

Saturday August 15, 2009

MCA leaders back Ong's efforts to probe PKFZ

PETALING JAYA: Several MCA leaders have expressed their support for party president Datuk Seri Ong Tee Keat's efforts to probe the Port Klang Free Zone (PKFZ) issue. Wanita MCA chief Datin Paduka Chew Mei Fun Chew said, "Ong is not afraid of the threats and character assassination levelled against him."



Supporting the leader: Chew (seated, centre) expressing her support for Ong during a press conference to raise funds for the victims of Taiwan's Morakot Typhoon yesterday.

She added that Kuala Dimensi Sdn Bhd CEO Datuk Seri Tiong King Sing had achieved his objective as the media's focus was on the so-called RM10mil "donation" rather than on the investigation into the issue. "We hope the public can see the truth, which will surface sooner or later," she said. MCA Youth chief Datuk Dr Wee Ka Siong said the movement supported Ong's move to lodge a police report against Tiong for making baseless allegations against the party president. "MCA Youth will back the party president and give him our full support," he told a press conference after chairing the movement's political bureau meeting here yesterday.

In Ipoh, Perak MCA chief Datuk Seri Kong Cho Ha said it was totally unacceptable for Tiong to allege that he had given Ong RM10mil. Speaking at a press conference at the Perak MCA headquarters here, Kong said the Perak liaison committee fully supported Ong's action in demanding that Tiong retract his statement within a week. "Perak MCA will never allow Tiong to ruin the party's image," he said yesterday. He added that the Perak MCA also supported Ong in finding out the truth behind the PKFZ controversy. "To protect the MCA and Barisan Nasional's integrity, the controversy should be investigated till the end," added Kong, who is also the party's vice-president.

Saturday August 15, 2009

MCA to hold special meet

By LEE YUK PENG and NG CHENG YEE

PETALING JAYA: A special briefing session for MCA central delegates and division leaders will be held tomorrow at Wisma MCA to discuss current issues including the controversial Port Klang Free Zone (PKFZ) project. Party president Datuk Seri Ong Tee Keat will be chairing the closed-door meeting which will start at noon. More than 1,000 central leaders and delegates from 191 divisions received the SMS from the MCA headquarters on Thursday asking them to attend the briefing. Party secretary-general Datuk Wong Foon Meng confirmed the briefing session but he denied that it was an emergency meeting. "The session is to clear the air on current issues to the grassroots, especially the division leaders," said Wong.

He said all party leaders including the deputy president, vice-presidents, Youth chief and Wanita chief were invited to the meeting. Asked whether Ong would explain the purported RM10mil allegedly handed to MCA by Kuala Dimensi Sdn Bhd CEO Datuk Seri Tiong King Sing, Wong said Ong may touch on the issue. "There will also be a question and answer session for delegates," he said yesterday.

MCA Youth chief Datuk Dr Wee Ka Siong said the briefing would be on "what had been happening over the past few days". On Wednesday, Tiong claimed that he had donated RM10mil to the party. The next day, Ong held a press conference and denied receiving the RM10mil from Tiong. Ong has also given Tiong seven days to withdraw his statement and apologise to him.

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DPM weighs in on Ong-Tiong spat

PUTRAJAYA: Deputy Prime Minister Tan Sri Muhyiddin Yassin has asked Kuala Dimensi Sdn Bhd CEO Datuk Seri Tiong King Sing and MCA president Datuk Seri Ong Tee Keat to be cautious about making their current spat public as it would affect the image of the Government and Barisan Nasional. Muhyiddin said he had no intention to advise the two on what they should or should not do because as leaders they should lead by example and be cautious over making their statements public. He said it was a matter between personalities and he would rather leave it to Ong and Tiong to deal with and manage the situation.

Muhyiddin said the matter was now of interest to the public and had to be dealt with seriously. "Now (that) there are some allegations, some insinuations and someone has lodged a report with the police – it is a matter they have to consider carefully because it does not help in terms of the image of the Government and I think the public wants to know the real situation," he told a press conference after launching the Anti-Crime Prevention Campaign here yesterday.

Tiong has claimed that Ong had received a RM10mil loan from him but the latter had denied the claim and asked Tiong to retract his statement and apologise or face legal action. Asked if he would be meeting Ong and Tiong to discuss the issue or ask the leaders not to wash dirty linen in public, Muhyiddin said the most important thing now was settling the matter and it would be up to the two men to find a solution. He said Barisan leaders did not need to be reminded because as leaders they should know what they should do and what implications their statements and accusations would have on the Government and party especially when dealing with such serious accusations.

“The moment you say something in public, the public will make an assessment of your own integrity and when you go public like this, then one tries to defend one’s position and in so doing starts creating other problems as well. “I do not want to advise but think it is important to understand the implications what they say can have on the Government, party and the public,” he added.

Meanwhile, a Barisan leader said it was Tiong who had defamed Ong first and in doing so, had tarnished the image of Barisan. “Ong represents the nation and the people in investigating PKFZ. Tiong, meanwhile, represents Kuala Dimensi, the company named in the project audit report. “Ong is suing Tiong to defend his name and also the accountability of the Barisan government,” he said, adding that Muhyiddin should also take into consideration Ong’s role in the efforts to uncover the truth behind PKFZ’s cost overruns.

Saturday August 15, 2009

RM100mil raised to topple me, says MCA president

Compiled by NG CHENG YEE, CHEN PELF YEE and A. RAMAN

FOR a second day in a row, the Chinese dailies front-paged the war of words between MCA president Datuk Seri Ong Tee Keat and Kuala Dimensi Sdn Bhd chief executive officer Datuk Seri Tiong King Sing over the Port Klang Free Zone (PKFZ) issue. Both *Sin Chew Daily* and *Nanyang Siang Pau* quoted Ong as saying that external influence was made use of to split the party and raise RM100mil in an effort to topple him. Ong said when he called for the PKFZ probe, he realised there were external efforts made to split the party and raise funds to initiate an emergency general meeting to topple him. “One week after I became president, I heard about the EGM. This means there are people who did not like me only after a week,” he told *Sin Chew*.

Ong estimated that RM100mil was sufficient to build 20 new Chinese primary schools. He said while the plan to topple him proceeded, there were also efforts made to urge MCA members to leave the party and form a new one. Ong said this at a unity dinner held in Alor Setar on Thursday night. On another matter, *Sin Chew* quoted Tiong as saying that he did not have any photographs or recording to prove that he had given Ong RM10mil. “I

sincerely wanted to help Ong to rebuild the party and that is why I did not take any photos or record it," he said.

However, Tiong said there were witnesses who could testify that the money had been given to Ong. "If Ong thinks that his reputation has been damaged, he can lodge a police report but I will not do so," he said.

> Hua Zong (the Federation of Chinese Associations Malaysia) has denied making claims that it is the "Big Brother" of the Chinese community, reported *Nanyang Siang Pau*.

