

Putrajaya to sell,list or cut stakes in 25 GLCs

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KUALA LUMPUR, July 5 — The Najib administration intends to sell, list or pare down its stakes in 24 GLCs by 2012 said Pemandu.

The move is part of the Government's Role in Business strategic reform initiative (SRI) launched here today.

Pemandu CEO Datuk Seri Idris Jala **(picture)** noted the relatively slow pace of divestment of GLCs in the past and said that under the SRI, a strike price will be set at which time, the sale of the government's stake must take place.

"They must sell, there is no moving goal post," he said in a media briefing.

Pemandu did not reveal which GLCs will be affected by the SRI but a breakdown provided by the think tank showed that eventually 21 GLCs will be sold outright, seven will be listed and five will have their government holdings reduced.

The SRI is based on the recommendations contained in the New Economic Model which stated that the government needed to rationalise its involvement in GLCs to avoid crowding out the private sector, boost liquidity in the capital markets and improve its own fiscal position.

The government will still have to be involved in strategic areas however such as businesses dealing with national security, national infrastructure and projects requiring the government to play a catalytic role.

The Government's Role in Business SRI is one of six SRIs that were derived from the recommendations of the National Economic Advisory Council (NEAC).

The other SRIs are International Standards and Liberalisation, Public Finance, Human Capital Development, Public Service Delivery and Narrowing Disparities/Bumi SMEs.

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