out of concern to protect the lives of the people and also out of concern for the security and stability of our region. Thank you.

**INDONESIAN DELEGATION**—We respect the Australian delegation for the draft submitted to this forum. We hear what they have said; they have given more information to the draft in this forum. We also tried to read the draft before the latest draft delivered to us. There are changes between the draft resolution sent to us before this forum. We would like to say now, since we are the Indonesian delegation, that in my country we are trying to see the future of Indonesia. We have to look to the history of Indonesia. We have to consider the world peacekeeping force and so on in light of the history of Asia and the Pacific. We will have to learn more about this draft resolution. We propose not to discuss it this year. We propose to postpone it until the next meeting, next year maybe, in Chile — not now. We support that Chile will be the organiser of the next APPF.

With respect to the Australian delegation, I hope you understand we are also trying to say that we must also discuss in future how to respect human rights everywhere in this corner of the world and, at the same time, the sovereignty of any country whatever their constitution may be. That is why, in respecting the Australian delegation, the Indonesian delegation propose to discuss this draft some more. We are proposing not to discuss it in this forum. If the Chairman agrees, my friend will give more detail about what has been mentioned before.

**INDONESIAN DELEGATION**—Thank you, Mr Chairman, from us from Indonesia. Honourable President Nakasone, I would like to add to my chief delegate the reasons for us discussing the Australian draft resolution on regional peacekeeping. We heard the comment before from our friend from the Chinese delegation that we should not copy the problems of other regions in the world. If we look to the post Cold War world — which we do not have yet — that is, the world order after the end of the Cold War, we see in regions like Western Europe the emergence of NATO, the North Atlantic Treaty Organisation, as a kind of regional peacekeeping force. We have

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heard of the so-called Clinton doctrine, of US President Bill Clinton, meaning that regional peacekeeping can come to any country with regard to the business of human rights based on humanitarian decisions such as in Bosnia and Kosovo.

If you look at the Asia Pacific region, at the start of the Asia Africa conference in 1955, we have tried, from Indonesia, to develop the region based on regional cooperation, and national sovereignty based on the nation state sovereignty of each country, based on the Bandung five principles of cooperation. It is in this context that we see in the Asia Pacific region that do not have to follow NATO, like in Western Europe. So we do not have the regional peacekeeping forces which will be able, at any minute, to come and offer to any states which have humanitarian problems. We also have agreed, based on the report from the Singaporean delegation, that we should strengthen the Asian regional forums, which comprise most of the states in the Asia Pacific region. It is in this context that we see that the role of the Pacific forum like in Bougainville and in the other regional centres should be based, like in East Timor, on UN resolutions.

Indonesia has been involved in peacekeeping forces in many parts of the world in the 1950s, but always based on a UN resolution, not on any other basis. It is in this context that I would like to strongly emphasise what my colleague has said: that we would like to discuss much further the draft resolution of the Australian delegation because it involves the problem of regional order after the Cold War in the Asia Pacific region which is unrelated to the sovereignty of the states in the region. We have the dilemma of the humanitarian programs and the crisis and conflict in any particular country and the problem of sovereignty in other states. We have problems like the Tibetan problem or the Xinjiang problem in China. We should not interfere in other countries' problems because we respect the sovereignty of any particular country in the region. That is why there are limits on the so-called Clinton doctrines with regard to the Asia Pacific region. They are comments we would like to make on the draft resolution of the Australian delegation. Thank you, Mr Chairman.

**CHAIRMAN**—Thank you, Indonesia. May I suggest that it would seem to me that much of what the Australian resolution is covering the Indonesian representatives feel they can embrace. It might be helpful if Australia and Indonesia were to get together on this resolution and then those areas that Indonesia feel it would like deferred to the next meeting in 12 months time in Chile could be listed for an agenda item in Chile. I think it would be helpful from the point of view of having a resolution that the plenary session can embrace if we took a look at what Australia is proposing and what Indonesia feels is better left for 12 months, and put an amended resolution to the plenary session. That does not conclude the debate. The focus is on the Australian resolution. I am just suggesting that we have a choice between deferring the entire item when much of it is acceptable or taking what is acceptable and putting it as a resolution from the plenary session and deferring those parts which Indonesia would like further discussed. That is just a suggestion from the chair. I recognise Fiji.

**FIJIAN DELEGATION**—Mr Chairman, ladies and gentlemen and members of the APPF: I speak to you today as a member of the Fijian parliamentary delegation to the forum. I commend the Australian delegation's draft resolution on regional peacekeeping programs.

My country, Fiji, needs no introduction to peacekeeping efforts, not only in our region but also in other regions as well, through the many international peacekeeping programs of which most of us will be well aware. Since the Second World War, Fiji has participated intimately in peacekeeping duties, starting with the Malayan campaign in the 1950s and into the most recent programs including the Middle East, Namibia, Afghanistan, Iran and East Timor. Given our small size, we are proud to be active players in humanity's quest for global and regional peace.

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I heartily agree with the comments made by the Canadian Delegation, with respect to the observation in the theme paper, on peace building, that it is now becoming more obvious that at the end of the Cold War our international conflicts tend to reflect a kind of paradigm shift from conflicts between to conflicts within states. In our small island states of the Pacific, this reality is a fact which is very hard to deny. In 1987, we had the coup d'état in Fiji. This was followed by current struggles, for example, in Papua New Guinea, in Bougainville, the animosities amongst the tribes in the Solomon Islands, internal power struggles in the Kingdom of Tonga and the recent assassination in Samoa.

As a matter of fact, we no longer belong to a paradise with an abundance of sand and sunshine but, like everybody else, we also suffer the impacts of global developments through our social, economic and political activities. This is fast creating a worsening situation that, if left unattended, could lead to violent conflict situations for us in the immediate future. While we wish to live up to the real meaning of pacific as peaceful people, it is sad to admit that, given our current situation, we are very far from those necessary preconditions towards real peace. Whilst we continue to engage ourselves in peacekeeping duties between other states and groups outside of our country and our region, we could very well find ourselves being the next target for peacekeeping duties.

