

Private, foreign capital welcome in central SOEs' restructuring

Private and foreign capital as well as local state-owned assets supervisors are welcome to take part in the restructuring of central SOEs, said Li Rongrong, minister in charge of the State-owned Assets Supervision and Administration Commission (SASAC), in a recent interview with China Economic Net.

The SASAC currently has 132 centrally-administrated SOEs under its supervision and aims to reduce this number to between 80 and 100 in 2010. "We will proceed as planned ... and our aim of restructuring wont change," Li said.

As to the question of how to promote the restructuring of the central SOEs, Li noted that mergers and acquisition between SOEs under the SASAC's supervision was not the best way to adjust resource allocation. "Private enterprises and foreign-funded enterprises are welcome in the restructuring of the central SOEs, as long as they can help to boost enterprise efficiency."

Li also noted that for better resource allocation, local state-owned assets supervisors may take over supervision of some central SOEs that are not located in Beijing; these enterprises are encouraged to go public.

According to data form the SASAC, by the end of 2008, China's state-owned assets totaled around 18 trillion yuan, 80 percent of which belong to listed SOEs.

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