

11 MAY 1999

Hamid-CLOB

NOT NECESSARY TO INCLUDE CLOB ISSUE IN BILATERAL PACKAGE, SAYS SYED HAMID

KUALA LUMPUR, May 11 (Bernama) -- The issue of the cash offer for shares previously traded on the Central Limit Order Book (CLOB) need not be included in the package of issues to be resolved between Malaysia and Singapore as it will further complicate matters, said Foreign Minister Datuk Seri Syed Hamid Albar.

Syed Hamid said that all parties must understand that the CLOB issue only involved the private sector, namely the Singapore Stock Exchange (SES) and the Kuala Lumpur Stock Exchange (KLSE), and not the government.

"We have informed the Singapore side of the issues to be included in the package and I do not want to complicate or make our discussions difficult by raising new problems or to discuss them openly in the newspapers," he told reporters at his office, here, today.

He was asked to comment on a recent statement by Singapore Deputy Prime Minister Lee Hsien Loong that the CLOB issue be included in the bilateral package of issues to be resolved by Malaysia and Singapore.

The two neighbours have agreed to discuss several issues as a package. They included issues on the Malaysian Customs, Immigration and Quarantine (CIQ) facilities at the Tanjung Pagar railway station, Singapore's request for a new water supply agreement, the use by the Singapore Air Force (SAF) of Malaysian airspace and Malaysia's request for Peninsular Malaysian workers who previously worked in Singapore to be allowed to withdraw their savings in Singapore's Central Provident Fund (CPF).

"We will discuss what have been agreed to by our prime minister and their prime minister," he said, referring to the meeting between Datuk Seri Dr Mahathir Mohamad and Goh Chok Tong on Dec 17, last year.

CLOB was an over-the-counter market in Singapore that traded primarily in Malaysian shares. It was created by the Singaporean authorities following the delisting of Malaysian stocks across the Causeway in 1990 but was unrecognised by Malaysia and the move by Malaysia to impose selective exchange rate controls on Sept 1 last year effectively stopped trade in Malaysian stocks on CLOB from Sept 15, last year.

On another note, Syed Hamid also expressed Malaysia's shock and regret over the latest incident a few days ago when North Atlantic Treaty Organisation (NATO) warplanes mistakenly hit the Chinese embassy in Belgrade during its air operation, killing three people and injuring scores more.

"I think it is something that should be investigated in detail on how that could happen," he said.

Syed Hamid said that the incident proved the urgency for the world body, the United Nations, to intervene in finding a political solution to the conflict.

NATO and the United States suffered a diplomatic setback to justify its air war over Serbia when it accidentally struck the Chinese embassy building in Belgrade with missiles, prompting a chorus of demonstrations in China and other countries including Europe.

"It is a very serious matter whenever a conflict of this nature affects the foreign mission in a country. So it is something that one cannot look at lightly," said Syed Hamid.

The international community, he said, had to look at how to solve the humanitarian problems in Kosovo and also to ensure that the Belgrade regime under Slobodan Milosevic accept what was demanded by the international

community.
-- BERNAMA
MHI RM