

**Malaysia Welcomes Arbitral Tribunal's Decision - Najib
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KUALA LUMPUR, Oct 31 (Bernama) -- Malaysia welcomed an arbitral tribunal's decision that a joint investment company of Malaysia and Singapore would not be conditionally liable to pay development charges on the former Malayan Railway parcels of land in Tanjong Pagar, Kranji and Woodlands, said Datuk Seri Najib Tun Razak today.

It was a testimony to the commitment of both countries to settling disputes peacefully, in accordance with international law, the prime minister said in reference to the mechanism in settling the issue through a tribunal appointed by the two countries.

In submitting the issue to the Arbitral Tribunal, both countries agreed to fully accept the award as final and binding, he said in a statement.

"We also agreed that it would not affect our bilateral relations," he added.

Najib said he would like to echo the statement by his Singaporean counterpart Lee Hsien Loong that Malaysia and Singapore were happy that they had been able to resolve the issue in an amicable manner.

The tribunal decided today that the company, M+S Pte Ltd, would not be liable to pay the charges if the parcels had been vested in M+S Pte Ltd and if it had actually developed the land in accordance with the proposed land uses set out in the annexes to the Points of Agreement (POA).

Malaysia is believed to have saved billions of ringgit following the decision of the tribunal.

The two countries, in a statement issued by their foreign ministries, said they were satisfied with the arbitral process and had agreed to abide by and fully implement the decision of the tribunal.

"Both countries look forward to working closely together to further strengthen and broaden our bilateral cooperation," Najib said.

The full and successful implementation of the POA has paved the way for joint development projects and closer collaboration between Singapore and Malaysia.

The prime ministers of Singapore and Malaysia announced in September 2010 that both countries had different views relating to the development charges on the three parcels of POA land.

The two leaders agreed to settle the issue amicably through arbitration and to accept the arbitration award as final and binding.

In January 2012, Singapore and Malaysia entered into an agreement, submitting the issue to a final and binding arbitration. The Permanent Court of Arbitration acted as registry in this arbitration.

The arbitration proceedings were conducted in accordance with the procedural rules agreed to by Malaysia and Singapore, and before a three-person arbitral tribunal appointed by the countries.

M+S Pte Ltd is a joint investment company co-owned by Malaysia's Khazanah Nasional and Singapore's Temasek Holdings.

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