Its president Tan Sri Lim Gait Tong said whether or not it was a "big brother" was less important compared to its role in leading Chinese organisations to protect the interest of the community. Recently, the Associated Chinese Chambers of Commerce and Industry Malaysia (ACCCIM) instructed the state chambers to withdraw their membership from Chinese assembly halls. It is learnt that the rift between the two organisations worsened following the squabble between their leaders on who should be given greater prominence.

It started during a dinner to celebrate the appointment of Prime Minister Datuk Seri Najib Tun Razak on June 26. It is believed that the sequence of who was called up to deliver his speech reflected the person's status in the community. The person who delivered his speech later was thought to be more prominent. Lim said the animosity between ACCCIM and Hua Zong was becoming uncontrollable and that it would only bring negative effects to the development of the Chinese community.

Sunday August 16, 2009

MACC officers quiz Kuala Dimensi CEO over PKFZ scandal

By LOURDES CHARLES

KUALA LUMPUR: Embattled Kuala Dimensi Sdn Bhd CEO Datuk Seri Tiong King Sing was quizzed by Malaysian Anti-Corruption Commission (MACC) officers over the PKFZ scandal as well as his allegations against MCA president Datuk Seri Ong Tee Keat. It is learnt that three MACC officers went to Tiong's office here on Thursday at 2pm and grilled him for more than four hours. His lawyers were also present as Tiong had been given notice of the MACC's arrival. The officers left at 6.30pm, taking along several files.

Tiong, who is Bintulu MP and also the treasurer-general of the Sarawak Progressive Democratic Party, was said to have handed over files and documents to the officers pertaining to the allegations. The MACC started investigations following reports lodged last week by Port Klang Authority chairman Datuk Lee Hwa Beng alleging that Tiong's Kuala Dimensi – the turnkey contractor for the construction of the PKFZ – was allegedly involved in possible fraud, unsubstantiated claims and overcharging amounting to hundreds of millions of ringgit.

Lee lodged the reports following the findings of a special task force set up on June 10 to look into the legal and financial aspects of PKA and PKFZ. It is learnt that the MACC also quizzed Tiong regarding his allegation that he had given MCA president Datuk Seri Ong Tee Keat a RM10mil loan. Besides Tiong, who is also the Backbenchers Club chairman, the MACC officers also questioned and recorded statements from Kuala Dimensi deputy CEO Datuk Faisal Abdullah who alleged that Ong had travelled on the company's jet without making any payment.

Ong, who has vehemently denied accepting a RM10mil loan from Tiong, has not only lodged a police report against Tiong for the alleged defamation but also gave Tiong seven days to apologise, failing which he (Ong) would initiate legal proceedings. As to the allegation that he used their company's jet without paying, the Transport Minister said that he had yet to receive the billings for the use of the jet. Ong said the wild allegations against him were the move by certain people to undermine his integrity and obligation as Transport Minister. He added that his lawyers had been instructed to file an injunction to prevent the perpetrator from making further defamatory allegations.

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Ong will honour all payments through his personal account

PETALING JAYA: Transport Minister Datuk Seri Ong Tee Keat will honour all his payments and any obligation that is due. Ong's political secretary Simon Lim said if there was any invoice requesting payment from Wijaya Baru Aviation Sdn Bhd, the minister would honour it through his personal account. "Needless to say, the payment will be made through Ong's personal account after ascertaining that the quantum is reasonable," he said in a statement yesterday. However, Lim said to date, neither Ong nor his office had received any statement or invoice requesting payment from Wijaya Baru. He said flights booked by the ministry for Ong in whatever capacity were generally confined to services offered by Malaysia Airlines, AirAsia or Firefly.

"In rare occasions when flights taken are not for official functions, these are paid for from Ong's personal account. "The services of airlines other than the ones mentioned above are only utilised in very rare cases of emergency or urgency. These are also paid for from the personal account of Ong. "I hope that this clarification will put to rest reckless speculation surrounding payments, particularly for flight services, for the minister," he said.

The minister, Lim stressed, had and would always be firmly committed to the principles of integrity and governance in the daily administration of the office of the Transport Minister. He said for example, personal letterheads were utilised in respect of correspondences of a private nature that were not related to the affairs of the ministry. Kuala Dimensi Sdn Bhd deputy CEO Datuk Faisal Abdullah had claimed that Ong had travelled on the company's jets without making any payment. The planes belonged to Wijaya, which is a sister company of Kuala Dimensi.

Sunday August 16, 2009

Director: Suspend probes involving politics

By LOURDES CHARLES

KUALA LUMPUR: The Malaysian Anti-Corruption Commission (MACC) director of investigations has suggested that all investigations involving politics be suspended temporarily with immediate effect. In a fit of frustration, Datuk Mohd Shukri Abdull said he felt that certain quarters were out to tarnish MACC's image by making vicious and unfounded allegations against the commission, especially against his officers. "The very people who talk about wanting to fight corruption themselves are creating all the problems. "Their action in barring their employees from assisting us or coming to the MACC office as well as announcing to the world their people are being investigated and highlighting them in the media is hampering our investigations," he said.

Mohd Shukri claimed that whatever the MACC did was not right in the eyes of certain political parties who kept on accusing the MACC of conspiring with the Government or were being biased and selective in their investigation. The latest trend of bringing in the media was very worrying as it put additional pressure on the witnesses or suspects, he said. "When we arrest members from the ruling Government, including ministers, MPs, state assemblymen or businessmen, we don't see them making a scene or creating a ruckus." His suggestion for a stop to all investigation on politically-related cases would mean that the probe on the Port Klang Free Zone controversy would be halted, too.

MACC deputy chief commissioner Datuk Abu Kassim Mohamed said he understood Mohd Shukri's frustration. He said investigating corruption cases required discreet and in-depth work and most importantly the cooperation of witnesses. "We want to combat corruption and if law makers themselves start creating a scene and make unfounded allegations against us, including labelling us racists, then how are we to perform effectively?" "Our job is to curb and combat corruption and we will continue to do so regardless of the allegations hurled against us. "To me it is part and parcel of our daily job hazard and we will not let such allegations break or dampen our spirit as we have been entrusted to carry out our job professionally," he added. An MACC advisory panel member said it was working under intense pressure. He said the MACC was under-staffed and under-equipped but overloaded with cases.

Sunday August 16, 2009

Groups: Those responsible must face the consequences

PETALING JAYA: The culprits responsible for the Port Klang Free Zone scandal should face the brunt of the law regardless of who they are, various groups said. Malaysian Trades Union Congress president Syed Shahir Syed Mohamud said the culprits must be brought to

court and face the consequences as it involves a large amount of public money. “The law must be enforced fairly regardless of who the culprits are. There should not be double standards. “We are talking about a large amount of public money. We should not play with the people’s trust. The public wants to know what happened to the money and what the MACC is going to do about it,” he said.

