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IMF chief coming next week to discuss new forex rules: DPM

Fadzil Ghazali; Kamarul Yunus

INTERNATIONAL Monetary Fund (IMF) managing director Michel Camdessus is expected to meet Malaysian leaders next week to further pursue discussions on regulating currency trading.

Deputy Prime Minister and Finance Minister Datuk Seri Dr Anwar Ibrahim said the IMF and the World Bank are beginning to show serious consideration towards Malaysia's views on the currency issue.

"The IMF has now form a special task force to undertake a study on currency trading activities," he said when winding up points on the ministry during the debate on the Supply Bill 1998.

The task force is to develop a report based on proposals made by Malaysia to review the existing currency trading system during the IMF-World Bank meeting in Hong Kong last September.

Anwar said the details of the report will be further discussed at a special meeting on December 1.

The report is expected to give emphasis on two aspects, namely on the need of prudential regulations to streamline currency trading; and introduce full disclosure requirement to inject transparency to forex trading.

Anwar said this latest development is due to Prime Minister Datuk Seri Dr Mahathir Mohamad's continuous efforts in calling on the international community to review the existing currency trading system.

* THE Government, while noting that it is still negotiating with Projek Lebuhraya Utara-Selatan (PLUS) on the latter's proposed increase in toll rates, will continue to seek ways to ease the burden on the public without having to pay a substantiate amount of compensation to the concession company.

Deputy Prime Minister Datuk Seri Anwar Ibrahim said the Government has directed the Finance Ministry and Economic Planning Unit (EPU) to re-negotiate with PLUS, which among others seeks to include the possibility of amending certain provisions in the concession agreement.

"This proposed amendment will include the possibility of extending the concession period or repayment of loans to PLUS," he said, in reply to points raised by Members of Parliament on the ministry during the winding up of the debate on the Supply Bill 1998 yesterday.

* THE report of a study conducted on the proposed Trans Asia railway network linking Singapore and Kunming in China is expected to be submitted to the Transport Ministry by May next year, the Dewan Rakyat was told yesterday.

Deputy Transport Minister Datuk Wira Mohamed Ali Rustam, in replying to a question by Hoo Seong Chang (BN-Kluang) said Malaysia has allocated some RM2 million to conduct the feasibility study on the project.

The Singapore-Kunming railway link is part of the Trans Asia network that involved several Asean countries namely Singapore, Malaysia, Thailand, Cambodia, Vietnam, Laos and Myanmar, as well as China.

Mohamed Ali said the study conducted by an appointed consultant will include looking into several alternative routes for the Trans Asia railway project.

* THE Government has decided to reduce the driving licence fees, which was increased after the Budget, following the strong appeals from the public.

Winding up points raised during the debate on the Supply Bill 1998,

Deputy Prime Minister and Finance Minister Datuk Seri Anwar Ibrahim said for the driving licence, the increase in fees has been lowered to RM30 from RM50; permits from RM60 to RM40; and the public service vehicle and commercial vehicle licence from RM50 to RM20.

* THE Government, while backing the appointment of Tan Sri Rashid Hussain as a Khazanah Holdings Bhd's board member, will make sure that he will not be allowed to sit in during any decision-making on projects if he has a business interest in them.

Deputy Prime Minister and Finance Minister Datuk Seri Anwar Ibrahim said Rashid's appointment in Khazanah Nasional Bhd's board of directors was based on his wide experience in business.

"It is, however, not appropriate to ask him to relinquish his existing business interests due to his appointment in Khazanah Nasional," he said, when replying to points raised by Members of Parliament on the Finance Ministry during the debate on the Supply Bill 1998 yesterday.

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