

**Wednesday July 1, 2009**

## **PKA defers RM660m payout for PKFZ project**

By WANI MUTHIAH

PORT KLANG: The Port Klang Authority has decided to withhold RM660mil in payments due to Kuala Dimensi Sdn Bhd (KDSB) for the Port Klang Free Zone (PKFZ) project pending completion of a full review of the controversial project. Its chairman Datuk Lee Hwa Beng said the board had decided to do this pending the review by the task force already commissioned to take another look into PKFZ.

The authority was supposed to have paid to four companies which were special purpose vehicles created by KDSB and to which the alleged debts under agreements were assigned by KDSB. The four companies created by KDSB are Special Port Vehicle Bhd, Transhipment Megahub Bhd, Valid Ventures Bhd and Free Zone Capital Bhd.

The amount payable in four parts in the months of June and July are:

- RM130mil allegedly payable on or before Tuesday under the Sale and Purchase agreement dated Nov 12, 2002 between KDSB and PKA;
- RM230mil allegedly payable on or before Tuesday under the Development agreement dated March 27, 2004 between KDSB and PKA;
- RM150mil allegedly payable next month under the supplemental agreement for additional development works dated Nov 30 between KDSB and PKA and
- RM150mil allegedly payable next month under the supplemental agreement for new additional development works dated April 26, 2006 between KDSB and PKA.

The special task force, headed by senior lawyer Vinayak Pradhan of legal firm Skrine, was recently commissioned to take another look into PKFZ. As announced previously, the PKA has commissioned the task force to make recommendations on the type of action to be taken based on the PriceWaterhouseCoopers report. "The PKA board has resolved, on the basis of preliminary and provisional views obtained, to withhold these payments pending the completion of the full review by the task force," Lee told a press conference after the PKA board meeting.

Lee was also quick to add that the payments were not deferred because the PKA did not have the money to pay up. "The RM660mil has already been made available to the PKA by

the Finance Ministry,”. He said the payment was only being deferred and not stopped. “The only reason we are deferring payment is because the investigations are still under way,” he said. When asked if he was expecting KDSB to initiate legal action against PKA, Lee said: “Its up to them to take legal action. They may take legal action or they may not but PKA is prepared if KDSB sues the authority.” He added that it would determine PKA’s true liability.

Meanwhile, KDSB group deputy chief executive officer Datuk Faizal Abdullah said the PKA’s decision was unfair and underhanded. “As far as we are concerned, we have completed the project and have transferred the land title to them even though we have not been paid in full,” said Faizal. He added that PKA should have communicated with KDSB before making such a decision. The decision to defer payment has a grave implication as the funds to carry out the necessary work had been obtained with the issuance of bonds, he said.

“So the payment that should have been made to us would have gone to the bond holders, mainly local and foreign financial institutions,” he added.

## **Wednesday July 1, 2009**

### **Ramon: Payments should not be made during probe**

By ROYCE CHEAH

PETALING JAYA: As long as Kuala Dimensi Sdn Bhd (KDSB) is under investigation, there should not be any transactions of any kind taking place. Former Transparency International Malaysia president Tan Sri Ramon Navaratnam said there was no point in having a serious investigation while paying the company for services that are now being questioned. “It would make a mockery of the panel. This is only good business practice.” Ramon was commenting on Port Klang Authority’s (PKA) move to withhold payments due to KDSB for the Port Klang Free Zone project pending the completion of the full review by the task force. “The company must accept that it is in their interest for the public to see that justice is being done otherwise they will get a bad reputation in the eyes of the public.”

Ramon said both sides should remember, rules notwithstanding, that public perception and judgment was more important in the long term. Public Accounts Committee member, Tony Pua, said he fully supported the action and that all payments should be withheld until all suspicion of wrongdoings were removed. “And if there were wrongdoings, they should sue for what rightfully belongs to the government,” he said.

Indian Chamber of Commerce and Industry Selangor president P. Muguntha said PKA has taken a bold step by withholding payment to KDSB. “Public funds should be carefully managed and this is what PKA seems to be doing at this point of time,” he said. Bar Council president Ragunath Kesavan also said that PKA has made the right move. “Whichever way, it’s going to result in litigation. In addition, if there’s wrongdoing involved, the payment should not be made,” he said.