The Malaysian Anti-Corruption Commission, he said, should be very strict in its investigations. Syed Shahir said an investigation should be conducted on the allegation of a RM10mil loan which had led to a public spat between Transport Minister and MCA president Datuk Seri Ong Tee Keat and Bintulu MP and Kuala Dimensi Sdn Bhd chief executive officer Datuk Seri Tiong King Sing.

In **Kota Kinabalu**, social activist Datuk Patrick Sindu said: “The finger pointing has to stop. It is not helping to clear up the air. What is needed now is a thorough investigation on all the allegations. “The authorities concerned must get to the bottom of things because the allegations involved are very serious and involve some senior elected leaders. “The Government should even consider setting up a royal commission of inquiry to reflect the seriousness of the allegations and counter charges.”

Barisan Nasional Backbenchers Club (BNBBC) vice-chairman and Public Accounts Committee member Datuk Abdul Rahman Dahlan said: “The public deserves to know what is going on. We will leave no stone unturned. It is a serious matter given the nature and amount of money involved.” He said PKFZ officers in charge of day-to-day operations and the Port Klang Authority chairman would be called up next week as part of PAC’s inquiry into the scandal. On the purported RM10mil loan, he said it had nothing to do with PKFZ, adding that MACC should step in if there was evidence that it was public money.

Meanwhile, PAS vice-president Datuk Mahfuz Omar said a royal commission should be set up if MACC fails to wrap up the investigation in a prompt manner. Suhakam commissioner Datuk Dr Michael Yeoh commended the PKFZ board for doing the right thing by carrying out an investigation and for being more transparent. “The MACC should definitely look into the case in a thorough manner and action should be taken against those guilty of any wrong-doing,” he added.

In **Butterworth**, MCA vice-president and state chief Datuk Seri Liow Tiong Lai said Penang MCA is behind the party president in his handling of the controversial PKFZ issue. He said Ong had no choice but to defend the party’s reputation and image as it was Kuala Dimensi Sdn Bhd CEO Datuk Seri Tiong King Sing who first raised the issue in the press. He also said that a meeting between top MCA leaders and the state’s guilds and non-governmental organisations (NGOs) would be held at the City Bayview Hotel on Aug 30. Earlier in the day, Liow launched the MCA Public Services and Com-plaints Bureau roadshow, Penang leg, in The Summit shopping centre in Bukit Mertajam. The nationwide roadshow was launched in Kuala Lumpur on July 4 and ends on Oct 3.

Monday August 17, 2009

Liow: Full backing for Tee Keat

Reports by LEE YUK PENG, ZULKIFLI ABD RAHMAN, BEH YUEN HUI and NG CHENG YEE

MCA leaders back Ong to overcome challenges

KUALA LUMPUR: MCA leaders at all levels have pledged their full support to party president Datuk Seri Ong Tee Keat in overcoming the current challenges, said party vice-president Datuk Seri Liow Tiong Lai. He said the delegates understood the hurdles that Ong is facing and believe that what he is doing is in the interest of the party and Barisan Nasional.



Stating their stand: Supporters greeting MCA president Datuk Seri Ong Tee Keat and vice-president Datuk Seri Liow Tiong Lai when they arrived for a special briefing on current issues, including the Port Klang Free Zone, at Wisma MCA in Kuala Lumpur yesterday. — ART CHEN / The Star.

“We discussed many issues, including the Port Klang Free Zone project as well as the RM10mil claims. “The delegates understand that the president is a Cabinet minister and he has to carry out his duties as the Transport Minister to strengthen the commitment for reform,” he told reporters after attending a special briefing session by Ong at Wisma MCA here yesterday.

Liow said Wanita chief Datin Paduka Chew Mei Fun had also cleared the air at the meeting on allegations that she had received a total of RM35,000 on two occasions from Kuala Dimensi Sdn Bhd CEO Datuk Seri Tiong King Sing. “It is not true that she took the money. They were donations for some fund-raising programmes which she headed.” Liow said no one could stop the party and its leaders in carrying on its efforts to bring reform. “We will continue to be united,” he said.

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Passed — impromptu resolution to support Ong

KUALA LUMPUR: An impromptu resolution to pledge support for MCA president Datuk Seri Ong Tee Keat was passed at a special briefing at Wisma MCA yesterday. Deputy secretary-general Datuk Loke Yuen Yow confirmed that secretary-general Datuk Wong Foon Meng proposed the resolution to support Ong.



Eager beavers: MCA members registering before entering Wisma MCA to listen to Ong explain the PKFZ findings and other issues at hand.

Members from the floor stood up and raised their hands as a show of support. Gan Peng Siew, a central committee member from Johor, said he did not believe the allegations made by Kuala Dimensi Sdn Bhd CEO Datuk Seri Tiong King Sing against Ong. Gan said Tiong's latest statement was confusing and did not make sense. He believed it was a conspiracy by Tiong to divert attention from the Port Klang Free Zone issue. "He is carrying out a political assassination of Ong." "It is good for the party's leaders to take the opportunity to brief the grassroots on current issues.

They are clean and have nothing to hide," he added. A leader has to be clean and courageous enough to go through challenges to reveal the truth of the controversial PKFZ issue which is in line with Barisan Nasional's vision to promote transparency, Gan added. Loke said Ong should be commended for going the extra mile to provide an explanation to party members on many issues. He added that the special briefing was attended by more than 1,000 people despite the short notice of only four days. "The president took pains to explain all the issues and challenges faced by him and the party in a calm manner. "We will also hold roadshows in all states and closed-door meetings with division members to ensure that everyone is informed of the situation," he said.

Loke said Ong's move to clear the air was done in line with the people's wishes and showed that MCA wants transparency. He also condemned Tiong for tarnishing Ong and Datin Paduka Chew Mei Fun.

Monday August 17, 2009

All donations accounted for

By NG CHENG YEE

KUALA LUMPUR: Wanita MCA chief Datin Paduka Chew Mei Fun said Datuk Seri Tiong King Sing had donated to some fund-raising activities which she had organised, but they had all been accounted for. She said the Kuala Dimensi Sdn Bhd CEO donated RM5,000 about 10 years ago to a lantern festival project that was jointly organised by *Sin Chew Daily* at Taman Jaya in Petaling Jaya. The event was later recorded by the *Malaysia Book of Records* as the biggest lantern festival tea party. He had also given RM30,000 to the Selangor and Federal Territory Senior Citizens Association building fund in 2007, she added.

Chew was the chairman of a fund-raising team for the building soon after she was appointed the Women, Family and Community Development Ministry's parliamentary secretary. "The association had issued a tax exemption receipt to him and the Finance Ministry also gave RM500,000 for the building fund the same year. "I have done nothing wrong because there were receipts for all these donations."

Chew was commenting on Tiong's allegations that he had "donated" some funds to her. Chew, who is Deputy Women, Family and Community Development Minister, said Tiong could have been angry over her statement that his smear tactics against the MCA and president Datuk Seri Ong Tee Keat had tarnished the image of the party and Ong. "He wanted to remind me of the donations he had made to me," she added. Yesterday, a Chinese newspaper quoted Tiong as saying the amount of money he "donated" was not important. "I did not ask Chew to give me receipts or report to me. However, I hope that she will not attack me before she understood the arguments I have with Ong," he said.

