



Sarawak Oil Royalty

Dr. John Brian Anthony on June 16th, 2008

In the last parliament sitting, there are not many questions from Sarawak MP. KAPIT (YB Alexander Linggi) asked whether the federal gov't is considering giving 20% oil royalty to Sarawak - the answer is a BIG NO!. Sarawak being an oil producing state is one of the three most backward state in Malaysia - how can that be? Are we spending too much money on project that are not generating profit for the people or are we so corrupted that the government used the money to lay foundation for politically link company to reap rich benefit from the "project".

Detail Info:

Royalty paid by Petronas from March 2004 to March 2007:

Petronas pay Federal gov't: \$13.4 billion
Petronas pay Trengganu : 7.3 billion
Petronas pay Sarawak : 4.8 billion
Petronas pay Sabah : 1.2 billion

This based on the formula fixed at 5% or half of the royalty enjoyed by the Federal government.

Oil production for each state FOR YEAR ENDING APRIL 2007

Trengganu : 133.7 million barrel
Sarawak : 79. 0 million barrel
Sabah : 28.6 million barrel

Gas production:

Trengganu : 748.2 billion cubic feet
Sarawak : 1,292 billion cubic feet
Sabah : 41.2 billion cubic feet

Total sales of Petronas' petroleum and gas products as at March 2007

RM \$165.3 billion

In my opinion, 5% royalty to Sarawak is simply too small (RM\$4.8 billion for 3 years) - at 20% for 3 years =\$19.2 billion. Nadai salah bala MP kitai pindah ngagai Pakatan Rakyat -



for that kind of money, minus white termite, a lot of development progress especially road, water and electricity could be improved from the current low standard.

How does the Sarawak government used this money. In Bintulu, the road leading to the MLNG plant, ABF, Bintulu Port and Shell BCOT has not being resurface since 20 years ago. There are many fatal accidents caused by poor road surface. The condition of other road (Ulu Sebauh Road etc), electricity supply to longhouses that are close to electricity distribution station, poor school condition - all of these seems to be the function of other ministries - so where is the oil royalty used?

Has our Sarawak oil money being used to ensure ketuan Melayu - financing so many fail UMNO related business. Are sarawak oil money the “prize” of UMNO politician.

We felt that the Sarawak natives has been left behind in economic term. The timber sales has not given the natives much benefit - Chinese companies - Samling, Shin Yang, KTS. WTK, Rimbunan Hijau etc reap most of the money - how do Dayaks loose such riches - if not for the self interest of those in power. All these must change!