

IN PARLIAMENT TODAY

PM TO EXPLAIN COURT DECISION ON SABAH

Rationale for govt's decision not to appeal against part of ruling will also be set out

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A DETAILED explanation regarding the Kota Kinabalu High Court's decision on Sabah's entitlement to 40 per cent of federal net revenue under Articles 112C and 112D of the Federal Constitution will be presented in Parliament today.

Prime Minister Datuk Seri Anwar Ibrahim yesterday said the briefing would cover the government's decision not to appeal the part of the ruling recognising the 40 per cent entitlement, while reserving the right to challenge others aspects of the judgment.

"I wish to emphasise that the government reached a consensus on this matter. We are not appealing the 40 per cent rate as stipulated in the constitution.

"However, there are other aspects of the decision that we will appeal.

"The government's full position and rationale will be explained in Parliament tomorrow in greater detail, to ensure clarity and prevent any misunderstanding," he said.

Anwar made the remarks during the Prime Minister's Department monthly assembly here.

He said the decision followed a special cabinet meeting held on Tuesday, in which ministers had the chance to express their views.

"After hours of deliberation and hearing from every cabinet member — the final input came from Minister in the Prime Minister's Department for Law and Institutional Reform Datuk Seri Azalina Othman Said — we reached a consensus decision (not to appeal)," he said.

The government on Tuesday said that it would not appeal the Kota Kinabalu High Court ruling affirming Sabah's right to 40 per cent of the federal revenue derived from the state.

A special cabinet meeting had been convened to discuss the judgment in the judicial review filed by the Sabah Law Society (SLS) against the Federal Government.

The Attorney-General's Chambers (A-GC) said the government respected the principle of the special grant as provided under the constitution, and that nego-

tiations with the Sabah government would begin immediately.

The AG-C added that during the meeting, the attorney-general advised the cabinet on certain flaws in the judgment's reasoning.

He highlighted claims that the federal and Sabah governments had abused their powers and breached constitutional obligations dating back to 1974

On Oct 17, the Kota Kinabalu High Court ruled that the federal and Sabah governments must conduct a review of the Sabah Special Grant from 1974 to 2022 under Article 112D of the constitution.

The review is intended to fulfil the federation's obligation to make the 40 per cent entitlement payment to Sabah under Article 112C, read with subsection (1) of Section 2 of Part IV of the Tenth Schedule of the constitution, for each financial year from 1974 to 2021.

The review must be conducted within 90 days, and an agreement reached within 180 days from the date of the order.

The 40 per cent revenue entitlement forms part of the safeguards under the Malaysia Agreement 1963 (MA63), aimed at ensuring fair revenue distribution from taxes and resources collected by the federal government in Sabah.