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PM: LET WTO DECIDE ON COMPLAINTS AGAINST INDONESIAN CAR PROGRAMME

KUALA LUMPUR, Oct 11 (Bernama) -- The World Trade Organisation (WTO) should be the one to decide on complaints against Indonesia's move to offer preferential tax and tariff treatment to South Korean-made cars billed as the Indonesian national car, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

"I am not the one to arbitrate the WTO," he said when asked to comment on the complaints from some countries on the Indonesia national car project.

"The WTO can decide for themselves on the complaints," he told a press conference here.

Indonesia had imported 4,000 South Korean-made cars from Kia Motors Corp for its national car project prior to the subsequent manufacture of the "Timor" cars on Indonesian soil.

Indonesian company PT Timor Putra Nasional had teamed up with KIA Motors to import the cars beginning this year.

PT Timor plans to assemble the KIA Motors-inspired cars in Indonesia in March next year and will start full manufacturing from 1998.

Japan and the European Union had protested strongly against the import of the Korean-made cars without the imposition of import duties and luxury taxes.

They had claimed that the Indonesian car import programme violated international trading rules. -- BERNAMA

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