

Goh: We may take CLOB issue to WTO *Sum 11/12/00 26*

SINGAPORE: Prime Minister Goh Chok Tong said yesterday Singapore would take to the World Trade Organisation (WTO) a dispute with Malaysia over suspended shares if no solution could be reached bilaterally.

Coh said he hoped to meet Prime Minister Datuk Seri Dr Mahathir Mohamad in early February to resolve outstanding bilateral issues. But if no progress was made, action

through the WTO or courts was possible, he added.

"In the ultimate, if there is no solution, Singapore has no choice but to take the matter to the WTO. Perhaps the shareholders may also take Malaysians to the courts in Malaysia," he said.

Malaysia imposed curbs on capital flows in September 1998, effectively freezing shares worth some US\$4.3 billion (RM16.3 billion) traded

on Singapore's Central Order Limit Book (CLOB) over-the-counter market.

Several proposals have been put forward to allow investors to reclaim the shares, but none has pleased both the Malaysian authorities and the Securities Investors Association (Singapore), which represents some 50,000 of the 172,000 CLOB investors, mostly Singaporeans.

Coh said Malaysian author-

ities favoured a private sector solution but CLOB investors would prefer that any offers made by Malaysian companies be officially sanctioned by the Malaysian bourse.

Mahathir has warned the government might take custody of the shares if the share impasse is not resolved. Malaysia recently extended the nominee status of CLOB stocks by six months to June 30, 2000 - Reuters