

Petroleum royalty payment based on profits obtained by producing states

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KUALA LUMPUR, July 20 (Bernama) -- Prime Minister Tun Dr Mahathir Mohamad today clarified that the 20 per cent royalty payment to petroleum producing states is based on the profit obtained from the state concerned.

"The royalty is from profit. If you made RM100 milion, RM20 milion will be the royalty."

"It is based on profit made by Petronas in that area. So, what we collect in Terengganu, will not be paid to Sarawak or Sabah," he told reporters after chairing the Parti Pribumi Bersatu Malaysia (Bersatu) Supreme Leadership Council meeting here today.

In the Parliament sitting yesterday, Dr Mahathir said the Pakatan Harapan (PH) government was committed to fulfil the promises contained in its 14th general election manifesto, including on the 20 per cent royalty payment to petroleum producing states in the country.

However, he reminded the recipient states to use the royalty for the good of the states and not to misuse it to strengthen political parties and for other purposes.

On another development, Dr Mahathir said he had no information regarding the arrest fugitive businessman Low Taek Jhow or Jho Low in China.

"Somebody reported that he has been arrested, but I have no information at all about him being arrested. I think that is one of those fake news," he said.

Last Wednesday, the Sarawak Report, citing a Hong Kong radio station report, published on its site that Jho Low had been detained in China.

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