

T'ganu MB: Gov't still in negotiations over oil royalty
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The Terengganu government is still negotiating with the Finance Ministry, Petronas and the Attorney-General's Chambers over the state's petroleum royalty claim.

umno supreme council special meeting 260809 ahmad said Menteri Besar Ahmad Said (left) said that during previous negotiations, Petronas had requested for changes in the draft of the agreement by adding the word 'ex-gratia'.

However, he said, the state government did not agree to it and based on the last meeting last month, Petronas agreed to drop the word, but there were other phrases which had been included that the state government was not happy with.

"That is why we are hoping to finalise the matter at the negotiation on this Aug 12," he told the state assembly in response to an oral question by Abdul Hadi Awang (PAS-Rhu Rendang).

Abdul Hadi (below) wanted to know the progress of the negotiation between the Terengganu government and the Finance Ministry and Petronas on the petroleum royalty.

sibu by election hadi awang Ahmad said the negotiation focused on two issues, on the return of the royalty to Terengganu and for the original agreement to be maintained.

He also said that RM880 million of the petroleum royalty had been spent by Syarikat Perumahan Negara Berhad (SPNB) to build people-friendly houses nationwide, including in Terengganu.

He added that the federal government had initially agreed to reimburse about RM700 million of the royalty spent by SPNB and that the matter should not be questioned further.

"The crux of the matter now is the RM120 million used by SPNB for the people-friendly housing project in Terengganu. We want the federal government to pay.

"At the last negotiation recently, the Finance Ministry gave in to the Terengganu government's request and I believe the RM880 million used by SPNB will be returned to Terengganu," he added.

Ahmad said this in response to a supplementary question from Mohd Abdul Wahid Endut (PAS-Wakaf Mempelam) who wanted to know about the RM873.4 million of the Terengganu's fund which was utilised by SPNB to build people-friendly houses nationwide.

- Bernama

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