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Calls and SMS pour in to support MCA president

KUALA LUMPUR: Numerous MCA members who could not make it to the special briefing held at Wisma MCA yesterday called up to pledge their support for party president Datuk Seri Ong Tee Keat. Secretary-general Datuk Wong Foon Meng said he personally received calls from division leaders who pledged their support to the president. "Some even sent their representatives," he said.

Wong also described the response during the briefing as good. The hall was packed and more chairs had to be brought in for those who turned up late. "All members supported the party president. Some gave their views during the question and answer session. There were no opposing views," he said, adding that members were concerned about the issues.

Wong said those who attended were urged to take the message home and explain it to others. Asked why deputy president Datuk Seri Dr Chua Soi Lek was not present, Wong said Dr Chua might have his own reasons. Wong reiterated that SMS were sent to each and every one informing them of the special briefing. He said Article 137 of the party constitution states that apart from subscriptions, the income of the party can be derived from donations and other sources that may need approval from the central committee. "But the constitution is silent on the mode and the amount," said Wong.

Ong did not give any press conference when the session was over and he merely told the press that it was an interactive meeting with lots of sharp questions raised by members. Asked whether the members accepted his explanation, Ong said: "I leave it to them." Ipoh Timur MCA division chief Datuk Thong Fah Chong, who is facing a six-month suspension for tarnishing the party image over a land matter in Pasir Pinji, Ipoh, where a soy sauce factory is located, was at Wisma MCA to show his backing for the party and its president. "I

am here to show my support although I was not allowed in to attend the special briefing chaired by the president. "My supporters are also here," said Thong, who is the former Ipoh Timur MP. He submitted his appeal letter to the MCA central committee last Monday for his suspension to be lifted.

Monday August 17, 2009

No sign of RM10mil, says treasurer-general

By LEE YUK PENG

KUALA LUMPUR: There is no sign of the purported RM10mil "loaned" by Kuala Dimensi Sdn Bhd CEO Datuk Seri Tiong King Sing in the MCA coffers, treasurer-general Tan Sri Tee Hock Seng said. "I do not see any donation from outsiders. There is no proof of the RM10mil donation," he said. Tee said all donations to MCA must be accounted for. Tee became the treasurer-general after the party election last October, taking over from Tan Sri Lau Yin Pin. "The whole year's budget for the party must go through the presidential council," he said.



»We have assets of RM2bil and do not need donations« TAN SRI TEE HOCK SENG

On the sources of the party's income, Tee said it received revenue from the rental of Wisma MCA and Megan Avenue buildings. "We have assets of RM2bil and do not need donations," said Tee during a press conference after attending the special briefing chaired by president Datuk Seri Ong Tee Keat at Wisma MCA yesterday. Asked whether the Malaysian Anti-Corruption Commission had investigated the party, Tee said no but added that he was willing to cooperate with MACC at any time.

The special briefing started at about 12.30pm with more than 1,000 central delegates and division leaders. Vice-president Datuk Dr Ng Yen Yen arrived at 12.50pm while Wanita MCA chief Datin Paduka Chew Mei Fun walked into the hall slightly after 1pm. The focus of the briefing was on the Port Klang Free Zone (PKFZ), the purported RM10mil donation allegedly from Tiong as well as Tiong's allegation that Chew also took his money.

Both Ong and Chew gave their explanations during the closed-door meeting, with more than 10 questions asked by the delegates. The session ended just after 3pm. Tee said it was unfair of Tiong to claim that Chew took the money as she was acting as a middle person asking for a donation from Tiong for the Selangor and Federal Territory Senior Citizens

Association building fund. "Tiong's donation went to the association building fund and not to her or MCA," said Tee.

Tee also said that through Chew, he contributed bricks and roads valued at RM200,000 for the same building. "Such donations are quite common. How are you going to account for them?" Tee asked.

Tee, who is also Federal Territory (FT) MCA chief, said it fully supported Ong as he handled the PKFZ issue with transparency and it met the public's expectations. "We will back Ong to get his name cleared concerning the allegations of the RM10mil donation," he said.

He said the FT MCA also strongly condemned Tiong for his action that damaged MCA and Ong's reputation. "He is making baseless accusations and twisting the facts," he said.

He said FT MCA urged Tiong to clarify the RM10mil donation to the MCA as such allegations had caused negative effects on the party. "The FT MCA also fully supports Ong's decision to lodge a police report over the accusations and to demand for an apology from Tiong within seven days," he said.

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Clouding the PKFZ issue

The Star Says

THERE is no such precedent in Malaysian politics. For the first time ever, a Cabinet minister is unveiling possible fraud in a controversial project involving an agency under his own ministry. The relentless pursuit of the truth means unearthing information that has embarrassed and hurt powerful political and business figures. And we can expect more names to surface. These are by no means ordinary people but titled people with supposedly respectable standing in society.

The multi-million Port Klang Free Zone (PKFZ) project has become a huge scandal, with bits and pieces of shocking financial abuses being made public. Such openness is unheard of and for once, every sen of the tax payers money is being accounted for. But the issue has been clouded with Kuala Dimensi Sdn Bhd chief executive officer Datuk Seri Tiong King Sing hitting back with allegations that he had given a loan of RM10mil to Datuk Seri Ong Tee Keat. KDSB deputy CEO Datuk Faizal Abdullah has also alleged that Ong had flown on a private jet belonging to the company without paying.

On Saturday, Tiong took aim at Wanita MCA chief Datin Paduka Chew Mei Fun, saying she too had taken donations from him. In short, Tiong is saying that the MCA should be thankful for his generosity and that its leaders should just shut up. Going by his perverted

logic, the country's philanthropists must be revered and even if they commit any abuses, they should be left untouched because we are supposed to be grateful.

This is totally absurd. The reality in this country is that many projects of the Chinese community are self-funded. Raising funds for schools or annual festivals like the Moon Cake celebration or the Hungry Ghost festival involves the community, and businessmen often chip in generously to make such events a success. If a businessman like Tiong is approached, it is hardly a surprise. He should expect to be approached, not just by MCA leaders but politicians from other parties and community leaders as well.

Tiong is after all the Bintulu MP, chairman of the Barisan Backbenchers Club and treasurer-general of the Sarawak Progressive Democratic Party. But no one should divert attention from the current PKFZ controversy, which involves the issue of excessive claims and fraud, by bringing up a totally different issue of public donations. Don't confuse Malaysians. Tiong has been given seven days to apologise to Ong and to withdraw his allegation that he had given the MCA president RM10mil in three instalments. It's a serious allegation and he can expect a defamation suit that should be more than RM10mil if he does not do so.

