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NEAC rebuts Singapore water ad

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KUALA LUMPUR, Sun. - The Malaysian Government has taken out two new advertisements over the water dispute with Singapore. This is in response to the one placed by the republic in the Asian Wall Street Journal on Friday.

Malaysia's full-page advertisements by the National Economic Action Council (NEAC) are on pages 10 and 11 of this paper.

Singapore's full-page advertisement that was carried by the AWSJ appeared on page 9. It was placed by its Ministry of Information, Communications and the Arts.

On Friday, the NEAC said it had "no choice but to respond yet again to the island republic's claims and misrepresentations" in the AWSJ.

With the heading "Water: The Singapore-Malaysia Dispute - The Facts", the NEAC advertisements break down Singapore's claims, and tackle them point by point in two parts.

On Singapore's claim that it had always been prepared to negotiate the price of water, the NEAC pointed out that Singapore was now the one deciding Malaysia's right to a price review.

(The republic, in its booklet *Water Talks? If Only It Could*, said that Malaysia had lost its right to a price review. This was based on its interpretation of the time frame for review in the bilateral water agreements.)

"It was Singapore that changed its mind," the NEAC countered.

On Singapore's stand that what mattered was how a new price was reached, the NEAC noted that Malaysia had, in negotiations, used Singapore's own pricing formula, which pegged the price of raw water to the cost of NEWater and desalinated water.

To allegations that Malaysia had "agreed" to Singapore's price of 45 sen per 1,000 gallons of raw water under a package deal, the NEAC said it had never accepted such an offer.

Proof of this was to be found in Singapore's *The Straits Times*, which reported on Aug 16, 2000 that the price of water had yet to be decided by officials, and by Senior Minister Lee Kuan Yew, who said: "There is no agreement until all points are agreed to and signed by the two Prime Ministers."

The NEAC also clarified that Malaysia's proposed price of RM3 per 1,000 gallons was meant for 2007 to 2011, and a subsequent proposal of RM6.25 was calculated using Singapore's own formula that was pegged to the cost of NEWater and desalinated water.

To Singapore's complaint that Malaysia cancelled the package negotiations in October 2002 (the price of water was to be discussed together with other outstanding bilateral issues), the NEAC said this was because attempts to resolve the issue in this manner had achieved nothing.

Package negotiations were also not envisaged in the water agreements.

And while Malaysia agreed with Singapore that arbitration was now the only way, it had to launch its recent advertising campaign to "set the record straight, like any self-respecting nation" would do.

The NEAC pointed out that while, on the one hand, Singapore had called for arbitration as the only recourse, it had, on the other, published confidential letters written by Prime Minister Datuk Seri Dr Mahathir Mohamad on the dispute.

Singapore's Foreign Minister had also attacked Malaysia in the

republic's Parliament.

And finally, the booklet was published, repeating the republic's false claims and disclosing all official documents and correspondence between the two Governments.

Malaysia, which had kept silent all the while, had "no choice but to respond".

The NEAC ran a series of eight advertisements earlier this month, following Singapore's release of its Water Talks booklet.

Singapore retaliated with its own advertisement in the AWSJ last week, to which the NEAC is now responding.