**Wednesday July 1, 2009**

**Yeow: Unfair to blame Ong for PKFZ debacle**

SEREMBAN: The Opposition should commend Transport Minister Datuk Seri Ong Tee Keat for the manner in which he handled the Port Klang Free Zone (PKFZ) debacle instead of blaming the first-term minister over the fiasco. They should also realise that it was Ong who insisted that a report be lodged with the Malaysian Anti-Corruption Commission (MACC) over the matter and that an audit be carried out to determine what went wrong. Negri Sembilan MCA liaison committee chairman Datuk Dr Yeow Chai Tiam said it was unfair for the Opposition, particularly DAP adviser and Ipoh Timur MP Lim Kit Siang, to continuously harass Ong over the PKFZ issue. Dr Yeow said Lim should acknowledge and have the decency to admit that Ong had been instrumental in commissioning a professional audit on PKFZ and to make the findings public.

“Ong has exhibited integrity, transparency and accountability in handling the PKFZ fiasco.” He even declassified official government documents and obtained the Cabinet’s approval to release the PricewaterhouseCoopers report to the public in its entirety,” he told reporters at a media conference attended by several state leaders at Wisma MCA near here. Dr Yeow said the public should also take note that Ong had formed three committees comprising professionals to review the report and make recommendations to move the PKFZ forward as a viable entity. “The report has been released for all to see and examine. It may have taken some time but it is better late than never,” he said.

He said Ong should also be commended for publicly stating that his ministry would take all measures to look at possible remedies within its jurisdiction to protect public interest. “Ong has been steadfast in wanting to keep his promise that he is all for transparency, to come clean on issues such as PKFZ and zero tolerance to corruption and mismanagement,” he said.

Dr Yeow said if the Opposition had constructive input, Ong, who is also MCA president, had stated that he was more than happy to hear them out. “If Lim is a patriot, he should be willing to take up this challenge and do some national service,”. Dr Yeow also urged the public not to associate the PKFZ issue with the MCA. “This is a national issue. It is also our hope that our component members in the Barisan Nasional will stand up in support of Ong,” he said.

He also asked why Barisan Youth members, namely Umno, MCA and MIC, were so silent when in the past they had prided themselves to be in the forefront against all forms of betrayal and deviation of public trust.

“When are they going to stand up and speak up?”. He added that if there were indeed wrongdoings in the PKFZ issue, the police and the MACC would carry out their duties professionally.

**Wednesday July 1, 2009**

### **Johor plans RM7b rail project**

JOHOR BARU: The Government is planning a double-tracking rail project worth about RM7.5bil in the state with Keretapi Tanah Melayu Berhad (KTMB). Local Government, Housing, Arts, Culture and Heritage Committee chairman Datuk Ahmad Zahri Jamil said the proposed project would be under the 10th Malaysian Plan. "It will also cover rail bridge crossings statewide. Among the affected bridges are those in Jalan Abad, Century Garden, Jalan Kebun The, Jalan Stulang Baru and Kampung Melayu," he said at the Johor State Assembly here yesterday.

He told Adam Sumiru (BN - Tanjung Puteri) that the proposed project was estimated to cover 197km of rail tracks across the state. "However, the proposed project is subject to the approval of the Transport Ministry as well as the Economic Planning Unit (EPU)."

On another matter, State Tourism, Domestic Trade and Consumer Affairs Committee chairman Hoo Seong Chang said the state government was planning to aggressively promote Gunung Berlumut in Kluang as an eco-tourism destination. He said the destination would cater to many activities based on its many attractions.

"Among the attractions are a scenic waterfall and a jungle trail for those who like to hike to the tip of the mountain. The destination also has 30ha of forest filled with many plants and trees for nature lovers." Hoo added that among the facilities at the destination were chalets, a food court, camping sites and a hanging bridge. "The state government is also planning international events at the destination to attract foreign tourists," he added.

**Wednesday July 1, 2009**

### **Future plans for Putrajaya on display**

By GEETHA KRISHNAN

THE early publicity exercise to highlight the preliminary findings of a survey carried out last year for the Putrajaya Draft Structure Plan 2025 is now taking place in Putrajaya. The public can visit the Conference Hall lobby at the Perbadanan Putrajaya Complex on Persiaran Perdana in Precinct 3, from 8.30am to 5.30pm daily, till July 22 to get a better picture of the future plans for Putrajaya. The exercise, carried out in accordance with Sections 9 and 13 (2) of the Town and Country Planning Act 1976, marks the second stage in a five-tier process, to end with the unveiling of the Putrajaya Structure Plan 2025.

