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Muhyiddin-Singapore

S'PORE WANTS TO BASE WATER PRICE ON RECYCLING COST

KUALA LUMPUR, Aug 7 (Bernama) -- Singapore plans to use the cost of making recycled water, called NEWater, as the basis for fixing the price of water it buys from Malaysia, Malaysia's Domestic Trade and Consumer Affairs Minister Tan Sri Muhyiddin Yassin said today.

He said this was told to him by Singapore Prime Minister Goh Chok Tong during their meeting in the republic on Monday.

"They (Singapore) plan to use the cost of processing water for NEWater as the basis for determining the price of water they will propose to Malaysia, but I think we have other methods," he told reporters here.

He said Goh also informed him that the republic planned to let its 1961 Water Agreement with Malaysia lapse in 2011.

Singapore is turning to NEWater as a new source of water to reduce its dependence on water supplied by Malaysia.

The republic's NEWater plants in Bedok and Kranji will begin operations next year while those in Seletar and Ulu Pandan are expected to be ready by 2011.

Yesterday, Prime Minister Datuk Seri Dr Mahathir Mohamad, when commenting on Singapore's decision not to renew the 1961 agreement, said Malaysia would have no objection if Singapore wanted to stop buying water from Malaysia immediately.

Dr Mahathir said Malaysia was not making money from the sale of water to Singapore.

Muhyiddin said he reported to the Cabinet today several matters concerning his visit to Singapore, including the water issue.

Muhyiddin believed that Goh's statement about not renewing the 1961 agreement was a posturing by Singapore ahead of the scheduled talks between the two countries on their package of outstanding issues.

A second round of talks will be held on Sept 2 and 3.

Muhyiddin said Singapore leaders had asked him many times previously, including when he was Johor Menteri Besar, when the republic could get more water from Malaysia.

But this was the first time a Singapore leader had expressed the country's intention not to renew the agreement, he said.

"This is just a tactic; I think it's because the price of water is still being negotiated," he said.

-- BERNAMA

RZS AHH YBY