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Summit-Abdullah

FOREIGN PARTIES MUST ABIDE BY OWNERSHIP CEILING, SAYS ABDULLAH

KUALA LUMPUR, Dec 14 (Bernama) -- Malaysia wants foreign parties to abide by the ruling on ownership ceiling on foreign companies operating in the country, Foreign Minister Datuk Seri Abdullah Ahmad Badawi said today.

"We are only following the decision made in Geneva," he told reporters after bilateral talks between Prime Minister Datuk Seri Dr Mahathir Mohamad and Chinese President Jiang Zemin and a meeting between Dr Mahathir and Vietnamese Prime Minister Phan Van Khai, here.

He said Malaysia felt that no party should be worried about the implementation of the agreement.

Malaysia's stand was clear in that it was abiding by the decision that had been reached, he said.

Abdullah was asked whether US insurer American International Group would have to divest some its 100 per cent-owned Malaysian subsidiary, American International Assurance (AIA), following the World Trade Organisation (WTO) decision in Geneva last week.

Malaysia and the United States were said to be at odds over the WTO decision to open up the world's financial services market.

Malaysia was said to be firm in its offer of 51 per cent foreign ownership ceiling in local insurance companies but the United States was reported to be pushing for unlimited foreign ownership.

Abdullah said that if the foreign ownership exceeded 51 per cent it could be scaled down to 51 per cent. -- BERNAMA

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