A structure plan details a local authority's policies and proposals concerning development and land use in accordance with Section 7 and Section 11 of the Town and Country Planning Act 1976. It is subject to a review every five years. Perbadanan Putrajaya (PPj)

city planning director Omairi Hashim said the process involved presenting the survey report and carrying out publicity on the survey, drafting the structure plan, obtaining feedback and objections to the draft and finally, fine-tuning the draft and gazetting the structure plan.



**Feedback welcome: Omairi pointing to a section of the Putrajaya map at the ongoing publicity exercise for the Putrajaya Draft Structure Plan 2025.**

“The publicity exercise for the Putrajaya Draft Structure Plan 2025 is being carried out simultaneously with the Putrajaya Local Plan for Precincts 5, 6 and 20 as well as Precincts 16, 17, and 19,” he said. “The previous structure plan involved planning for Putrajaya and part of Sepang in Selangor. The new plan only encompasses Putrajaya,” he added.

Omairi also said the urban economy component of Putrajaya will remain a main focus with Putrajaya functioning both as an administration centre as well as a tourism and commercial hub. “Twenty ministries are currently based here and four more will move here by 2010. They are the Housing and Local Government Ministry, Tourism Ministry, Information, Communications, Culture and Arts and the Women, Family and Community Development Ministry,” he added.

The local plan for Precincts 5, 6 and 20 is targeted at commercial development along the lakefront, high-end residential projects, an active tourism belt and area for water-related events. Feedback is welcomed and the public can fill out forms available at the lobby or by visiting [www.ppj.gov.my](http://www.ppj.gov.my)

**Thursday July 2, 2009**

## **PAC to call Tiong and ex-Transport Ministers**

By LEE YUK PENG and FLORENCE A. SAMY

KUALA LUMPUR: Backbenchers Club chairman Datuk Seri Tiong King Sing and two former Transport Ministers will be called before the Public Accounts Committee as part of investigations into the Port Klang Free Zone issue. Committee chairman Datuk Seri Azmi Khalid said that others who could be called before the committee are Transport Minister Datuk Seri Ong Tee Keat, who has been pushing for the issue to be made public, and his predecessors Tun Dr Ling Liong Sik and Tan Sri Chan Kong Choy. Tiong is also chief executive officer of Kuala Dimensi Sdn Bhd (KDSB), the turnkey developer of the PKFZ.

Azmi said any other person relevant to the investigations could also be called to give their side of the story if necessary. "It is also a chance to clear their names," he told reporters at the Parliament lobby here yesterday. Azmi, however, said that being called did not mean that those people were guilty. He said the committee decided to meet twice a week to speed up its probe into the issue. This would enable a report on its findings to be ready for tabling before Parliament in October, he added.

Azmi said the committee had also finalised a set of legal questions for the Attorney-General's Chambers to see if any law had been violated. The committee will meet again on July 15. Meanwhile, Kuala Dimensi Sdn Bhd has filed a libel suit over the PKFZ report and warned that more legal suits may follow. The company named the Port Klang Authority and PricewaterhouseCoopers Advisory Services (PwCAS) Sdn Bhd as defendants. In the suit filed yesterday, KDSB claimed that the PKFZ report contained various allegations which "are highly damaging of its reputation and trade."

KDSB group deputy chief executive officer Datuk Faizal Abdullah, in a statement, said the company had to sue to protect its rights and the interest of investors. On Tuesday, PKA announced it had decided to withhold RM660mil due to KDSB pending completion of a full review of the project.

## **Thursday July 2, 2009**

### **Tee Keat: I will cooperate in PAC probe**

PUTRAJAYA: Transport Minister Datuk Seri Ong Tee Keat will cooperate if he is called up by the Public Accounts Committee (PAC) to give his statement over the Port Klang Free Zone (PKFZ) issue. He said the committee had the right to call up anyone to give their statement after receiving the audit report by PricewaterhouseCoopers. "They can call up anyone, including myself. I will give the cooperation needed," he told reporters after receiving the inaugural AirAsia flight from Taipei at the LCCT here yesterday.

