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Mustapa-World Bank

MUSTAPA TO ATTEND WORLD BANK MEETING

KUALA LUMPUR, Sept 24 (Bernama) -- Second Finance Minister Datuk Mustapa Mohamed will explain to the World Bank Malaysia's new exchange control measures when he attends the World Bank meeting of finance ministers and central bank governors in Washington on Oct 3-8.

He said many people, including officials from the World Bank, did not understand the measures, leading to much misconception and misintepretation including one that it was a total control on the outflow of funds.

In contrast, he said, Malaysia only imposed selective capital controls aimed at defending the ringgit against manipulative attacks and reducing speculation in the stock market.

"Such an assumption is not encouraging, so we are using this opportunity to give a true picture of the controls taken," he told reporters after visting the exhibition site of the Malaysian Franchise Association.

The exhibition would be officially opened tomorrow by Prime Minister Datuk Seri Dr Mahathir Mohamad, who is also First Finance Minister.

For Mustapa, the World Bank meeting would be his first official meeting overseas since being appointed Second Finance Minister more than two weeks ago.

Asked why the disbursement of a World Bank loan of US\$700 million to Malaysia was delayed, Mustapa said he did not know the reason for the delay.

Dr Mahathir had earlier confirmed that there was a delay in the World Bank disbursing the loan to Malaysia as it wanted a clearer picture on the exchange controls imposed by Malaysia.

Mustapa also confirmed that Deputy Finance Minister Datuk Wong See Wah would attend the Commonwealth Finance Ministers Meeting (CFMM) in Toronto, Canada on Sept 28-30.

-- BERNAMA

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