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Syed Hamid-Singapore

SINGAPORE ADMITS IT'S MALAYSIA'S PREROGATIVE TO REVIEW WATER RATES

KUALA LUMPUR, Oct 8 (Bernama) -- Singapore admits that it is the prerogative of Malaysia to review the water rates for water sold to the island republic, said Foreign Minister Datuk Seri Syed Hamid Albar.

He said it also agreed that the water issue should be resolved first and separate from other issues.

"In principle, Singapore agrees that it is Malaysia's prerogative to review the water rates. What will be discussed would be the pricing acceptable to both sides," he told reporters at the Parliament lobby here today.

He was commenting on the meeting between Prime Minister Datuk Seri Dr Mahathir Mohamad and his Singapore counterpart, Goh Chok Tong at Putrajaya today.

The discussion to fix the water rates is scheduled to be held here in the middle of this month.

Malaysia and Singapore had signed two water agreements, one in 1961 and the other in 1962. Both agreements will be reviewed.

Malaysia sells raw water to Singapore at three sen per 1,000 gallons and buys back treated water from the island republic at 50 sen per 1,000 gallons.

Yesterday, Dr Mahathir said the payment of three sen per 1,000 gallons was contained in an agreement drawn by the the British in 1927 when Singapore was a British colony and Johor, a British protectorate.

Syed Hamid said the priority now would be to set the new rates while the quantity to be supplied to the island republic would be determined later.

He said Singapore was only for a supply of 250,000 gallons of water daily from Malaysia, following its successful production of NEWater which is treated used water.

Malaysia had prior to this agreed to supply 350,000 gallons per day even though Singapore had asked for 750,000 gallons.

"The question of how much we will supply (to Singapore) is not an issue but the price of water that is viewed as appropriate and reasonable," he said.

He said Malaysia would present its price and it would be up to Singapore whether to accept it or not.

Syed Hamid said that during the meeting, both leaders also touched on the issue of terrorism and militant groups in both countries and in the region.

He said Goh who explained measures taken by Singapore also sought Dr Mahathir's views on how best both countries could tackle the problem.

Dr Mahathir told Goh of Malaysia's support on the fight against terrorism which could have adverse effect on investors' confidence and economy in the region.

-- BERNAMA

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