

# Agreement to resolve outstanding issues reached

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PUTRAJAYA: Malaysia and Singapore yesterday agreed in principle to resolve all outstanding issues between the two countries.

The agreement was reached during a bilateral discussion jointly chaired by Prime Minister Datuk Seri Dr Mahathir Mohamad and Singapore's Senior Minister Lee Kuan Yew.

Speaking at joint news conference later, Dr Mahathir said the two countries agreed that officials from both sides would be working out the details of a final agreement to be signed later by the prime ministers of both countries.

The outstanding issues include the sale of water to Singapore, disagreement over the points of agreement for the development of railway land owned by KTM Bhd, and the status of the Malaysian Customs, Immigration and Quarantine facility at the KTM station in Tanjung Pagar.

Two other issues concern the use of Malaysia's air space by the Singapore Air Force and withdrawals from Singapore's Central Provident Fund (CPF) by workers from Peninsular Malaysia.

Both sides also agreed to an

additional proposal by Malaysia to construct a new bridge linking the two countries and demolish the Johor Causeway after the completion of the bridge in 2007.

"We have reached an agreement on the basic skeleton ... as far as it goes just a little step further.

"We have reached a point now where the details can be worked out, put into a form of words by officials from both sides so that the two prime ministers, once they had agreed upon the draft, can finalise it and then sign," Lee said.

Outlining the sketch of the agreement, Lee said Singapore would get 350 million gallons (one gallon equals about 4.5

litres) of water per day from Malaysia beyond 2061.

He said after 2061, Malaysia would sell 100 million gallons of raw water per day and 250 million gallons of filtered water per day to be processed on a joint venture basis.

Singapore, he said, was offering to pay 45 sen per 1,000 gallons of raw water from Malaysia up to 2061, 15 times more than the current price of three sen.

After 2061, Singapore would be paying 60 sen per 1,000 gallons, and the rate would be revised every five years, he said.

On the CPF issue, the two countries have agreed in principle that people from Peninsular Malaysia who had

returned after working in Singapore could withdraw their CPF savings within two years after the final agreement was signed.

Lee said that Singapore had offered, in exchange for the KTM land in Tanjung Pagar, a piece of reclaimed land of equal value.

Singapore has also agreed to Malaysia's proposal to move the KTM station in the republic from Tanjung Pagar to Kranji.

The republic also agreed to move the the customs, immigration and quarantine (CIQ) facilities for railway to Kranji, but the CIQ facilities for road travel would remain at Woodlands, said Lee. — Bernama