I am strongly appreciative of the Australian Delegation's draft resolutions and note with appreciation the initiatives undertaken by the ASEAN Regional Forum in taking pre-emptive action for conflict resolution as a prerequisite to peacekeeping. I believe that we should quickly move away from the traditional military approach to peacekeeping into a more corrective role. Our challenge, Mr Chairman and delegates, lies not in the amount of energy that we can invest using our military options but rather in our own abilities to deal effectively and efficiently with our people – and I emphasise with our people – in the resource allocation and distribution and in addressing the critical social, economic and political issues facing them.

I beg to be forgiven for my wish to draw the attention of our bigger brothers who are members of this forum to the plights of our small island states of this region. The implementation by the Canadian government in 1996 of the Canadian Peacebuilding Fund, through the Canadian International Development Agency, is a useful example which I believe we should learn from, which goes a long way in terms of maintaining peace in our region. I call upon the governments of Australia, New Zealand, the United States and others to make a closer study of the developments which are happening within our small islands.

I also call on this forum to continuously review our current strategies in maintaining the peace in our region and to develop effective approaches to ensure a win-win situation existing within all our communities. True peace comes from within. No amount of external intervention can substitute for what can be done internally by members of our own respective communities. I believe the Asia Pacific Parliamentary Forum should develop strategies and maybe follow the ASEAN Regional Forum initiatives in developing confidence building measures, preventative diplomacy and conflict management.

**CHAIRMAN**—Are there any other interventions on the Australian draft resolution?

**CAMBODIAN DELEGATION**—My name is Senator Chhang. I have been impressed by the wisdom on the peacekeeping force formula. I wish to take the opportunity to congratulate Australia on the draft resolution and I would like to ask a few questions on the 'wheel' which has been invented with the active participation of Australia.

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Let me refer to the peacekeeping force formula in Cambodia. Quite a number were morally against the conflict resolution to keep peace in Cambodia. However, it produced the result. It did get the desired result. It cost something like \$3,000 million, with 22,000 United Nations troops. However, it did get control and put checks on the various conflicting parties. All of the conflicting parties reached agreement on a peace resolution involving elections.

There has been tremendous and terrible suffering in Cambodia, as you know, Mr Chairman and distinguished delegates – terrible fighting, terrible disagreements and very polarised conflict. But because of that peace resolution, the Cambodians came together. Peace prevails now. The conflicting parties accept the resolution. The Khmer Rouge, who later did not accept the resolution, suffered the fate that the resolution itself prescribed.

We are now in the last stage of turning our tragic page. The Khmer Rouge has been practically defeated completely. There are some Khmer Rouge left. The papers even mention that people have seen some Khmer Rouge moving around cities in Australia. Some live comfortably here, having shops and everything else. That was reported the day before yesterday.

I want to mention this, Mr Chairman: in Cambodia, as we finish putting in place our last institution, the Senate, to which I belong, we are working very actively on the last and final draft of the law to try the Khmer Rouge, to prosecute the Khmer Rouge. I was perhaps the first person in the world to call for the establishment of a Nuremberg-like court to prosecute the Khmer Rouge – in 1978, a long time ago. But it turned out that the establishment of a court was more complex than anybody could imagine. There were a lot of different ideas, a lot of problems. One was for a group of nations – the international community, the United Nations – to prosecute the Khmer Rouge. This would affect what you call the national sovereignty of Cambodia, which is very important to hold the nation together. But to rely only on the Cambodians to prosecute the Khmer Rouge would be difficult: our government is too weak and we do not have the structures of the international standard to do it. So a compromise needs to be arrived at, and we are working on that. This is the last week perhaps, and we hope to have the Khmer Rouge on trial pretty soon.

What I am trying to say is that the United Nations move with great fanfare with their Landcruisers, their deluxe cars and their troops. I hate to say it, but it is true that they have brought AIDS and other diseases to Cambodia.

However, with the concerted effort and goodwill of all the members of the international community on both sides, we have achieved the end of the policy of genocide in Cambodia. We have turned the page to a new chapter for Cambodia and a new millennium. With your continuing and active help to empower the Cambodian government to stand up on its own, I am sure that Cambodia will be able to join the community of nations on an equal level. I suggest, humbly and very respectfully, that perhaps that kind of configured solution could be, in a way, modified to fit our region by avoiding the panoply of exaggerating the use of materials and money. With the wisdom of the Asian people, and with Australian participation, I am sure peacekeeping of any size or shape could be established.

I wish to thank you very much, Mr Chairman and distinguished delegates, and in particular the Australian people for their warm hospitality. I think Australia is a beautiful country. This is my first trip to Australia and I have fallen in love with it. I hope to come back in the near future.

**CHAIRMAN**—Thank you, Cambodia.

**SINGAPOREAN DELEGATION**—I merely want to make a brief intervention on this draft resolution submitted by the Australian Delegation which we are now discussing. I refer

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delegates to the last paragraph of the draft resolution and to the very last line, which states, 'Support efforts being made in the ASEAN Regional Forum to develop a preventive diplomacy capacity.' Mr Chairman and fellow delegates, you may recall this morning that I made the point that the ASEAN is actually taking its first tentative steps in moving towards preventive diplomacy. Singapore has been tasked to come up with a concept paper outlining the concepts and principles of preventive diplomacy. It would therefore appear a bit premature at this stage to have a resolution calling for the development of a preventive diplomacy capacity.

I was wondering whether the Australian Delegation would permit me to suggest that the word 'develop' be deleted and be substituted with the word 'discuss', and the word 'capacity' be dropped, so that the sentence would read, 'Support efforts being made in the ASEAN Regional Forum to discuss preventive diplomacy.' These words that I am proposing would actually reflect the correct position of ASEAN in the ARF as it stands right now. I hope the Australian Delegation would permit this little amendment. Thank you, Mr Chairman.

**CHAIRMAN**—Thank you, Speaker Tan. If there are no other interventions on the Australian resolution, can I suggest that the comments made by Speaker Tan and the comments made by our friends from Indonesia be taken on board by the Australian Delegation. They might care to confer with the Indonesian Delegation and with Speaker Tan, and with anyone else who wishes to have some input, and come up with an alternative resolution that may be acceptable, in this instance particularly to our Indonesian colleagues. The matter that Indonesia would like referred to Chile could also then be listed for the meeting in Chile next year.

There was also the matter of the Colombian concern. I think it would be wise to discuss that with me and then see what we can do to accommodate that on the agenda for tomorrow.

