

K'tan decision on suit vs Petronas to be known tomorrow
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The decision whether the state government will sue Petronas over the petroleum royalty claimed by the Kelantan government will be known tomorrow after the state executive council meeting.

pas muktamar 55 husam musa 050609Chairperson of the state committee on economic planing, finance and welfare Husam Musa (right) said the lawyers appointed to handle the matter would first have a discussion on the claim at the meeting.

"If everything goes smoothly, the suit will be registered in Kuala Lumpur on Aug 30, one day before the nation celebrates Independence Day.

"The discussion tomorrow is to enable the lawyers to make clarifications and discuss the draft of the summons writ that would be filed later," he told reporters in Kota Baharu today.

The Kelantan State Legislative Assembly sitting in March unanimously passed the motion to give the mandate to the state government to take any action, including court action, to claim the petroleum royalty as stated in the Petroleum Development Act 1975.

The Kelantan state government does not recognise the channelling of the compassionate payment and has instead demanded more than RM1 billion in royalty for the petroleum produced from the waters off the state over the past few years.

The demand was made before the by-election for the Manek Urai state seat in July last year based on the agreement under the Petroleum Development Act 1974.

The federal government, however, only agreed to pay the compassionate payment of RM25 million which was paid out to the people of Kelantan in May.

- Bernama

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