Ong was commenting on committee chairman Datuk Seri Azmi Khalid's decision to call up current and former ministers, Port Klang Authority officers and stakeholders for statements. He said the move by the PAC showed that there was nothing the Transport Ministry intended to hide from the public when it revealed the audit report as accused by certain quarters.

On the issue of air routes, Ong said there were a few factors to consider when asked if the ministry was giving the green light for low-cost carriers to operate new routes to South Korea, Japan and Sydney. "These are existing routes that are serviced by our full service carriers. "We need to look at the current passenger load, the market potential and how well it can develop before making any decision," he said.

Ong said that eventually, AirAsia would have to decide when it wanted to start operating these routes. AirAsia Berhad group chief executive officer Datuk Seri Tony Fernandes, meanwhile, said there has not been any cancellation of flights because of the influenza A (H1N1) outbreak. "In fact, our sales have doubled after we reduced the administration fees for our tickets. "We also see an increase in sales in our overseas market," he said.

**Thursday July 2, 2009**

## **Reserve land cleared for reforestation**

**Story and photos by STUART MICHAEL**

CLEARING work has started on 443ha of forest reserve in Rantau Panjang in Hulu Selangor as part of efforts to prepare the site for reforestation. The site is part of the 10,000ha forest reserve in Rantau Panjang and the nearby Bukit Terak in which reforestation efforts are being undertaken to bring revenue to the state. Instead of replanting the area with higher quality logs, the existing *Acacia mangium* trees will be replaced with rubber trees.



**For replanting: This signboard shows that rubber trees will be planted on 443ha in Rantau Panjang, Hulu Selangor .**

According to Selangor Forestry Department assistant director (operations and enforcement) Mohd Yussainy Md Yusop, the trees at the Rantau Panjang forest have been there since the 1980s and the time was right to harvest them. "In fact, the *Acacia mangium* trees there are supposed to be cleared every 25 years and it is now almost 30 years. "We are sad that the habitat of wildlife in the area will be affected but, due to the price of development, we have to make sacrifices," Yussainy said.

"It is the responsibility of the other government agencies to look into the wildlife and transport any animals that are there into another forest. "Anyway, the monkeys in Jalan Rawang-Batu Arang are a common sight with motorists feeding them and throwing rubbish," he said.



**Massive clearing: A barren hilltop shows the clearing of the forest in Rantau Panjang, Hulu Selangor.**

Yussainy was commenting on the influx of monkeys along Jalan Rawang-Batu Arang. In an earlier statement, Selangor state agriculture modernisation committee chairman Yaakob Sapari said the clearing of the acacia trees was scheduled to be completed by this month and it was aimed at replacing the existing trees with new trees that would be able to generate more income for the state. He said the value of the *Acacia mangium* trees was about five times lower than the trees to be planted by the state.

Yaakob said the acacia trees were not the original trees from the forest and their findings revealed that the trees had been transplanted following a logging exercise. "They have cleared the logs from the forest before planting the *Acacia* species which has not much value compared with the original trees. We don't know why they did this," he said.



**All that remains: Some of the greenery has been left behind during the massive clearing operation.**

Yaakob said the state had taken all measures to ensure that the reforestation exercise would not cause any harm to the environment and had also determined that the forest was not a water catchment area.

**Saturday July 4, 2009**

### **PKFZ: 'My conscience is clear,' says Ling**

**PETALING JAYA:** Former transport minister Tun Dr Ling Liong Sik says his conscience is clear and he has no problems facing enquiries from the Public Accounts Committee (PAC) on the Port Klang Free Zone issue. Dr Ling said he had not been summoned to help with investigations despite an announcement in the newspapers that he would be called before PAC.



"I am now announcing my intention to attend if they invite me. I have not received any notice. Once I received it I will be happy to respond," he told newsmen after presenting prizes for a memory competition at the Malaysian Mental Literacy Movement's talk at Universiti Tunku Abdul Rahman on Saturday. Asked if he would inform the committee all he knew on the issue, he said all the facts had been recorded in the PricewaterhouseCooper (PwC) audit report.

Asked if that meant his conscience was clear, Dr Ling replied: "If my conscience is not clear, where would I be?" The former MCA president added that he would not engage the services of a lawyer at the moment as he did not want to pre-empt matters. Asked if he would take legal action if his image was tarnished during the enquiry process, he said as long as it was the truth, he did not mind having his name mentioned in the audit report.