In concluding the debate on section B4, Others, could I invite someone from the Canadian delegation to open the debate on the bilateral arrangements between Chile and Peru.

**CANADIAN DELEGATION**—This is the first occasion I have spoken, and let me take advantage of it to thank you, Mr Chairman, and through you all of the organisers of this very successful APPF meeting here in Canberra. Earlier today it came to my attention that Peru and Chile have concluded a longstanding dispute. By that I mean a dispute of some 120 years. In 1879 they were at war. In 1929, after intermittent hostilities, a peace was negotiated but never concluded. The resolution that has been distributed, which is APPF 8/D RES/22 commending the peaceful agreement reached by the governments of Peru and Chile, is before you as a result of those discussions that I have had with representatives from Peru and Chile. I think it is an event that is worthy of our attention here for the reasons that I have begun to discuss - it involves a longstanding territorial dispute between two APPF member countries that since 1929 has been at a standstill and which on 13 April of last year was concluded by execution of that peace treaty. When we met in Vancouver in 1997 we passed a declaration, the Vancouver Declaration, which urged member APPF countries to use diplomacy and to use means available to them to resolve disputes. This is an example of that advice being taken and action of that kind being successfully concluded in terms of the peace that now exists between two member countries which has seen late last year the first visit in the history of those two countries by the President of Peru to Chile and which it is hoped will see an official visit by the President of Chile to Peru in the near future.

The resolution before you draws attention to the actions taken to achieve the measures that were supported vigorously by the President of Peru, President Fujimori, and the President of Chile, President Frei, and also the strong leadership of the legislative bodies which serve the people of those two countries. The resolution goes on to encourage the two countries to fully implement the agreement that has now been concluded and calls upon other APPF countries to use their example

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and resolve disputes of a territorial nature in this manner. I do not intend to speak further. I believe that representatives of Peru and Chile will be speaking. I think it is an important event that should be noted, and I believe that the resolution before you is one that is worthy of your support.

**CHAIRMAN**—Thank you, Senator Hays. I call Japan.

**JAPANESE DELEGATION**—We agree with this resolution. Basically, it can be analogous to Japan: we have a territorial issue with the Russian federation over the northern territories. I think this is so valuable; it could bring a solution to our territorial issues. We are going to go through the organisation of APPF, so this is something which has been borne through the offices of APPF. I think this draft resolution will even heighten the value of our organisation so I am wholeheartedly in agreement with it.

**CHAIRMAN**—I thank the Japanese delegation for that warm support. Is there any other intervention in this debate on the resolution for the peaceful agreement reached by the governments of Peru and Chile? I call Mr Sandoval.

**PERUVIAN DELEGATION**—Thank you, Mr Chairman. On behalf of the Peruvian Delegation I want to thank the Canadian Delegation and Japanese Delegation for their support of this draft resolution. As Senator Hays has very rightly mentioned, the situation between Peru and Chile has lasted for over 120 years. In the year 1879 — that is over 120 years ago — we were at war. The product of that war was a division of territories. In 1929 a final peace treaty was arrived at. However, during the next 70 years certain issues of that peace treaty could not be resolved. It was only last year, through the leadership of President Fujimori and President Frei, that an agreement was reached.

As the resolution mentions, this organisation — APPF — through the Vancouver declaration urges the countries to solve their differences in a peaceful way. We have seen in the past few years how our own country, Peru, and Ecuador were able to solve similar differences through peace negotiations. In the General Assembly of last year in Lima we did entertain a similar resolution such as this also commending the governments of Peru and Ecuador at that time for having solved a problem almost half a century old. This is why we feel so proud that the Canadian Delegation, with the support of the Japanese Delegation, has entertained this resolution now. We believe it is precisely through efforts of this kind that the countries of the world can arrive at peaceful solutions to their differences.

I would like to thank all the delegations who are supporting this resolution. I would like to make a minor amendment. There is a typing mistake in the name of President Frei. The draft resolution should read 'Frei'. There is an 'e' any missing in it. I would very much request that the amendment be made before it is decided to approve the resolution. Once again, thank you very much.

**CHAIRMAN**—Thank you, Mr Sandoval. I am sure that resolution can be easily accommodated. I now call on Chile.

**CHILEAN DELEGATION**—Thank you, Mr Chairman. Given the intervention of Australia and then Cambodia, the comments made by Colombia and the comments of Canada and Peru, I think that we are seeing certain elements that we need to point out. First of all, as a Chilean and as a representative of the Chilean Delegation, I would like to thank Canada for the opportunity that it has given us to have the possibility of explaining the problem that we have now resolved, as you have heard from the head of the Peruvian Delegation. But at the same time I would like to mention two matters that should be pointed out. In some way we presuppose that this forum will

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start dealing with things that are peculiar to every state — all those common areas that we have — to also find common roads, common objectives and common goals.

Today we heard from Cambodia, from the Senator who has a Chinese name but is from Cambodia, as he rightly said. He explained the position of his country and the admirable way they resolved the problem with the Khmer Rouge. He has called upon us to follow this example. 'We in Cambodia want the rest of the world to allow Cambodia to do what it wants to do with regard to our internal problems, with regard to our recent history and with regard to our own history, which we are responsible for.' The Cambodians asked for a certain action to be carried out and for respect for the way that they do things in their own country. The Australian representative explained a very interesting doctrine. He told us that we should urge our respective countries to have a common legislation, an action to allow us to participate in the defence of peace in different countries, and that that should be a part of what is obviously in the interest of all human beings: to live in peace.

Undoubtedly, these are very interesting elements. Very briefly, I would like to tell you about something that is affecting us in Chile these days, that everyone is aware of and that has caused a lot of pain to us and has weakened our diplomatic relations with many countries throughout the world. In London they arrested a man who is a Chilean senator, who has been given the title of dictator by many people of the world. But in Chile, the Chilean government, the President of the Republic, the parliament of Chile, the people of Chile through elections have said that that man should only be tried in his own country, in Chile. The fact that these voices are not being heard — as Cambodia was recently saying about its situation — weakens this unity that we have throughout the world. The APPF is a forum that respects the different social, economic, political and historical situations of each of its member countries. It tries to find common paths, and I have total respect for the three points of view that have been expressed: the points of view of Cambodia, of Colombia and of Chile and Peru, which was pointed out by Canada. It is admirable to say something and to have the support of everyone else so that we find the right ways to achieve our goals. In this case we believe that it is extremely important to have a more in-depth study of what countries are really asking so as to support their points of view, to tell them that they are not alone, so that we all feel responsible for their particular destiny. As a Chilean, I do not want to feel marginalised from the rest of world society with my problem, with our problem, with a situation that is affecting all of us as a state, as a nation, as a people and that is weakening our relationships with the rest of the world.