Last week, *The Edge* wrote that the allegations raised by Tiong and Faizal had actually raised more questions like "how money seems to come by so easily for them since they claim to regularly contribute millions of ringgit to people." "It would also be good for them to explain how they and their companies accumulate that kind of money to have private jets like the Gulfstream and Learjet that Ong (and other VIPs) had used," the business weekly said.

It further commented that "we cannot believe that after all that had been unearthed no one did anything wrong." Certainly, rational Malaysians can tell the difference between a minister who has risked his political career by exposing dirty money stolen from the taxpayers, and those who try to cloud the issue by talking about making donations. We have long been taught that donations, when given anonymously without seeking publicity, are the most noble.

The public expects the culprits behind the PKFZ scandal to be booked and punished. Being a philanthropist could be a mitigating factor, that's all. Millions of ringgit have been lost because of greed and Malaysians expect this money to be returned. It is not Ong's fight alone but a fight by all Malaysians who stand for accountability and integrity.

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Shahrir praises Ong on exposé

By FARIK ZOLKEPLI

JOHOR BARU: MCA president Datuk Seri Ong Tee Keat's decision to expose the Port Klang Free Zone (PKFZ) scandal is highly commendable despite all the allegations hurled against him, says Johor Baru MP Datuk Shahrir Samad. He said good leaders were those who took risks and Malaysians should reward and appreciate them.



»If we punished leaders who took risks, then there is no way for us to move forward« DATUK SHAHRIR SAMAD

"If you want someone to lead, then we must appreciate those who are willing to take risks and do the right thing," he told newsmen after presenting donations to charitable organisations here yesterday. Integrity always come with a price and leaders who were open and accountable to the people should be supported, he added.

"If we punished leaders who took risks, then there is no way for us to move forward," he said adding that the Opposition could always criticise as they were not in power. On the smear tactics by Kuala Dimensi Sdn Bhd CEO Datuk Seri Tiong King Sing against Ong and the MCA, Shahrir hoped that the issue would be resolved soon. "To me, if he (Ong) was given money, then it is amazing that he is willing to allow the PKFZ issue to be investigated on."

As a former Public Accounts Committee chairman, Shahrir said all members of parliament should support the move to probe more into the PKFZ issue. "All the facts and issues concerning the PKFZ must be revealed. If it is about mismanagement then we need to know what happened. If it is about over-payment, then whoever authorised such payment must be held accountable," he said.

Kuala Dimensi Sdn Bhd deputy CEO Datuk Faizal Abdullah said the Transport Minister does not have the statutory right to extend Datuk Lee Hwa Beng's position as the Port Klang Authority (PKA) chairman as under the Port Authority Act 1963, the prerogative to appoint a person to act as chairman of PKA is vested with the Yang di-Pertuan Agong. The Act also does not provide for the extension of the office and the Minister is only empowered to appoint the general manager and five to nine members of the port authority, he said. If Lee is not the rightful chairman, all that he had tried to do would be null and void, Faizal said in a press conference yesterday.

Tuesday August 18, 2009

Tiong's claims and PKFZ to top agenda at the MCA central committee meeting

PETALING JAYA: The MCA central committee meeting to be held in Johor Baru today is expected to discuss issues relating to the RM10mil accusation made against party president Datuk Seri Ong Tee Keat. The meeting is also expected to get an update on the Port Klang Free Zone (PKFZ) issue. MCA wanita chief Datin Paduka Chew Mei Fun, who is a member of committee, is also likely to present her case in the meeting. Chew has also been accused by Kuala Dimensi Sdn Bhd CEO Datuk Seri Tiong King Sing of taking a RM35,000 donation from him. "The various issues have to be formally recorded as minutes and this would be done during the meeting," a member who declined to be named said.

Secretary-general Datuk Wong Foon Meng (*pic*) said the meeting would also discuss issues brought up by committee members. He said Ong would be briefing members on specific issues. "There may be specific issues that the president wants to discuss," he said.

The meeting is being held in Johor as Ong is attending the ground-breaking ceremony for SRJK (C) Pei Chih. Johor Mentri Besar Datuk Abdul Ghani Othman will also be present at the event which is being held at 9.30am. The school was relocated from Kluang to Setia Ecogarden in Johor Baru. Party veteran Datuk Wong Mook Leong, who suffered a fall and is hospitalised, is skipping the meeting. Also absent will be treasurer-general Tan Sri Tee Hock Seng, party vice-presidents Datuk Seri Kong Cho Ha and Datuk Seri Dr Ng Yen Yen, who are overseas.

Tuesday August 18, 2009

Aide: Remark aimed at derailing work of task force

KUALA LUMPUR: The appointment of Port Klang Authority (PKA) chairman Datuk Lee Hwa Beng was carried out following due process, the political secretary to Transport Minister Datuk Seri Ong Tee Keat said. Simon Lim said he viewed the statements by Kuala Dimensi Sdn Bhd deputy CEO Datuk Faisal Abdullah questioning Lee's appointment with grave concern. "We question his motive in attempting to derail the work of the PKA special task force, which has to date identified potential claims for irregularities and fraud of up to RM1bil or more," he said in a statement yesterday.

Lim said the attention of the public should focus on the real issue at hand, which was to take appropriate legal action against the parties concerned and for the relevant enforcement agencies to carry out their investigations and prosecution deemed fit in law. "The ministry does not have to respond to unilateral deadlines set by third parties," he added.

Faisal claimed that the ministry did not have the statutory right to extend Lee's position as PKA chairman and set a seven-day deadline for the ministry to produce an appointment

letter signed by the Yang di-Pertuan Agong. Lee meanwhile was quizzed for more than six hours by police in connection with the alleged excessive claims in the Port Klang Free Zone project. It is learnt that five officers from the federal Commercial Crimes Investigations Department went to Lee's office on Friday and yesterday.

On Aug 11, Lee lodged a report against Kuala Dimensi, stating that the special task force looking into the legal and financial aspects of the PKFZ project had found evidence suggesting possible fraud, unsubstantiated claims and over-charging by the company. On Thursday, Kuala Dimensi Sdn Bhd CEO Datuk Seri Tiong King Sing was quizzed by MACC for several hours regarding the fraud allegations. Kuala Lumpur CID chief Datuk Ku Chin Wah said police were investigating two reports of an alleged threat and accusation against Ong. "We have not called or recorded any statement from any individual with regards to the case," Ku told *Bernama*.

Tuesday August 18, 2009

Leave no stone unturned in probe, MACC told

KUALA LUMPUR: Transparency International Malaysia wants the Malaysian Anti-Corruption Commission to not leave any stone unturned in its investigations in the Port Klang Free Zone (PKFZ). Its secretary-general Dr Loi Kheng Min said this was to show that the commission was committed to integrity, transparency and justice. He said the organisation welcomed the formation of a 30-member task force by the commission to investigate alleged corruption relating to the PKFZ fiasco. "This is indeed an overdue and essential addition to the other positive steps that have been taken thus far," he said in a statement here yesterday.