Dr Ling said he was happy that the audit report had been made public and an internationally known team of accounts was called to look into the documents. "These are experts. I presume they have completed their investigations. "I think the facts are all there. Allow them to finish their work and whoever is interested to look at the facts," he said, adding he has not seen the full report.

## **Saturday July 4, 2009**

### **MCA man: Kit Siang must have seen PKFZ report appendices**

PETALING JAYA: An MCA politician has questioned DAP adviser Lim Kit Siang's claims that he has not seen the appendices of the Port Klang Free Zone (PKFZ) report. Pahang MCA liaison committee chairman Datuk Hoh Khai Mun said Lim had reportedly been to the Port Klang Authority (PKA) office several times to look at the appendices himself, registering his personal particulars like his name and MyKad number each time he went there.

"Is Lim now denying that he has gone to the PKA office to look at the PricewaterhouseCoopers (PwC) appendices, or has he fallen victim to an identity thief?. "If so, is he willing to lodge a police report?. "Or is Lim prepared to own up to the fact that he has misled the public by giving the false impression that he has not seen the appendices at all?" Hoh said in a statement yesterday.

He also asked Lim whether he was now denying there was no Pakatan Rakyat member in the Public Accounts Committee (PAC) since all PAC members have been furnished with the full report, including appendices. "Isn't the PAC deputy chairman from the DAP?" he asked.

Meanwhile, Penang MCA liaison committee secretary Tan Hiang Joo said Lim was using the PKFZ issue to distract the public from Pakatan's internal woes. He said Lim's "three questions" a day in Parliament on PKFZ sounded like a broken record.

In George Town, the state MCA committee and its 13 divisions and Youth and Wanita wings urged Lim to stop confusing the public on the PKFZ issue. "He should instead take care of his own house. The Pakatan Rakyat state governments are in complete disorder," the party said in a press release yesterday.

**Tuesday July 7, 2009**

## **Khair Toyo in bungalow row**

By WANI MUTHIAH

SHAH ALAM: Former Mentri Besar Datuk Seri Dr Mohd Khir Toyo is again embroiled in controversy, this time over his sprawling bungalow in Section 7 near here. The still empty bungalow which was estimated to cost RM24mil, was said to have been built on two bungalow lots. It was claimed that Dr Mohd Khir had bought the lots for RM2.9mil and RM900,000 respectively before building his bungalow. He was also alleged to have spent about RM20mil on fixtures as well as furniture imported from Bali.



**Subject of controversy: A view of Dr Mohd Khir's sprawling bungalow in Section 7.**

The issue on Dr Mohd Khir's bungalow first surfaced in a blog during the run-up to the Umno election early this year. The blog also carried aerial photographs of the bungalow. Yesterday, Sekinchan assemblyman Ng Suee Lim accompanied members of the media to view the bungalow from up close. He also raised questions on how Dr Mohd Khir had financed its construction. From a small hill behind the bungalow, several other smaller buildings could be seen around the bungalow which was surrounded by a beautifully manicured lawn.

The whole area is protected by a very high wall, part of which seems to be made of broken marble. The front gate is massive, and of ornately carved steel while the side entrance of the gate is a carved wooden door. Ng claimed the bungalow has a swimming pool and a playground, although they could not be seen from the hill.

Ng questioned how Dr Mohd Khir could afford to build such a huge bungalow on his Mentri Besar's salary. Urging the Malaysian Anti-Corruption Commission to investigate the matter, Ng also questioned how Dr Mohd Khir could have purchased the second bungalow plot for only RM900,000 when its market price was much higher. "He was only a dentist

and had even lived in a rented house in Sekinchan before becoming an assemblyman. How could he have amassed so much money to buy this property?" he asked.

Ng also passed to reporters copies of land search documentation, which he claimed confirmed that Dr Mohd Khir and his wife Datin Seri Zaharah Kechik were the owners of the land where the bungalow was built. This is the latest controversy that Dr Mohd Khir had to contend with since the last general election when Barisan Nasional lost Selangor to Pakatan Rakyat.

In March he was summoned before the Select Committee on Competence, Accountability and Transparency (Selcat) regarding the disbursement of state agency funds to Balkis – the Wives of Selangor Assemblymen and MPs Welfare and Charity Organisation – when he was the Menteri Besar. In May, he was suspended for a year from the state assembly without privileges for his refusal to appear before the committee.