In summary, I simply want to say the following: I want to point out that I have total respect for and I totally support the different points of view expressed in this forum. I believe that Colombia has talked to us about a very important topic. It is experiencing a tragic war within its national territory. It has expressed its problem publicly, and we have to support it. We have to tell the rest of the world that this organisation supports the peace efforts of the government. Also, as Canada has pointed out, through dialogue two countries of civilised people can resolve their problems. Cambodia, as well, is looking to strengthen its institutions. In other words, I support everything that we have heard here this afternoon, but Chilean sovereignty and self-governance should also be respected. We are looking for that solution, and I am very glad that, with the Australian hospitality that we have, we are dealing with topics that are so interesting in order to reach the objective of peace throughout the world. Thank you, Mr Chairman

**CHAIRMAN**—I thank our Chilean friends. If there are no other interventions on this resolution from Canada, can I suggest that there has been no dissension from the resolution apart from a minor error that will be accommodated, as I am sure Mr Sandoval recognises. If the meeting is in agreement, it may care to carry this resolution with acclamation, and it could become the first of the resolutions passed, if there were in fact an agreement. If there is any intervention, I will, of course, accommodate it. An indication from the meeting will be helpful. I thank the plenary for the

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indication of applause. That then becomes the first of the resolutions passed by the 8th annual meeting. If I may say, it seems a very appropriate resolution to be the foundation for the other resolutions that we intend to pass over the next few days.

As the chairman, as far as I am aware, in every instance the matters currently before the chair are being negotiated in a very lively way, and resolution is being reached. I look to the circulation of those revised resolutions so that I can put them to the meeting in a similar manner in a very short period of time. In the interim, I suggest two things. There is one unresolved matter that I thought I should clarify: the draft resolution circulated by our Colombian friends was, as I understand, in Spanish. The office is very happy to help get that into English. We would like to get that into English and circulate it. It may be useful to discuss with members of the Japanese delegation, perhaps, or with President Nakasone, whether it fits the standing orders of the APPF. I believe the APPF seeks to accommodate precisely what our Colombian friends are wanting, but it has not been the practice of the APPF to take on what were at the time internal rather than international matters. So we will seek some clarification of that. That is the only resolution that I am aware of that it is not progressing as I would want.

**COLOMBIAN DELEGATION**—I would simply like to take this opportunity to thank you, Mr Chairman, and all the participants at this very important forum for the opportunity given to us to present this draft resolution. Colombia will present them in the English language to be dealt with separately. Given the importance that this has for our country and given the support that you give for the resolution of conflicts and the issues of national security vis-à-vis the neighbouring countries, we would like to ask you, Mr Chairman, and the Plenary here – in particular the Australian Delegation and, of course, our colleagues from Japan and Canada – if we could be given the opportunity to consider these resolutions separately. Thank you.

**CHAIRMAN**—I indicate to Colombia that I would be very happy even to assist with convening such a meeting with those colleagues to see what can be done to meet the guidelines of the APPF and to accommodate, as we would want to, the needs of Colombia. We shall look to that, at the conclusion of this meeting, just by discussion at this stage.

### **International Issues--Former Yugoslavia (Kosovo)**

**CHAIRMAN**—We now move to agenda item I C (1): the former Yugoslavia, now Kosovo. I do not have any specific resolution on this matter. Could I have an indication from anyone who wants to talk to this matter.

**CANADIAN DELEGATION**—I would like to join my colleagues in thanking you for this wonderful hospitality – from you, especially, the organisers, the government of Australia and the people of Australia. I hope that I will be back again here as a tourist. At the same time, I would like to invite you and your delegation to come and visit Canada, to come to Ontario, to Toronto and to Brampton, and you will be most welcome.

Mr Chairman, Kosovo may be many miles away from this conference hall, but in many ways it is very near to us, as proved by the subject of what we were discussing today. Many nations present in this conference here played a key role in ending ethnic cleansing in Kosovo, both as members of the United Nations and members of NATO, as is the case with Canada.

The adoption of UN Security Council resolution 1244 on 10 June 1999 brought an end to the conflict in Kosovo. Resolution 1244 authorised the deployment of international security forces,

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known as K4, and the establishment of an international civil presence known as United Nations Interim Administration Mission in Kosovo, or UNMIK. Since the deployment of K4 and the establishment of UNMIK, nearly 90 per cent of more than 850,000 Kosovo refugees - both Albanian and Serbs, I might add - who fled the province after the fighting started in March have returned to their homeland.

Canada, as a member of the United Nations Security Council, played an important role in the initial responses to the crisis in Kosovo through our participation in the search for a diplomatic solution, the contribution of our CF18s, the provision of humanitarian assistance and our willingness to host more than 6,000 refugees on Canadian soil. I might add, Mr Chairman, that by the end of the year 1999 nearly 1,000 of those refugees had returned back to their homeland. Canada will continue to play a major role. Though it may be modest, it will be very helpful in the settlement of peace and the long-term stabilisation of the region. As you know, Canada has pledged 1,300 troops to the peace implementation force. Canada currently has about 55 police officers in the theatre. An RCMP forensic team has recently returned from Kosovo, where they uncovered evidence of crimes against humanity. Canada is also presently planning to send a second team to continue the investigation. Canada also is involved in the revamping of the penal system for the Kosovars so that they can have access to proper justice for all their needs after the war. Canada is also considering providing further assistance, focusing on sectors such as good governance, peace building and community rehabilitation - areas where Canada has been recognised as having the expertise to make a difference for the people in Kosovo.

**CHAIRMAN**—Thank you, Canada. Are there any other interventions on this matter of Kosovo? There being none, I suggest to the conference that, while it is a little early, it might be as well if we were to break now for afternoon tea. We can then return a few minutes early - I hope on the command of the bell - when I will be pleased to hand the chair for the afternoon session to my colleague the President of the Senate, Senator Reid. Thank you for your accommodation.

