

04/09/2000

Gas find: Kelantan claims right to royalty

KOTA BARU, Sun. - The Kelantan Government has the right to royalty if the natural gas project, off its coast in the Malaysia-Thai Joint Development Area begins production.

Deputy Menteri Besar Abdul Halim Abdul Rahman said the right to such payment was based on the petroleum royalty given to the Terengganu Government.

"The matter is similar to Terengganu. When it is found here, Kelantan should also get royalty," he told reporters after launching cultural carnival at the Sultan Muhammad IV Stadium yesterday.

Abdul Halim, who is State Trade, Industry, Entrepreneur Development and Human Resource Committee chairman, said the matter regarding royalties did not arise now as there was no agreement with the Federal Government.

He said although the finding of natural gas had been announced by Prime Minister Datuk Seri Dr Mahathir Mohamad previously, the project was still at the exploration stage.

(END)