**Tuesday July 7, 2009**

### **Former Selangor MB plans to sue Ng over allegations**

SHAH ALAM: Former Menteri Besar Datuk Seri Dr Mohd Khir Toyo is fed-up with all the baseless allegations that have been levelled against him. The latest allegation that his bungalow in Section 7 here had cost RM24mil is the last straw. He said he would take DAP's Sekinchan assemblyman Ng Suee Lim to court for making such an allegation.

Dr Mohd Khir said Ng had defamed him and tarnished his reputation by levelling the allegations against him without evidence. "I cannot tolerate this any more. I will sue him for his attempts to tarnish my reputation," he said. Dr Mohd Khir said there was nothing for him to hide with regard to the house. "I bought the house for RM3.5mil with a loan I obtained from HSBC. I did not buy the land and build the house on it as claimed by Ng," he added.

Dr Mohd Khir said he had only replaced the roof and done some minor renovations but had not moved into the premises yet. "My contractor has absconded and the work has yet to be completed. That is why I haven't moved into the house yet," said Dr Mohd Khir.

He said work on the bungalow was done gradually over a three-year period as he was paying for the renovation in stages. Dr Mohd Khir also asked Ng to help sell the house for him if it could really fetch RM24mil as he had claimed. "If he can do this, I will give him a 50% commission and use the remaining RM12mil to pay off HSBC and buy a house in Damansara," he said.

**Tuesday July 7, 2009**

**PKA board to release repayment to Kuala Dimensi**

PETALING JAYA: The Port Klang Authority (PKA) board has decided to release the agreed repayment due to Kuala Dimensi Sdn Bhd, the turnkey developer of the Port Klang Free Zone (PKFZ). PKA chairman Datuk Lee Hwa Beng said the board made the decision after taking into consideration the appeal from the trustees for the four bondholders – the special purpose vehicles set up by Kuala Dimensi – and to which PKA was supposed to pay the money to. The four are Special Port Vehicle Bhd, Transshipment Megahub Bhd, Valid Ventures Bhd and Free Zone Capital Bhd. “PKA has also received instructions from the Treasury that the board be mindful of the implications that might affect the confidence of local and foreign investors in the Malaysian private debt securities market,” Lee said in a statement yesterday.

On June 30, PKA announced that it was deferring payment to the companies pending a review of the PKFZ matter by the task force it set up. Lee said the trustees had written to the board on July 3, detailing the consequences of non-payment. He said the bondholders as well as holders of commercial papers and Medium Term Notes would enforce securities due to them if payment was not made on the due dates. In a related development, former Transport Minister Tan Sri Chan Kong Choy said he was willing to appear before the Public Accounts Committee to answer queries on the PKFZ project. Chan, who took over the transport portfolio from Tun Dr Ling Liong Sik in 2003, was one of the figures named in the Pricewaterhouse-Coopers report on the controversial project.

**Wednesday July 8, 2009**

**PKFZ culprits must pay, says Ong**

PETALING JAYA: Those responsible for the irregularities in the Port Klang Free Zone (PKFZ) project must be brought to book and every “overpaid sen” must be recovered, Transport Minister Datuk Seri Ong Tee Keat said. He said this was what the public would expect at the end of the day. “I expect the task force on PKFZ to expedite investigation and submit its recommendations to the Port Klang Authority and Transport Ministry as soon as possible,” he wrote on his blog yesterday.

He said there had been allegations that the authority had wrongly reversed its decision to release the repayment amounts due to Kuala Dimensi Sdn Bhd - the turnkey developer of PKFZ - and the bondholders. Ong said he was told that the authority’s board had agreed to the repayments for two reasons. “There was an appeal from the trustees of the bondholders indicating the consequences of non-payment and possibility of the trustees taking action. “There were clear instructions from the Finance Ministry to release the repayment amounts due,” he said.

PKA board chairman Datuk Lee Hwa Beng had on Monday said that the board made the decision after taking into consideration the appeal from the trustees for the four bondholders. Lee had said the payment was made without prejudice, on a reservation of rights basis and without admission of liability. PKA would also not waver from its earlier commitment to seek legal remedies and take other appropriate action to determine its true liabilities and rights.