Dr Loi said this was a good opportunity for the commission to rebuild its reputation. He said the organisation wanted to remind the commission to act vigorously, thoroughly and impartially without fear or favour, including investigating assets of the individuals who were involved in the fiasco. Meanwhile, DAP's MP for Ipoh Timor Lim Kit Siang gave an assurance that Transport Minister Datuk Seri Ong Tee Keat could depend on his full support to oppose attempts by turnkey contractor for Port Klang Free Zone, Kuala Dimensi Sdn Bhd to block accountability and exposure of causes of the RM12.5bil PKFZ.

He said this was because the limited opening up of the PKFZ scandal must not be rolled back and covered up when what was needed was further opening up of the "can of worms" and "swamp of crocodiles." "What is very clear is a very blatant attempt by KDSB to block any disclosure and public accountability," he said in a statement yesterday. PAS vice-president Sallehuddin Ayub said he wanted the MACC to probe the PKFZ issue.

Tuesday August 18, 2009

Perhilitan moves to overcome illegal trading of wildlife

By YENG AI CHUN

PETALING JAYA: The Department of Wildlife and National Parks (Perhilitan) views illegal wildlife trade as a serious crime and has created 13 border posts – with three more to be created – to check animal smuggling. The Natural Resources and Environment Ministry said Perhilitan was committed to conserving wildlife and would take all necessary action to overcome illegal trading of wildlife. The department came under fire after an expose in *The Star* about Malaysia being a wildlife illegal trading hotspot.

“The term ‘old story’ and ‘story of the past’ did not by any means relate to the issue of smuggling and illegal trade. “It meant that the report was covered by the reporter repeatedly over the years. It is an issue which the ministry has placed much focus and efforts on and its fullest commitment to,” it said in a statement yesterday.

The Star reported that Malaysia is a transit point, a source country for illegal trafficking of wildlife and its parts, as well as a consumer hub for endangered wildlife and Perhilitan director-general Datuk Abdul Rasid Samsudin labelled the report as an “old story”. The ministry added that Perhilitan’s inter-agency cooperation with Customs, Anti-Smuggling Unit, maritime, army and police led to the confiscation of 254 Malayan Pangolins in 2005, 850 in 2007 and 227 in 2008; 17,062 Clouded Monitor Lizards in 2006 and 2007; and 729 Water Monitor Lizards in 2008.

“It is difficult for Perhilitan to estimate the value of wildlife seized. However, the volume of wildlife seized from January 2008 to June 2009 consists of 14,771 animals, 589 skins and 6,252.7kg of carcasses,” it said.

It stressed that Perhilitan had never organised any auction for its confiscated wildlife in the past three years. “Any wildlife confiscated will be returned to the country of origin (for exotic species) or released to the wild (for local species). The skin or carcasses will be disposed, used in DNA research or awareness programmes,” it said.

Wednesday August 19, 2009

Govt looking seriously at general services tax; no decision yet

PUTRAJAYA: The Government has yet to make a decision, or set a deadline, to replace the existing sales and services tax with a new regime. “We are seriously looking at GST (goods and services tax) to replace the existing sales and services tax. However, we need to be sure that implementing the new tax system would not burden the people,” Second Finance Minister Datuk Seri Ahmad Husni Mohamad Hanadzlah said yesterday after chairing the last series of discussion with target focus groups ahead of the upcoming Budget 2010.



Husni conceded that the GST would be a more “efficient” method for collecting tax revenue for the Government, but said that “more time is needed for detailed study” before the GST was implemented. On Monday, the Malaysia Institute of Economic Research had urged the Government to seriously look into tax reform in the country and set a target to roll out the GST by 2012. “We need lead time to prepare. We cannot just implement it overnight. We need at least two to three years’ preparation,” executive director Prof Emeritus Datuk Dr Mohammed Ariff Abdul Kareem said.

Wednesday August 19, 2009

Govt predicts drop in fiscal deficit next year

It aims to reduce operating expenditure by 15%

PUTRAJAYA: The Government is projecting a drop in fiscal deficit next year despite lower revenue as it reins in on the cost of running the country, according to Second Finance Minister Datuk Seri Ahmad Husni Mohamad Hanadzlah. “There will be no cut in development spending,” he told a press conference yesterday.

Instead, the Government aimed to reduce its operating expenditure by 15% by putting a limit on overseas trips by government officials and awarding contracts through open tenders. Also in the works are plans to reduce government subsidies on fuel and food.

Husni said the Government was looking at implementing “a more discriminatory system” where the bulk of the subsidies would be channelled to the lower-income group. The new system may be introduced as early as next year. It was estimated that the Government would spend RM30bil in subsidies for fuel and food this year, with an additional RM19bil to keep natural gas prices low. Together with two economic stimulus packages launched to counter the global economic downturn, the country’s budget shortfall – the gap between income and spending – is expected to swell to 7.6% this year.

Husni said the government forecast showed a lower deficit in 2010, despite a drop in revenue to about RM160bil, or RM18bil less than this year. The decline in income for the Government will largely be attributed to lower tax collection as companies pay less tax and dividends due to shrinking profits. The nation’s economy is expected to shrink 4% to 5% this year, the worst contraction in over a decade. To boost income, the Government was

considering a more effective tax system, as well as “monetising” some of its property assets in the Klang Valley area, Husni said.

This may include selling prime land in the city, or lease out buildings that were previously occupied by ministries or government agencies that are now based in Putrajaya. Husni said the Finance Ministry had yesterday concluded its “discussion” with 18 focus groups with the aim of getting input for Budget 2010, scheduled to be tabled on Oct 23. “We had frank and open discussions. The issues that emerged during the sessions cut across various sectors, such as the high cost of doing business, access to financing, lack of human capital, low broadband penetration, no clarity and consistency in policies, weak enforcement and poor coordination amongst agencies,” Husni said.

Also, the need to improve the social safety net, programme awareness and adoption of green technology as well as better public transportation were highlighted. “We are still open to suggestions (for Budget 2010) and we would like the public, professional bodies, NGOs or anybody to write in or e-mail us,” Husni said, adding that the formulation of Budget 2010 was a very challenging task given the current global uncertainties, stretched resources as well as rising public expectation.

Wednesday August 19, 2009

Central committee passes two resolutions connected to PKFZ scandal

By LEE YUK PENG and GLADYS TAY

JOHOR BARU: The MCA central committee has unanimously passed two resolutions supporting party president Datuk Seri Ong Tee Keat in connection with the Port Klang Free Zone scandal. MCA secretary-general Datuk Wong Foon Meng said firstly, the central committee fully supported Ong, who is the Transport Minister, to continue with the probe into the PKFZ. “Secondly, the committee fully supports the MCA president in lodging the police report and taking legal action against the allegations made by Datuk Seri Tiong King Sing that he had given RM10mil to the party,” he said.



Leading by example: Ong (left) and Wong putting on a face mask before the start of MCA's central committee meeting held at the Johor MCA building at Jalan Segget Tuesday.

