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Mahathir-Clob

CLOB ISSUE NOTHING TO DO WITH WTO, SAYS MAHATHIR

PUTRAJAYA, Jan 11 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said the Central-Limit-Order-Book International (Clob) issue affecting Malaysia-Singapore ties has nothing to do with the World Trade Organisation (WTO).

It was Singapore's right if it wanted to bring the issue to the WTO, Dr Mahathir said when asked about his Singapore counterpart Goh Chok Tong's remark that the republic may raise the matter with the World Trade Organisation.

"And it is our right to say this is our problem and it has nothing to do with the WTO," the prime minister said.

Dr Mahathir, who is Umno president, was speaking at a press conference after meeting Umno Supreme Council members and five Umno leaders from each state at the Prime Minister's Department here today.

Dr Mahathir however said he was prepared to meet Goh to discuss the issue.

Singapore reportedly would take its Clob issue with Malaysia to the WTO if it cannot be resolved between the two countries.

"We would try to put this off for as long as possible, but in the ultimate, if there's no solution, Singapore has no choice but to take the matter to World Trade Organisation, and perhaps the shareholders may also take the Malaysians in the courts in Malaysia," Goh was quoted as saying in an interview with Reuters Television aired in Singapore last night.

Goh also said that he was waiting for the "right time" to have a discussion with Dr Mahathir on a package of outstanding bilateral issues, likely after the Chinese New Year.

Officials of the two countries had been discussing the various issues up to May last year but it was not pursued because Dr Mahathir was busy with a general election, said Goh.

Singapore had said that the Clob issue must not be left outstanding when the package, which included a new water agreement for the island state and the status of land owned by Malaysia's railway authorities here, is resolved.

An estimated RM17 billion of Malaysian shares, at current market price, once traded over Singapore's Clob over-the-counter-market, remained frozen when Singapore halted its trading following capital controls imposed by Malaysia in September 1998.

The matter was left to the stock exchanges of the two countries to resolve. The Kuala Lumpur Stock Exchange (KLSE) recently announced a final extension to June 30 the nominee status of Singapore's Central Depository (CDP) over the shares it had expired on Dec 31 last year.

Goh said Malaysia seemed to prefer a private sector solution but such offers must be officially sanctioned by the KLSE or shareholders would not be confident that "something may change again."

-- BERNAMA

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