On June 30, PKA announced that it was deferring payment to four companies which were special vehicles set up by Kuala Dimensi pending a review of the matter by the task force. Meanwhile, it was reported that PKA, after its board meeting on Monday, made a payment of RM360mil which fell due on June 30 to two of the four companies. The remaining RM300mil would be paid out by the end of the month to the other two companies.

**Wednesday July 8, 2009**

## **Sand worth millions being mined from TNB reserve land**

**Story and photos by ELAN PERUMAL**

A SYNDICATE is stealing sand worth millions of ringgit from a TNB reserve land near Desa Kuala Garing in Rawang, right under the noses of authorities. The big-scale illegal sand-mining operation has been going on for almost six months and residents are alleging that some Gombak Land Office personnel are protecting the culprits. They claim that vehicles from the land office are frequently seen in the vicinity. Residents have also expressed fears that the activity would result in a major disaster as the encroachers had gone much closer to the electrical pylons in the area.



**Greener pasture: More mining taking place near the farmland.**

Several farms operated by locals had also been destroyed in order to make way for the activity. A check by *StarMetro* revealed that heavy machinery is a common sight in the area. Within minutes of arriving at the mining area, two four-wheel drive vehicles and a car came close to the vehicle that was taking me into the area. I sensed danger and when a local offered me a ride on his motorcyle, I quickly climbed on to the back seat and entered deeper into the area where I captured the activities on film. After realising that I was being closely watched and followed, the motorcyclist decided to take me out of the area through a narrow path that led to the main road.



**Bad state: Jalan Kuala Garing has been damaged by the heavy vehicles entering the area. During the time spent in the area, I also saw a black four-wheel drive which belonged to the Gombak Land Office in the area.**

Not happy with the photographs I had taken, I decided to go into the area again via the farms. After walking quite a distance, I managed to take the photographs that I wanted. According to the Kuala Garing Village Security and Development Committee secretary M. Ravi, the sand-mining activity had been going on since February. He said they had encroached into two thirds of the Kuala Garing forest which belonged to the Selangor government. "I was told that they will work in the area for another year before the land is fully cleared of the sand," he said.

Ravi said the digging activity had widened and was now near the foot of the pylons and that what used to be a stream had become a river.



**Dangerous: Residents fear that the electrical pylons would collapse if the sand-mining activity continues.**

"This is a stream that connects to Sungai Rawang and now this looks like a river to me," he said, pointing at the stream. Ravi said the sand-mining activity would start as early as 4am daily and go on till 6pm. He said Jalan Kuala Garing, which connects Jalan Rawang to several housing estates, four schools and the mining land, had also been also damaged by the heavy vehicles. "The vehicles also cause massive traffic congestion at the junction enroute to Jalan Kuala Garing from Jalan Rawang. There are four schools near the junction and the vehicles are a nuisance to the motorists," he said

N. Parameswaran, 44, said the syndicate's activities had destroyed his jasmine flower farm. He said he had been growing the flowers on the land for seven years before it was taken over by the syndicate. "I was away on holiday for two weeks and they cleared my land during my absence," he said, adding that he had lost a monthly income of RM2,000 due to their action.

Parameswaran said he had protested and pleaded with the syndicate members but to no avail. He said they had even threatened him and told him that there was nothing he could do to stop them. State Agriculture chairman Yakob Safari, when contacted, said that the mining activity was illegal and the state was investigating allegations that the officers from the district office were involved.

**Thursday July 9, 2009**

### **Tee Keat: Huge waste if PKFZ scrapped**

PETALING JAYA: It will be a huge waste of taxpayers' funds to scrap the Port Klang Free Zone (PKFZ) project. Transport Minister Datuk Seri Ong Tee Keat said cancelling the project would not wipe out the existing debts incurred by the development. "Actually, the project is still attracting many investors," he said, adding that an exco committee had been set up to aggressively promote PKFZ to investors worldwide. "By closing it entirely, it will be the people who have to bear the losses. If we shut it, how are we to settle the arrears?" he asked.

Ong was responding to a question from a viewer on TV1's *Dialog*, as he went on air last night to address the PKFZ issue. To a question from the show's anchor Sayed Munawar, Ong said the RM4.38bil soft loan given out by the Finance Ministry was not a bailout. "Calling it a bailout is a personal perception. We need not only repay the soft loan, but with interest as well," he said.

