

The Malay Mail - Finance Ministry: Sarawak To Get RM350M For School Repairs Provided RM350M Loan Repaid

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Finance Minister Lim Guan Eng said the federal government is ready to extend RM350 million to the Sarawak State Government to repair dilapidated schools in the state when the state government pays back its loan of the same amount to the federal government. — picture by Yusof Mat Isa

KUALA LUMPUR, July 22 — The federal government is ready to extend RM350 million to the Sarawak state government to repair dilapidated schools in the state, said the Ministry Of Finance.

However, this can only be achieved when the Sarawak state government pays back its loan of the same amount to the federal government, said Finance Minister Lim Guan Eng.

In a media statement today, Lim said that Sarawak Chief Minister Datuk Abang Johari Openg had agreed to pay back RM350 million to the federal government, which is the first phase of loan payment amounting to RM1 billion.

“The Chief Minister of Sarawak expressed his willingness to refund RM350 million in the near future. After that, some things will be finalised such as the implementation scheduled, the list of schools and the tender process for the project.

“With the spirit of cooperation and the sincere intention of all parties, the Ministry of Finance is confident that the first phase of the school repair project will be implemented before the end of 2019,” he said.

Lim said the government agreed in principle to accept part of the RM1 billion loan payment by Sarawak state government to be used for school repairs which are also subject to the prescribed four legal mechanisms which were agreed by both sides.

The legal mechanism is for Sarawak to pay the RM1 billion loan into a Consolidated Fund, the federal government will channel the same amount as repaid by the state government as allocation for use for projects to repair dilapidated schools in Sarawak, repair works for schools in Sarawak should be offered in an open tender process and the government will take into account the priority of the Sarawak government in determining the schools to be repaired.

Lim added that Sarawak still owes the federal government RM1.352 billion even if they managed to pay the RM1 billion loan.