He was speaking to reporters after a four-hour central committee meeting at the Johor MCA building here yesterday. Tiong, who is Kuala Dimensi CEO, had claimed that he had given RM10mil to MCA. Most committee members were present at yesterday's meeting which was held in Johor Baru as Ong had an official function here. Among those who were absent were party vice-presidents Datuk Seri Liow Tiong Lai, Datuk Seri Dr Ng Yen Yen, Datuk Seri

Kong Cho Ha and Tan Kok Hong, and treasurer-general Tan Sri Tee Hock Seng. Liow was away due to an A(H1N1) meeting and Tan was on medical leave. The others are overseas.

Wong said those not present had given notice of their absence prior to the meeting. MCA deputy president Datuk Seri Dr Chua Soi Lek and central committee member Datuk Tee Siew Kiong, who is Dr Chua's former political secretary, were also at the meeting. Asked about Tiong's statement that MCA should not interfere in the issue of the RM10mil, Wong said there was no intention to interfere but accusations had been made against the party. "The party's name has been mentioned so we just want to make clarifications," he said.

Wong also mentioned that the party's annual general assembly would be held on Oct 11 while the Youth and the Women wings' meetings would be held a day earlier.

Wednesday August 19, 2009

Action to be taken against false notices of payment, says PKA

PETALING JAYA: The special task force investigating the Port Klang Free Zone (PKFZ) controversy found notices of payment that were false, erroneous and defective. Port Klang Authority chairman Datuk Lee Hwa Beng said the task force had also reported instances of wrongdoings which were "detrimental to the authority". "The board has decided to take follow-up action on decisions made today and seek further advice on certain issues. "We will make the relevant announcements as and when these actions are taken," he said in a statement yesterday.

Lee added that the actions might include legal proceedings. He said the board made the decisions based on recommendations by the special task force which revealed that "certain individuals" had committed possible fraud, negligence, wrongdoings and irregularities and in relation to certain agreements which were "unenforceable". "The board also discussed the issues raised by the task force in relation to breaches of fiduciary (duty and trust to manage and protect a property) duty by certain individuals," he said.

Lee said board members were also briefed on his status as PKA chairman. "The members agree that the discharge of my duties and responsibilities in PKA is regular and due process has been followed," he said. Earlier during a press conference in Klang, Lee said Bukit Aman's Commercial Crimes Investigation officers had interviewed and recorded his statement on the PKFZ scandal.

Lee said the police interviewed him at PKA on Friday and Monday. This followed the police report lodged on the finding of the special task force on Aug 11. Lee said he told PKA staff to give their full cooperation to the police but declined to say who was being questioned. "The Malaysian Anti Corruption Commission have also come to interview PKA staff and management based on our report about a month ago," he added.

Wednesday August 19, 2009

CM: Bridge over strait good for trade and tourism

KUALA LUMPUR: The proposed Straits of Malacca Bridge between Malacca and Riau in Sumatra will open up economic opportunities between Malaysia and Indonesia. "Malacca has a population of 800,000 and has 40,000 vehicles including buses and lorries entering the state daily. We also received 7.2 million tourists last year," said Chief Minister Datuk Seri Mohd Ali Rustam. "In Sumatra, where the bridge is linked through Dumai, there are 70 million people and 10% are rich. They have money and come to Malacca for health tourism.

"They are eager to come to Malaysia and Thailand for their holidays," he said in his speech after attending a seminar organised by the project's developer, Straits of Malacca Partners Sdn Bhd. "I believe it will boost tourism. And the Indonesian economy is growing," he added. Asked about the likely starting date, Mohd Ali said the developer was still waiting for an official answer from both governments. Straits of Malacca Partners chairman Tan Sri Ibrahim Zain told reporters that a formal request had been sent to the Federal Government a month ago. "The groundwork for the project started three years ago," he said.

He said studies showed that the project's two main design schemes – bridge plan and a bridge-tunnel plan – were technically feasible. He said the cost was now estimated at US\$12.5bil (RM44bil). He said that the Export-Import Bank of China was willing to fund 85% of the total cost.

Wednesday August 19, 2009

How do we respond to the economic downturn?

By AZWAN BAHARUDDIN



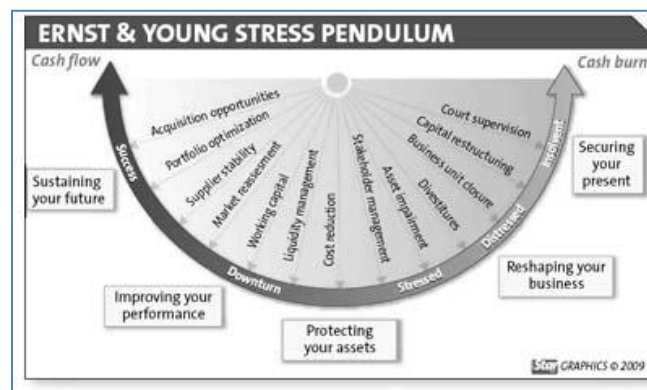
THE starting point for any business is cash and many organisations have already drastically tightened their belts. The change in the market has impacted their performance and that of their suppliers and customers. So how do we respond to the downturn? Management should seek to understand the full consequences across the entirety of the organisation while encompassing the impact on customers, suppliers and most importantly, competitors. The primary short-term goal in a credit crisis has to be cash. The amount of cash that a company has and is generating is the primary but not the only driver of management actions. If you are burning cash during a credit crisis, your priorities are clear. If you are generating cash through operations, the opportunities are many.

The diagram is called the Stress Pendulum, which helps everyone respond to the global crisis based on your location on the pendulum. By executing the course of actions quickly

within each spectrum, management teams can seize a potential source of competitive advantage. In my past articles, I mentioned that securing the present is top priority for companies as they navigate through the current global downturn. Past experience has shown that improving performance effectiveness becomes critical to business survival during tough market conditions. Businesses must focus on surviving the immediate impact of the financial crisis – securing funding requirements, minimising risk from third party defaults, cash management and short-term cost reductions.

Cost, headcount and inventory reductions are some of the common steps companies take in response to the difficult market. Besides reducing resources used, it is also crucial for companies to reexamine the processes they adopt. While we tend to put aside long-term strategic plans and focus on implementing quick-fix solutions to deal with the current crisis, businesses that will emerge strongest from the downturn will be the ones that reshape themselves intelligently. Flexibility allows us to make the necessary adjustments to stay ahead of the competition and respond to the long-term underlying changes in the operating environment.

The Opportunities In Adversity 2009 survey showed us that companies have active plans of reshaping their businesses by thinking about strategic acquisitions in their core business, divesting in non-core activities, outsourcing or co-sourcing, and moving operations to lower cost locations.



Protecting assets, whether tangible or non-tangible, is essential to surviving the current crisis and taking advantage of the new market. Risk management is a critical feature to ensure that companies not only survive but avoid making their situation worse through hasty or ill-considered action. There is no avoiding the tough market conditions that face companies. Markets have slowed and some are in significant recession.

