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Water-Loan

WATER COMPANY TO BE PRIVATISED IF LOAN IS REJECTED

KOTA BAHARU, Jan 10 (Bernama) -- The Kelantan Government will decide to either corporatise or privatise Air Kelantan Sdn Bhd (AKSB), now under the Menteri Besar Incorporated, if it fails to obtain a RM600 million soft loan from the Federal Government.

State Executive Councillor for Utilities and Works Abdullah Ya'kub said the decision would be taken soon if current efforts to secure the loan failed.

"State government officers are following up (on the issue) with the submission of a new proposal and meeting treasury officials to obtain the loan," he said at a Hari Raya Aidilfitri gathering at which there was also a dialogue between the Kelantan Menteri Besar and executive councillors and the people here last night.

Air Kelantan Sdn Bhd, the only company supplying clean water in the state comes under Menteri Besar Incorporated, after the privatisation concession with London Thame Water was terminated in April last year.

Also in April last year, the federal government through Prime Minister Datuk Seri Dr Mahathir Mohamad, approved a RM600 million soft loan to the Kelantan government to develop the water resource.

However, after the 10th general election on Nov 29 last year, Works Minister Datuk Seri S. Samy Vellu asked the Kelantan government to submit a new proposal to obtain the facility.

Abdullah said if the AKSB was corporatised or privatised, the company would seek loans from financial institutions in the country to fund the development of water supply in the state.

"There are financial institutions that are willing to provide loans if the AKSB is corporatised or privatised," he said.

Abdullah was confident that the problem of supplying clean water to the people would be overcome.

-- BERNAMA

BD IH AAM