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Assembly-Kelantan (Petrochemical)

KELANTAN GOVT HOPES PETROCHEMICAL PROJECT WILL PROCEED

KOTA BAHARU, Oct 29 (Bernama) -- The Kelantan government still hopes that the federal government will implement the petrochemical project in Pantai Senok, Bachok, as it will greatly benefit the state economy and the people, the state assembly was told today.

Deputy Menteri Datuk Abdul Halim Abdul Rahman said the memorandum of understanding on the project was inked between Koperasi Usaha Bersatu (KUB) and Keloil Sdn Berhad a few years ago but was abandoned due to political reasons.

Keloil Sdn Bhd is a subsidiary of the Kelantan State Economic Development Corporation.

"We have negotiated several times for the project to be speeded up but I believe that the parties involved are facing opposition from politicians in Kelantan," he said.

He was replying to Wan Othman Wan Yusoff (PAS-Tendong) who wanted to know the progress of the state government's negotiations with the federal government and Petronas on the oil and gas project in Pantai Senok.

Abdul Halim said Kelantan was agreeable to the project because 33,000 of the KUB members were Kelantanese and would benefit from it.

The people of Kelantan would benefit in the long term as the area had 13 trillion metres of gas and oil reserves and could meet production for 60 years, he said.

He said the state government would strive to get the project going through a third party with no political interest, especially after the change in the country's leadership, he said.

He hoped that when Datuk Seri Abdullah Ahmad Badawi takes over as prime minister from Datuk Seri Dr Mahathir Mohamad on Friday, it would open a new era and end the opposition of certain politicians in Kelantan to the implementation of the project by the federal government.

Replying to Mamat Abdullah (Pas-Pergau) who wanted to know how much land the federal agencies had opened up beyond the limit approved by the state government, he said the area was being determined by the land and district offices.

State Public Administration, Local Government and Housing Committee chairman Takiyuddin Hassan said the government would not create a full-time post for deputy president for the district councils because it would contravene the federal government policy on the matter.

The Housing and Local Government Ministry had decided that each district council could fill the post if it could collect RM8 million a year in revenue, he said in reply to Mohamed Anizam Ab Rahman (PAS-Kemahang).

Asked what would happen if the state government flouted the regulation, he said the district councils might lose their annual grants from the ministry.

"Even now there are already allocations that some states get and we don't," he said.

-- BERNAMA

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