He added that there was no indication that the loan, which has a 4% interest rate and 20-year repayment period, would be rescheduled. Ong also rebutted allegations that he was trying to hide the PKFZ report compiled by auditing firm PricewaterhouseCoopers (PwC), saying that the report was widely available in the public domain, including the PKFZ website. "Some parties, in particular the DAP, are purposely twisting the facts. Copies of the report have been submitted to the Parliament secretariat, but it has not been distributed to MPs. "Maybe they want to distribute it together with the Public Accounts Committee report. That's not within my powers (to distribute the report to MPs)," he said.

He added that there were also no efforts to conceal the supporting letters issued by previous Transport Ministers for the project as they had been included in the appendix of the PwC report. On the land purchase price, Ong said it was considerably higher as the Government did not use the Land Acquisition Act.

The 404ha land was bought at RM25 per sq ft from Kuala Dimensi Sdn Bhd, although it could have been acquired at RM10.16 per sq ft. "The Selangor state government felt it was not appropriate (to acquire the land) as the project did not directly benefit the public but was for economic activities," he said.

**Friday July 10, 2009**

## **Aquatic complex declared unsafe**

KUALA TERENGGANU: The Works Ministry has ordered the Batu Burok Aquatic Complex to be closed to the public immediately until it is declared safe, said Minister Datuk Shaziman Abu Mansor. "We are concerned about the myriad defects. The facility will be temporarily closed until it is declared safe to be utilised," he said.

He had a first-hand look at the problems at the complex here yesterday. He was accompanied by Public Works Department director-general Datuk Seri Judin Abdul Karim.



**Height of dismay: Shaziman (second from right) looking at the poor roofing condition of the Batu Burok Aquatic Complex Thursday.**

Shaziman said there were visible leaks which could have caused the steel structure to corrode, although the venue was only opened last year. The Aquatic complex under the purview of the Kuala Terengganu City Council was constructed at a cost of RM18mil and was used for the Malaysia Games last year. On the probe on the collapse of the Sultan Mizan Zainal Abidin Stadium roof in early June, Shaziman said a preliminary report would be released in 10 days.

Shaziman said the PWD would also mobilise its engineers and architects to conduct periodical safety checks on all mega projects. He said the checks would focus on the type of materials used and whether work was being carried out as scheduled.

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## **Assemblymen discover new illegal sand mine on surprise visit**

By **STUART MICHAEL**

NINE lorries and four excavators were seized in the Gombak District during the last two months in the wake of the increase in illegal sand-mining activities in the area. The vehicles were seized from illegal mines in Kuang and Kundang. However, no arrests were made. This was revealed during a surprise visit by Rawang assemblyman Gan Pei Nei and Sri



Muda assemblyman Mat Shuhaimi Shafiei recently to Taman Tun Perak in Rawang to check on the illegal activity.



**Evidence: Fresh excavator tracks can be seen at the new illegal site which Gan and Shuhaimi discovered during their recent surprise visit to Taman Tun Perak, Rawang.**

Mat Shuhaimi, who is a special assistant to Selangor state agriculture modernisation committee chairman Yaakob Sapari, warned all operators that those who conducted sand-mining activities illegally would be blacklisted by the state. "We are cracking down on the illegal operators and have conducted joint operations with the police, Land Office, Road Transport Department and other authorities. "We appreciate the public providing us with information on these activities and hope we can bust this huge syndicate. The state is losing millions of ringgit due to illegal sand-mining and this has to stop," he said.

According to Gan, she received complaints from residents last month and visited the site several times. She also forwarded the complaints to Gombak Land Office district officer Huzaini Samsi, Menteri Besar Tan Sri Khalid Ibrahim and Yaakob. "The illegal sand-mining in Taman Tun Perak has been taking place for more than a year. The operators conducted their activities after 5pm to evade the authorities," Gan said.

During their surprise visit, Gan and Mat Shuhaimi noticed that the operators were stealing sand at a new site without obtaining any permits. Gan said the contractor had been given two months to remove sand from a specific lot but they discovered that the contractor had excavated a new site without any state approval and Shuhaimi ordered the contractor to stop its operations immediately. Last week, Gan had seen a contractor taking sand samples and asking the lot owners for the sand. She had told the contractors then that any sand-mining there was illegal as the lot owners had never received any permits from the state, and warned those who encroached on the land that they would be prosecuted.