



EC 56/02

The High Commission of Malaysia presents its compliments to the Ministry of Foreign Affairs of the Republic of Singapore and has the honour to refer to the latter's Note MFA/PDI/008/2002 dated 10 February 2002 and SHC 016/2002 from the High Commission of the Republic of Singapore to the Ministry of Foreign Affairs Malaysia dated 5 February 2002.

The High Commission of Malaysia would like to put on record that Malaysia's comprehensive response on the package of issues has been duly conveyed by Prime Minister Dato' Seri Dr. Mahathir Mohamad to Senior Minister Lee Kuan Yew on 4 February 2002. The Malaysian Government believes that it could provide a useful framework for the amicable solution to the problems faced by both sides. It is timely that bilateral negotiations be held as soon as possible on the basis of the said framework.

The Government of Malaysia wishes to reiterate that Malaysia is committed to resolving the issue of water with Singapore in the context of an agreement on the overall package of issues as agreed upon between Prime Minister Dato' Seri Dr. Mahathir Mohamad and Prime Minister Goh Chok Tong in Hanoi in 1998. At no time was there a suggestion that the Government of Malaysia would depart from such a commitment. To suggest otherwise is not only misleading but constitutes a gross misinterpretation of the well known position of the Malaysia Government.

The 1961 and 1962 Water Agreements clearly provided for a review of the price of water after 25 years of the signing of the said agreements. The fact that Malaysia had not done so earlier should in no way be construed as Malaysia's disinterest in seeking a fair and just review of the price. Malaysia believes it is timely that such a review be undertaken now considering the changes that have occurred. Indeed, the need to undertake such a review should be of concern to Singapore given the importance of the water issue to the Government and the people of the Republic.

The Government of Malaysia wishes to stress that the issue of water as indeed all issues affecting relations between Malaysia and Singapore would continue to be of interest to the media and people of both countries. In this regard, whatever statement made by the Malaysian leaders including Prime Minister Dato' Seri Dr. Mahathir Mohamad, particularly in response to media queries, are intended to clarify issues raised in the interest of the Malaysian public. The Malaysian Government does not see that bilateral relations with Singapore have drifted on account of such statements which in any case are not entirely new. In this regard, the Government of Malaysia deeply regrets the underlying tone of Singapore's Note dated 5 February 2002 which is uncalled for and not clearly conducive to the preservation of good relations between the two countries.

The High Commission of Malaysia avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Republic of Singapore the assurances of its highest consideration.

**Ministry of Foreign Affairs
Singapore**

14 March 2002

