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MALAYSIA-FUNDS

MALAYSIA WILL NOT RAISE FUNDS IN SINGAPORE

By: E. Sivabalan

HANOI, Dec 17 (Bernama) -- Malaysia has decided not to raise funds from Singapore as it can now afford to raise them on its own, Singapore Prime Minister Goh Chok Tong said today.

"They do not need to raise funds from Singapore. They don't need our help," he told reporters after holding talks with Prime Minister Datuk Seri Dr Mahathir Mohamad here.

Goh and Dr Mahathir were here to attend the Sixth Asean Summit which ended yesterday.

Goh said Singapore welcomed Malaysia's decision on the matter. "It's fine with us," he said.

At a meeting between him and Goh in Kuala Lumpur on Nov 4, Dr Mahathir had said that Malaysia would likely raise funds from Singapore and that both sides would look into the fund-raising exercise at a later date.

Analysts had said that the funds would likely have been raised through the issuance of bonds in the island-republic's market.

However, Goh said that Malaysia could now raise funds on its own.

Goh said since Malaysia would not need to raise funds from Singapore, the water issue would be discussed separately.

"So now the water issue will be discussed together with other issues," he said.

"But basically, we were prepared to do a fund-for-water deal. If Malaysia doesn't need funds, Malaysia doesn't need to give us water," he said.

As such, Singapore would not request for water supply from Malaysia if Kuala Lumpur does not want to provide water.

"But, Dr Mahathir is committed to give us water. He repeated that Malaysia will give Singapore water and he is going to honour the commitment even if there are not going to be funds from Singapore," Goh said.

During their talks in Kuala Lumpur last month, Dr Mahathir said Malaysia would determine how much water it was going to provide to Singapore and how much the republic needed.

Singapore wanted to extend its existing water pact beyond 2061.

Following previous talks in February between the two prime ministers in Kuala Lumpur, Malaysia agreed to continue supplying water to Singapore beyond 2061, an undertaking that was supposed to be confirmed in an agreement within 60 days.

The 60-day period has since lapsed but the agreement has not been signed.

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