

Najib wants PAS rep at oil royalty meeting
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Prime Minister Najib Abdul Razak has requested the PAS-led Kelantan government to send a representative to discuss the payment of oil royalty to the state, Kelantan Menteri Besar Nik Abdul Aziz Nik Mat announced today.

According to Harakah Daily, Najib's request was made known through a letter sent yesterday to Nik Abdul Aziz's private secretary Rosdi Mohamad.

The move comes two days after Umno Kelantan pledged to seek a solution to the oil royalty issue before the next general election.

NONEThe deprivation of oil royalty to the state has long been used as political ammunition by PAS, which has ruled Kelantan since 1990, as victimisation of the state by the federal government and Umno.

Kelantan has, over the years, demanded that national petroleum company Petronas pays the state its fair share of royalty from oil obtained from wells near its shore, which it estimates at RM800 million a year.

However, the BN-led federal government has refused this, instead channelling RM20 million as "compassionate payment" to the Federal Development Department to ensure federal control of the funds for Kelantan.

Kelantan took the dispute to court in 2010 and the matter is yet to be heard.

Government sets up special panel

Meanwhile, Bernama reports that the government has agreed to set up a special committee to study in a fair and transparent manner the issue of cash payment from petroleum revenue to the states in the east coast of Peninsular Malaysia.

NONEPrime Minister Najib Abdul Razak said the special committee would be chaired by former chief justice Abdul Hamid Mohamad, with legal experts from within and outside the country and representatives from the Pahang, Kelantan and Terengganu state governments as members.

"The special committee will carry out a comprehensive study within a period of six months from the date of its establishment, taking into account all aspects of the claims and will make appropriate recommendations to the federal government," Najib said in a statement issued in Kuala Lumpur today.

He said the special committee would make a study to identify the states that would be eligible to receive the cash payment from petroleum revenue in the East Coast of Peninsular Malaysia.

"The Special Committee will also determine the method and quantum of the cash payment to the states concerned," he said, adding that over the past six months, several internal discussions were held on the issue of the cash payment and it was in this context that the government agreed to set up the committee.

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