**Proceedings suspended from 3.43 p.m. to 4.11 p.m.**

**DEPUTY CHAIRMAN**—Delegates, we are past the time for resuming. I am sorry that there are a number of delegates missing. The bells were rung to alert people to return to the hall. I thank those who have responded. It is the ones who are not here that we will have to tell about it.

I have a draft resolution on nuclear non-proliferation and disarmament which is now jointly submitted by Japan, Australia, Peru and the Philippines. It is APPF8/D.RES/10/Rev.1. I understand it has been circulated. Perhaps we could deal with it now if you have had an opportunity to look at it. Is there anybody in the hall who does not have a copy of the draft resolution I just referred to? Are there any further interventions on it?

Resolved (on motion by the Deputy Chairman):

That the draft resolution on nuclear non-proliferation and disarmament submitted by Japan, Australia, Peru and the Philippines be accepted.

We now come to the first item, Political and Security Issues. We are in subsection (c), International Issues and Other International Issues. There is a draft resolution, No. 11, from Peru. Is there anybody from Peru to speak to this resolution? Are there any interventions on this resolution?

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**AUSTRALIAN DELEGATION**—Madam Chair, I humbly suggest that we wait until the Peruvian delegation arrives.

**DEPUTY CHAIRMAN**—That would be my intention. Peru also submits the next item, the Draft Resolution on the Protection of Cultural Goods, No. 12, and they are absent. The next item of the agenda is a report from New Zealand. Mr Kidd went to another meeting thinking he had five or 10 minutes up his sleeve while we dealt with the Peruvian resolutions. There is the item before that, Regional Cooperation in the Asia-Pacific Region.

**CHILEAN DELEGATION**—May I have the floor, Madam Chairperson. The Speaker pointed out that at the beginning of each meeting they would ring the bells four minutes before the meeting, and I imagine that many delegates are waiting for those bells to ring.

**DEPUTY CHAIRMAN**—The bells rang for six minutes, there was a pause of 30 seconds, and the bells rang for a further one minute, and after that I proceeded with the meeting. The bells ring and the green light flashes on the clocks. I am told that they did ring in the Mural Hall, as was indicated.

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**SESSION II - REGIONAL COOPERATION IN THE ASIA PACIFIC REGION****A - Stabilization of Economy and Further Promotion of Regional Cooperation in the Asia Pacific Region****(2) Economic Situation in APPF Member States and Their Efforts Towards Economic Recovery**

**DEPUTY CHAIRMAN**—We will move on, under A, to the item ‘Economic situation of APPF member states and their efforts towards economic recovery’. Is there anybody who has a statement or comment that they would like to make in relation to their country under that item?

**THAI DELEGATION**—The delegate from Thailand would like to report on Thailand’s economic recovery. The Thai economy currently looks as if it is emerging from the recession which followed the financial crisis which began in July 1997. GDP, which contracted 10.4 per cent in 1998, bounced back in 1999, growing about four per cent on the year. Consumer demand picked up strongly in the third and fourth quarters of this year with Central, the biggest group of retailers, revealing that their sales in the second half of the year were more than 40 per cent up on the previous year. The baht has remained reasonably stable for over a year, at around 38 baht to the US dollar and the country’s foreign exchange reserve position has strengthened to \$US34 billion, which is equivalent to nearly nine months of imports, making it unnecessary for the Thai government to make further drawdowns from the IMF facilities. Another piece of good news is that, despite the recovery, there has not been much inflation, with the inflation rate being kept below one per cent. Interest rates are now at a historical low with commercial banks’ prime lending rates at around 8.25 per cent, which should help to stimulate new investments. The current account has also remained in surplus, despite a decline in the export of textiles and agricultural products, a contraction in the financial sector and a rapid increase in imports. Yet, despite all the good micro-economic signs, possibilities of a relapse of the Thai economy cannot yet be ruled out. There are three major risk factors.

The first concern is to restructure debts. To reduce the NPL problem, which was 50 per cent of total credit at its height, the debts of major companies have been or are being restructured. However, in many cases the restructuring was not to ensure that the future operations of the debtors were viable and sustainable but was simply debt rescheduling, deferring part of the debt service burden by a few more years in the hope of rapid upturn. This is dangerous because these loans might well become non-performing again if the economy does not recover quickly enough or the rescheduling is not soon followed by recapitalisation where it is needed. Up to the end of September 1999, about 15 per cent of the so-called restructured bank loans had already become non-performing again.

The second risk factor is the external debt of the country. A major reason for the financial crisis which started in July 1997 was that the country as a whole overborrowed and overspent. The total external debt of Thailand, which peaked at \$US92 billion in 1997, has now declined to \$US75 billion, but as a percentage of the GDP it has increased from about 40 per cent to about 50 per cent due to the decline of the value of the baht and actual contraction of the GDP in 1998.

With large debts, the country’s currency and economy remain vulnerable to speculation, particularly by the big hedge funds. However, it should be noted that Thailand has, since the crisis began, substantially reduced the proportion of its short-term loans from over 50 per cent of total external debt to below 20 per cent, which should lessen the possibility of another attack on the baht. In the long term, however, Thailand needs to reduce its dependence on external financing.

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Lastly, there is the risk from external factors beyond our control. What happens to the economies of the USA, Japan, China and the European Community in the year 2000 will have a big impact on the Thai economy, as these are our major trading partners. We very much hope that the economies of the US and the EU remain strong and that the Japanese government succeeds in stimulating its economy and China does not devalue its currency. If these prayers are answered, the probability is that the Thai economy will fully recover and resume its strong growth in no more than two or three years.

**NEW ZEALAND DELEGATION**—It is with pleasure that I report on the APEC New Zealand meeting held in Auckland. Since then, we have had the World Trade Organisation meeting in Seattle, which has rather overtaken some of the achievements in Auckland, but I think there has been a consensus, and certainly feedback to the New Zealand government, that APEC was back on track. The previous meeting was in the midst of the Asian crisis, and there was, perhaps understandably, hesitation in moving forward in those difficult times.

