

*Senior Minister  
Singapore*

11 March 2002

*Dear Mahathir*

Thank you for your reply of 4 March 2002 enclosing Malaysia's proposals on the package of issues that I received on 6 March. Singapore is also committed to settle the package of outstanding issues.

The major proposals in your latest letter have completely changed from what we have been discussing at our two meetings in August 2000 and September 2001, and as exchanged in our notes and letters subsequent to those meetings.

Our officials are studying the details of your proposals. When they have worked out the implications of your new offers and the formulae for the pricing of water you have used, Prime Minister Goh Chok Tong will discuss the matter with his colleagues and decide on Singapore's position. Then I will write to you again to give Singapore's response.

Once both sides have set out their respective positions, our officials, led by the two Foreign Ministers, can meet in Kuala Lumpur at a mutually agreed date.

*Yours Sincerely  
Suresh*

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