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Schwab to Meet with ASEAN Economic Ministers and Hold Bilateral Discussions with Indonesia

Washington, DC – U.S. Trade Representative Susan C. Schwab will visit Bali, Indonesia, on May 1-4 to meet Association of South East Asian Nations (ASEAN) Economic Ministers regarding the U.S.-ASEAN Trade and Investment Framework Arrangement (TIFA) and to discuss the Doha Round negotiations. She will also meet with the Indonesian Minister of Trade to discuss U.S.-Indonesia TIFA.

“Southeast Asia is one of the most economically dynamic regions in the world,” Ambassador Schwab said. “Building on our TIFA talks in November, we will take stock of the progress we have made with our ASEAN partners and lay the groundwork for our joint efforts going forward. We will also discuss how best to maximize the prospects of a near-term breakthrough in the Doha Round negotiations.”

During her meetings, Ambassador Schwab and the ASEAN Ministers – as well as her counterparts from Australia and New Zealand – will work to achieve a successful market-opening outcome in the WTO Doha negotiations. All WTO members, including the ASEAN members, must work together to secure an outcome that will ignite economic growth and alleviate poverty across the world.

In addition to participating in the ASEAN Economic Minister’s Retreat, Ambassador Schwab will hold talks with Indonesian Minister of Trade Mari Pangestu to build on recent progress and strengthen economic engagement between the United States and Indonesia.

BACKGROUND

Trade between the United States and ASEAN has grown significantly during the past decade. ASEAN was the fifth largest export market for the United States in 2007, with U.S. exports totaling \$61 billion. In addition, U.S. foreign direct investment in ASEAN countries reached \$99 billion in 2006 (the latest available data), up 13 percent from the previous year.

In 2002, President Bush announced the Enterprise for ASEAN Initiative (EAI), which sought to strengthen further U.S. trade and investment ties to ASEAN, both regionally and bilaterally. The EAI offers the prospect of free trade agreements (FTAs) with ASEAN members that are WTO members and have a bilateral TIFA with the United States. The United States has used these agreements to address bilateral issues and to coordinate on regional and multilateral issues. ASEAN members include Brunei Darussalam, Burma, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand and Vietnam.

The United States concluded an FTA with Singapore in 2003 and currently is negotiating an FTA with Malaysia. The United States has active dialogues under our TIFAs with Brunei, Cambodia, Indonesia, Philippines, Vietnam and is reengaging with the newly elected Thai government.

Indonesia is currently the 29th largest trading partner of the United States. Trade between the two countries totaled \$18.5 billion last year. Two-way trade in services amounted to \$1.6 billion in 2006, the latest year statistics were available. The stock of U.S. foreign direct investment in Indonesia was \$10.6 billion in 2006, an 11.6 percent increase from 2005.

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