Progress was made on a number of APEC's key themes, including support towards a WTO round; continuation of core APEC agenda items; open and well governed markets, including financial markets – the subject of consideration and commitments to work in progress – capacity building; and business interaction. Despite what subsequently happened in Seattle, there was tremendous commitment by member countries at the APEC meeting towards a program of a three-year negotiating round based on a single package; inclusion of industrial tariffs and the mandated negotiations on agriculture and services; support for the abolition of agricultural export subsidies, which was a significant breakthrough; and advancement of the accelerated tariff liberalisation initiative in the WTO.

Other achievements that will need to be followed through include the APEC food system, aviation liberalisation, a framework for women, banking standards, trade facilitation and electronic commerce including paperless trading. These are all items that involve an enormous amount of backroom and background preparation, study and consultation.

Around the meeting there were some notable achievements. Delegates will recall that this APEC meeting in Auckland took place at the time when East Timor was very much at the forefront of world, to say nothing of regional, attention. Outside but around APEC very considerable progress was made. Contributions by a number of countries, presidents and prime ministers played what turned out to be a significant role in what subsequently happened in terms of East Timor. There was progress in bilateral and multilateral issues, examples of which were the announcement of a Singapore-New Zealand free trade agreement, the announcement of a study proposal between CER countries on the one hand— that is, New Zealand and Australia — and AFTA free trade agreement countries on the other, and, of course, the much publicised summit between the Presidents of the People's Republic of China and the United States of America.

The view that our government and the nations received is that the value of APEC as a key forum in the world for building mutual confidence and for constructively pursuing and promoting regional and bilateral issues has been validated. There is a big program of work, supported by strong commitments on a very wide front, which will move forward to future APEC meetings. If progress can be made on that, and the commitment that was shown in Auckland continues, I think it would be fair to say that the future of the region can only be better.

**DEPUTY CHAIRMAN**—Thank you, New Zealand. I have an indication that the United States wishes to move a resolution. Do you wish to do so at this point?

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**AMERICAN DELEGATION**—I would ask the Deputy Chairman if we could delay that temporarily.

**DEPUTY CHAIRMAN**—Certainly. I have an indication from Canada that they wish to speak.

**CANADIAN DELEGATION**—Thank you, Deputy Chairman. I have some brief comments. With regard to the APEC meetings in New Zealand, Canada was very pleased with the outcome and I would particularly like to congratulate New Zealand as an outstanding chair. From Canada's perspective we were successful in getting APEC back on track by steering the agenda towards a more meaningful dialogue, identifying initiatives to address the region's economic and social challenges and, in particular, shaping APEC's contribution to launching the new round of multilateral trade negotiations in the WTO, including a call for the elimination of agricultural export subsidies. Our Prime Minister, Jean Chretien, played a very active role in that particular issue.

Canada was also extremely pleased to play a role in the development of the APEC framework for the integration of women, on the Y2K remediation and contingency planning, and on the development of a mutual recognition arrangement on conformity assessment of electrical and electronic equipment. Canada was pleased to see that there was an excellent discussion on broadening of public support, particularly in asking our officials to report on communication initiatives undertaken by individual economies, explaining the benefits of a more open and integrated regional economy and, in addition, asking officials to consider the next steps that APEC could take collectively in this regard.

I point out that the Minister for Foreign Affairs for Canada, Lloyd Axworthy, along with APEC foreign ministers, took the initiative to engage in an unprecedented parallel meeting to discuss the situation that was occurring in East Timor. While we do not consider this as broadening of APEC's core agenda, we do see this as a significant development in the evolution of APEC and its ability to respond to current issues. From our perspective, we look forward to discussions in December 2000 in Brunei, and in particular to the issues that have been committed to with regard to trade liberalisation and issues dealing with APEC economies from an individual and collective perspective.

**DEPUTY CHAIRMAN**—Thank you, Canada. Indonesia, do you wish to speak under item 1 or item 2?

**INDONESIAN DELEGATION**—Item 3 on the agenda, on the economic situation of Indonesia.

**DEPUTY CHAIRMAN**—Are there any further interventions on item 1? Is the United States ready to present its resolution?

**UNITED STATES DELEGATION**—I regret we are in the process of modification and we seek a delay.

**DEPUTY CHAIRMAN**—Singapore, are you speaking to item 1, the report from New Zealand?

**SINGAPOREAN DELEGATION**—Yes. The APEC meetings in Auckland were held against the backdrop of the East Timor crisis, which overshadowed at times the main event in town. There were other distractions, such as the US–China summit to restart negotiations on China's entry

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to the WTO and to a lesser extent China–Chinese Taipei relations. Despite this, New Zealand was able to keep the focus on APEC matters reasonably well and achieved a laudable outcome.

Notwithstanding the failure of the WTO ministerial conference in Seattle in November 1999 to launch a new round, APEC has still contributed to the World Trade Organisation's trade liberalisation agenda. Throughout last year the New Zealand chair had been skilfully building support within APEC for the launch of a new round. The New Zealand chair had managed to achieve consensus at ministerial level on several principal outcomes. These commitments were reinforced by the leaders, who also made a symbolic call for a new round of multilateral trade negotiations. While this had injected considerable impetus into the World Trade Organisation's process, the WTO talks were eventually stalled due to a lack of political will to close the negotiations. APEC leaders welcomed the initiative by ministers to review and strengthen the individual action plans, or IAPs, specifically to make them more transparent and comprehensive. In this regard, Singapore volunteered to help at this year's APEC meeting in Brunei to develop a prototype IAP which would incorporate the suggestions for improvement highlighted during the 1999 IAP review. Singapore also volunteered, in its 1999 IAP, for peer review in mid-2000. Under APEC's collective action plans, a mutual recognition agreement, or MRA, on electrical and electronic equipment was concluded. Singapore will be participating in this MRA.

Singapore, as the delegate from New Zealand pointed out earlier, has signed an understanding with New Zealand to enter into free trade agreement negotiations at the fringe of the APEC meetings. Singapore has also secured the agreement of Mexican and Chilean leaders to study the desirability of entry into bilateral FTAs with Singapore. The objective of the proposed Singapore–New Zealand FTA was to help APEC accelerate the realisation of the Bogor goals. FTAs should be open to participation by all economies so that they could become stepping stones towards global free trade. Notably, many of the other APEC economies are also currently engaged in FTA discussions of their own, such as Korea and Chile, Japan and Mexico, et cetera.

