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Syed Hamid-Singapore

M'SIA AGREES TO SWAP KTMB LAND WITH SHENTONWAY PLOT OF EQUAL VALUE

PUTRAJAYA, Sept 5 (Bernama) -- Malaysia has agreed to hand over to Singapore the land owned by Keretapi Tanah Melayu Berhad (KTMB) in Tanjong Pagar in exchange for a piece of land of equal value in the republic's Shentonway area.

Foreign Minister Datuk Seri Syed Hamid Albar announced this today when approached by reporters on the outcome of yesterday's talks between the Prime Minister Datuk Seri Dr Mahathir Mohamad and the Singapore Senior Minister Lee Kuan Yew here.

Syed Hamid said Malaysia also agreed that Singapore pay compensation for 12 parcels of KTMB-owned land and that officials from both sides would have to discuss the land price.

He told reporters this after receiving the key to the new RM170-million foreign ministry complex from Putrajaya Holdings chairman Prof Datuk Zainuddin Muhammad in a simple ceremony here today.

The development of the Malaysia-owned railway land in Singapore was among issues noted in the Points of Agreement which former finance minister Tun Daim Zainuddin and Lee signed in 1990.

The KTMB-land issue sparked off a controversy in 1998 when Singapore decided to shift the Customs, Immigration and Quarantine checkpoint at the Tanjong Pagar station to Woodlands on Aug 1 whereas Malaysia insisted on it remaining at Tanjong Pagar.

According to Syed Hamid, also at yesterday's talks Malaysia agreed to continue supplying water to Singapore beyond 2061, allow the use of Malaysian air space by the republic's air force while Singapore would let peninsular Malaysians withdraw their contributions from its Central Provident Fund.

Upon expiry of the current water supply agreement, Malaysia would, for another 100 years starting 2061, supply 350 million gallons of water daily to Singapore (one gallon equals 4.5 litres).

Of the daily volume 100 million gallons would be raw water and the balance, jointly processed water.

Singapore offered to pay 45 sen per 1,000 gallons of raw water from Malaysia up to year 2061 compared to three sen now and beyond 2061, it would pay 60 sen per 1,000 gallons with the rate subject to review every five years.

On the military use of the Malaysian air space, Syed Hamid said Singapore sought to use the air space as passage for its fighter jets to enter their training area over the South China Sea.

Syed Hamid said today's Cabinet meeting also endorsed the outcome of the Mahathir-Lee talks which brought about settlement to all outstanding issues involving both countries.

" All the principles have been agreed, and now there is need to work out the details that need ironing out," he said.

Syed Hamid said: " Most crucial is agreeing to settle outstanding matters that at times tend to strain Malaysia-Singapore bilateral ties."

He described the outcome of yesterday's talks as " a clear light at the end of the tunnel " and that those issues " were no longer vague".

"What needs to be done now is to settle matters relating to the question of costs and development.

"We have to put them in words and also conditions acceptable to both sides so that the prime ministers of both countries can sign an agreement

that settles once and for all whatever differences that have arisen, " said Syed Hamid.

He said that upon conclusion of yesterday's talks Wisma Putra prepared a report on the proposals raised by both sides which would form the basis of the upcoming agreement.

The report would be submitted to Dr Mahathir before being forwarded to the Singapore government for further action, he said.

All decisions reached would be incorporated in an agreement package for signing and would not be treated as separate accords, he added.

-- BERNAMA

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