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Palawan awaits P3-B windfall from gas

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PUERTO PRINCESA—The provincial government is expecting the release of at least P3 billion as its royalty shares from the Malampaya natural gas project in northern Palawan as part of an agreement it forged with the national government.

The amount is less than the P12 billion earlier reported as the accumulated share of the province from the natural gas royalty currently being contested by both parties at the Supreme Court.

Royalties from the Camago-Malampaya gas reserves off El Nido town have accumulated since 2002, with neither the national government nor the provincial government being able to utilize the funds because of the legal dispute on sharing.

Describing the provisional interim agreement as a “breakthrough” in the dispute, Vice Gov. David Ponce de Leon told the provincial board on Tuesday that the unfreezing of the funds would help major provincial projects.

“The joint utilization of this money will ensure the speedy implementation of projects identified in the annual investment plan of the province,” De Leon said.

He explained, however, that the actual amount to be released to Palawan “is subject to the availability of cash” as stated in the agreement.

Although Palawan’s total share from the Malampaya project is around P12 billion, he said “the national government is not in a position to release that amount.”

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