From Singapore's perspective, the outcome of the APEC meeting was positive as we made considerable progress on our free trade agreement initiatives. New Zealand, through its skilful chairmanship, helped to revitalise the ailing APEC process. The discussions were conducted in an amicable atmosphere even where there were disagreements. While there were side issues such as East Timor, US-China relations, FTAs and the WTO Director-General tussle earlier in June, these served to reinforce the usefulness of APEC as a platform for regional leaders to gather and forge understanding and agreement either as a grouping or bilaterally. I would like to conclude by saying that we are happy that the New Zealand chair has managed to put APEC back on track.

**DEPUTY CHAIRMAN**—Thank you, Singapore. I call Peru.

**PERUVIAN DELEGATION**—Thank you, Madam Chairman. I would like to briefly mention that Peru attended the last leaders meeting in New Zealand and participated in it only one year after it was fully admitted in the Kuala Lumpur reunion in 1998. You and some of our colleagues may recall how for many years our country insisted on participating in APEC. We are very pleased to already be a part – and a very active part – of it.

I would like to report that our country hosted meetings of APEC in September 1999 relating to the working group on tourism and also to the working group on telecommunications. Likewise, our country has been assigned as a site for the working groups on the promotion of small businesses, in March 2000; the conservation of marine resources, in May-June 2000; and the organisation of the advisory business group, in August 2000. Also it will be a site for the reunion of ministers of infrastructure in the year 2001. I would further like to say that Peru has been confirmed

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as a candidate for the vice-presidency of the subcommittee of corporate, economic and technical cooperation for the period 2000-2001.

I make these statements only to emphasise how Peru, in the very short period of time after it has officially entered APEC, has shown a great deal of effort in participating in a positive way towards the aims and objectives of APEC. That is all I want to state on this occasion.

**DEPUTY CHAIRMAN**—Thank you. Are there any further comments or interventions on the report from New Zealand? Does the United States have the resolution?

**AMERICAN DELEGATION**—I regret to report this: in five minutes we will have it.

**DEPUTY CHAIRMAN**—In that case, we will proceed with subitem 2.

### **Economic Situation in APPF Member States and their Efforts towards Economic Recovery**

**DEPUTY CHAIRMAN**—I call Indonesia. You have been very patient.

**INDONESIAN DELEGATION**—Thank you very much, Madam Chairman. First of all, allow me to congratulate you for chairing this forum. I am confident that, with your experienced leadership, the meeting will be a successful one.

Entering the year 2000, Indonesia's economy is showing signs of recovery after more than two years of turmoil. Investments are expected to enter the country again following a more favourable political situation in Indonesia after the general election and the election of the new President and Vice-President in a truly democratic political process. Macroeconomic indicators give encouraging signs. The rupiah has stabilised at around 7,000 rupiah to the US dollar. The inflation rate fell to 2.01 per cent last year. This is much lower than the 77.63 per cent recorded in 1998.

From the Jakarta bourse there are very optimistic signs of better portfolio investments. On the eve of the new year 2000, the Jakarta stock exchange reported a 70 per cent gain in the price of shares, making the bourse one of the world's best performing markets in 1999, ranked third after South Korea's Seoul stock exchange and Singapore's stock exchange. That is according to some media reports. Domestic interest rates fell to 12 per cent by the end of last year and are expected to fall further this year with the Central Bank's commitment to lowering interest rates in order to help revive the real sector.

However, we realise that the pace of Indonesia's recovery will depend very much on capital inflow, domestic consumption, exports and suitable fiscal policy. It will also depend on the speed of banking reforms and corporate restructuring, the development of sound financial and capital markets and a sufficiently stable exchange regime. Foreign investments which had been approved by the Indonesian government last year amounted to \$US10.6 billion, lower than the \$US13.6 billion of 1998. However, realised foreign investments, a better measure of investor confidence, last year rose to \$US7.64 billion from \$US5.77 billion. The fall in foreign investment approval last year was attributable to the political uncertainties and the prolonged economic crisis in the country. We realise that Indonesia remains attractive to foreign investors because of its large population and wealth of natural resources, but last year political uncertainties kept investors away. However, with the successful general election and subsequent democratic process in electing the new president and vice-president and the forming of a new credible government, Indonesia is now in a much more

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favourable political condition. We expect that these new developments will encourage investors to come back to Indonesia.

Furthermore, to lure foreign investors the government is now preparing a new scheme of various incentives for incoming investors, such as tax incentives and other benefits. The idea behind this scheme is to attract investment within a short time so as to create more jobs and to boost economic growth. Furthermore, a good deal of attention has been directed towards restoring international business confidence through the implementation of the various IMF rescue packages. Given the level of Indonesia's international debt, this is considered the best strategy to overcome the country's immediate and medium-term financial problems. In respect of this, we underline the IMF's commitment and Indonesia's continued economic reform, and we state that there is confidence in our government's seriousness towards its economic reform program. We welcome the IMF programs in poverty reduction and growth strategy and a more balanced approach in its structural adjustment program to assist countries affected by monetary crisis.

The banking sector is now moving towards a recovery phase after two devastating years of bank crisis, marked by malpractice in bank management, a huge amount of non-performing loans and bank grants, and a huge loss of capital. The government concession programs for restructuring and recapitalisation of the banking sector, combined with favourable macroeconomic conditions, paved the way for this recovery. The government has taken several steps in the necessary restructuring of the banking sector. Out of the 160 private banks in existence before the 1997 financial crisis, the government has closed 66 banks, recapitalised seven major banks and nationalised others, four of which were also recapitalised. The remaining 74 banks, which were relatively unaffected by the crisis, were exempted from the government sponsored recapitalisation program.

Considering the important role played by the banks in the overall economic life of the country and following the lessons learned from the ailing banking sector in the previous years, the government is determined to get the banking sector back to its normal and professional bank operation. Several steps have been taken by the Central Bank, such as imposing stringent and more prudent banking measures, addressing the problems of unprofessional managers, kicking out bad bank owners and allowing foreigners to play a role in the administration of local banks. All these steps will become encouraging factors for domestic, as well as foreign, investors to invest in the recapitalised banks, as well as in the economy as a whole.

**CAMBODIAN DELEGATION**—I would like to present 'Cambodia's Economic Recovery'. As you know, Madam Deputy Chairman, Cambodia had one of the most tragic histories experienced by any country in the world in the 20th century. Following the Paris peace agreement of October 1991, with the support of the international community, especially the United Nations, Cambodia has been working hard on peace, stability, reconciliation and development to return to the international mainstream. The Australian government played a major role then in that peace process.

But the deep-rooted and difficult tasks of rebuilding the economy are still to be done. Cambodia is fortunate in having a profound sense of nationhood and a revered national religion in Buddhism. But it is not a capable, modern state and it lacks an integrated modern economy. Suffering from disintegrated underdevelopment, it needs integrated development. The productive base must spread beyond the city to the countryside.

Overall GDP grew by six per cent from 1991 to 1996. Between 1991 and 1997 services, construction and manufacturing accounted for more than three-quarters of GDP – particularly rice

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production. The agricultural sector will still play a nominal role in Cambodia's economy. It consisted of 43 per cent of real GDP and absorbed nearly 80 per cent of total employment.

Unfortunately, that trend in development was easily destroyed by the tragic fighting of July 1997 and the Asian financial crisis. Growth in GDP dropped from 6.5 per cent in 1996 to one per cent in 1997. Agriculture grew by 0.8 per cent in 1997 compared to 2.5 per cent in 1996. Industry and services were hard hit by the crisis. Industry grew by 0.3 per cent in 1997, compared to a robust 18.3 per cent in 1996. Construction, which accounted for nearly 50 per cent of industrial production, experienced a negative growth of -5.8 per cent in 1997 compared to a hefty 22 per cent growth in 1996. The decrease in construction activity was offset by a strong growth in the manufacturing sector, which was up by 8.1 per cent.

The services sector recorded modest growth of 1.5 per cent in 1997 compared to 7.3 a year earlier. Wholesale and retail trade and the hotel, restaurant and tourism sector were the hardest hit sectors. Wholesale and retail trade remained at the same level compared to 9.2 per cent growth a year earlier. The hotel, restaurant and tourism sector dropped by 2.5 per cent in 1997 compared to a robust growth of 19.3 per cent in 1996.

Despite the political crises Cambodia faced in 1997 and 1998, the political compromise that was finally reached allowed for a renewed spirit of national reconciliation and healing, unity and consensus to emerge. This came about under the esteemed patronage of His Majesty King Norodom Sihanouk, who has been an integral symbol of national unity. This also allowed the government to adopt a policy response to the Asian financial crisis, which was addressed within the context of a strategy for sustainable growth and development in Cambodia. After the election in 1998, the fiscal discipline was strengthened to maintain sound macroeconomic fundamentals. Several fiscal reform measures were undertaken and it is planned to broaden the tax base and to improve the capacity for tax collection.

The monetary authority has taken steps to strengthen the supervision of the commercial banks and to develop sound banking systems. Some measures were also introduced to curb the outflow of foreign currency from Cambodia. The implementation of these policies had positive results. This fiscal performance during the year 1999 is encouraging. The Cambodian economy bottomed out in 1998 with one per cent growth. Based on early indicators, GDP growth in 1999 will rise to four per cent. Inflation is expected to drop to six per cent and the exchange rate is stable. The Asian turmoil has provided Cambodia with an opportunity to reflect on the relevance and effectiveness of its economic system and to elaborate strategies for long-term development.

The lessons Cambodia can learn from the Asian crisis are the following: firstly, ill-planned capital account liberalisation without appropriate market reform can result in financial instability; secondly, regulatory standards should be improved to strengthen the banking sector; thirdly, the development of a robust banking system is essential to the mobilisation of savings; and, finally, the establishment of the rule of law and a democratic regime are crucial to economic and social development. Thank you for your kind attention.

**DEPUTY CHAIRMAN**—Thank you very much, Cambodia. We will leave this item now and we will probably resume with it tomorrow. China will then be the next speaker. It is nearly time for this meeting to conclude. We will return to item 1 to enable the United States to table the motion that they wish to move, so that it is before us overnight and people will have the opportunity to look at it.

**AMERICAN DELEGATION**—Thank you for your graciousness in delaying this presentation. Madam Chairman, from its early days under the leadership of Chairman Nakasone,

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APPF has grown into an important regional organisation, one in which we can all share a great deal of pride. APPF has served our mutual interests by engaging key regional legislators in discussions of the important issues and problems facing the Asia-Pacific. It has also provided us with a chance to get to know one another better and to gain insights into the politics of issues that cross borders. Last month, two members of the US APPF delegation attended the Seattle ministerial of the World Trade Organisation. I was privileged to lead the US Senate group to this meeting. The ministerial meeting was meant to address perhaps the most important cross-border issue -- that is, global trade liberalisation.

As you are all aware, the ministerial failed to launch a new round of multilateral trade talks. That failure has potentially profound implications for the economies of the Asia-Pacific that we represent. After all, the Asia-Pacific is the region of the world most dependent on interrelational trade flows. That is why we have proposed the resolution before you. Adoption of this resolution will demonstrate our unequivocal support for a speedy redress of the Seattle failure and the launching of a new trade round, along the lines of that endorsed by the APEC countries at the New Zealand summit held in September of last year. In particular, the APEC leaders agreed that the WTO new round of trade negotiations should include industrial tariffs as well as services and agriculture. It should lead to timely and effective improvements in market access and the negotiations should be concluded within three years. But the Seattle ministerial failed, of course, for political reasons. Domestic American politics as well as the domestic politics of participating WTO economies prevented the formation of a consensus on how to move forward on global trade liberalisation. As legislators closest to the domestic political situations in our respective nations, I believe we can play an important role in developing the consensus on trade liberalisation that slipped our grasp in Seattle. Moreover, in adopting this resolution, we will demonstrate the inherent strength of APPF as a regional institution. For these reasons, I would urge support of this resolution.

Madam Chairman, I would say to you that Japan, China, Thailand and Indonesia have a number of suggestions that they would like incorporated, and it would be our desire to work with them this evening and to present the redraft tomorrow.

**DEPUTY CHAIRMAN**—Thank you. It being 5 p.m., it is time for the session to adjourn. There will be no further discussions this evening. There will be an opportunity for those who have been mentioned who wish to make amendments to this resolution to work together. Tomorrow morning we will proceed with the economic reports. China will be the first to speak and then Singapore, under item 2. That will give time for those involved in discussing this resolution to do so.

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