Now is a time for business to ensure that it is getting the maximum return on the assets that it employs. Cost reduction can also be achieved by having access to high-quality and timely information as it can prevent costly mistakes resulting from poor information. Recovery from missed opportunities is also often difficult. Timely information and rapid decision making also links to performance efficiencies; opportunities move quickly, customers can't wait and competition is fierce.

We should get the most from our current assets by improving performance and leveraging cost efficiency programmes. While securing efficiencies, we should ensure our companies do not lose sight of the effectiveness agenda. Companies that emerge successfully are the ones that maintain a balance between improving operating efficiencies and improving revenue growth, and balance between cost cutting and investing in process improvement to prepare for the future.

In the current economic climate, a flexible operating model (across people, processes and technology) is the foundation for taking advantage of market growth opportunities. A total of 71% of the respondents thought that restructuring to meet current condition is crucial in order to pursue new market opportunities. It is also important for us not to overlook the fundamentals, as operational excellence is even more critical to a company's survival during difficult times. Some 68% of the respondents reported that their organisations were more responsive to customer management.

Experience shows that recessionary periods provide a good opportunity to retain and develop loyalty by investing and developing effective customer relationships as a vehicle for future growth. Understanding where the value lies within a customer base, adjusting pricing strategy and finding ways to attract and retain customers beyond pricing are some important examples of customer management. Higher emphasis in supplier base management is also crucial during a downturn as the loss of key suppliers can seriously disrupt or, in some cases, threaten a company's existence.

Better leverage of alliances will free up cash for future investment. Corporate alliance allows us to share the cost of essentials, but non-core functions, thereby freeing up cash for reinvestment in customer proposition. Investments in product development, technology and innovation are all likely targets of cost reduction programmes. However, if we choose to cut back on research and development without any due consideration, we are also risking destroying a culture of innovation built over the years.

How can organisations gain real competitive advantage and create opportunities in adversity? Apart from focusing on operational effectiveness to making strategic acquisition or gaining market share in the right markets, the one thing companies should do to win their markets is to act instantaneously. The ideal time to exploit opportunities for market growth is when the competition is weakest; this is about sustaining the future. Some may find that now is a perfect time for aggressive expansion. Organisations, whatever their market, should be thinking about making their businesses environmentally sustainable.

Emerging markets play a significant role as the global economic landscape changes. Our research suggested that organisations were actively seeking to take advantage of the growth opportunities afforded by these emerging markets. The logic of investing now is to take advantage of weaker competitors and changing of customers, regulatory and financial dynamics which is not always available in matured and developed markets. While strong organisations can accelerate their plans around emerging markets, weaker organisations will cease their investment in the short term. Strong organisations can take advantage of the slow entry of the weaker competitor to emerging markets and the vulnerabilities of local competitors.

However, strong organisations may also often have constraints around capitalising on this opportunity through lack of resource, speed of decision making, ability to execute and the need to focus more on protecting their existing assets. The net of this is: uncertainty cannot be allowed to become inaction; performance is relative; a risk is an opportunity that has not yet been exploited. Whatever position we are facing, from cash-rich through to deeply distressed, there is a great need for decisive management action.

☐ *The writer is a partner with Ernst & Young Advisory Services Sdn Bhd.*

Thursday August 20, 2009

Inquiry: Too much trust in PKFZ directors

By ZULKIFLI ABD RAHMAN

KUALA LUMPUR: The Parliament inquiry into the Port Klang Free Zone (PKFZ) project found the Port Klang Authority (PKA) board placed too much trust on decisions made by the PKFZ directors. Many decisions had been made without the full knowledge of all the board members – seconded from the Government – as these members were transferred back to their ministries; or they could not attend the PKA board meetings owing to other duties, said Public Accounts Committee (PAC) chairman Datuk Seri Azmi Khalid.

“There were certain instances that decisions by the PKFZ board were made with the full knowledge of all the PKA board members. “However, there was also a lot of other information or decisions that were not questioned by PKA,” said Azmi.



Question time: Azmi Khalid speaking to reporters after chairing the PAC inquiry at Parliament Wednesday.

The PAC also found many matters were not questioned in a more in-depth manner. “It seemed that they (PKA) followed whatever that was told to them,” he said after chairing the PAC inquiry into the PKFZ issue at Parliament House yesterday. Nine officials who had sat on the PKA board as Government representatives were interviewed yesterday.

They were Transport Ministry secretary-general Datuk Zakaria Bahari; D. Chandrasegaran (Transport Ministry), Mohd Ismail Ahmad Ikhtiar, Datuk Abdul Rahim Mokti and Mohd Zainuddin Ahmad Rashidi (from Finance Ministry). Others were V. Ravindran (formerly from Finance Ministry), Zubir Abdul Aziz and Mohamad Nor Taib (Economic Planning Unit) and Nor Rizan Mohd Thani (Implementation Coordination Unit, Prime Minister’s Department).

Azmi said the nine were at the PKA board for a year or more. PKA chairman Datuk Lee Hwa Beng would be called for the inquiry today to help the PAC learn more of the findings of the PKA special task force on the project. The PAC would also call the chairman and the directors of PKFZ turnkey contractor Kuala Dimensi Sdn Bhd next week, Azmi added.

Friday August 21, 2009

PAC backs legal action against Kuala Dimensi

KUALA LUMPUR: The decision of the Port Klang Authority (PKA) to take legal action against Kuala Dimensi Sdn Bhd over the Port Klang Free Zone (PKFZ) controversy has received the support of the Public Accounts Committee. Committee chairman Datuk Seri Azmi Khalid said it felt that the problems regarding claims of discrepancies and irregularities which had plagued the PKFZ project had reached a stage where the matter would have to be brought to the courts.

Azmi said this after the parliamentary committee interviewed PKA chairman Datuk Lee Hwa Beng during the inquiry on the PKFZ issue at Parliament House yesterday. Lee, who arrived at 10.30am, testified before the committee for two hours. Azmi said Lee was not under investigation by the committee but was asked to explain the discrepancies and billings the PKA special task force had found during the course of the project. "We wanted to know from Lee what PKA was doing to address the issues," he added.

The committee, he said, found that it was "unusual" for the project turnkey developer Kuala Dimensi, which is a private company, to issue bonds to raise funds for the project and which had to be reimbursed by the Government. He said PKFZ later became locked in a dispute with Kuala Dimensi over unpaid instalments of between RM500mil and RM1bil. Azmi said that the Government still had to pay RM660mil annually to the bond-holders whether the developer completed the project or not. "The Kuala Dimensi bonds had been issued through recommendation from the Government through four letters issued by two former transport ministers. "This was where the status of the letters was either regarded as supporting letters or guarantee letters. "The unusual relationship between Kuala Dimensi, PKFZ and the bond-holders should only be decided by the court," he added.

Azmi said Lee was cooperative during the interview, however, there were questions that he could not respond to because of the PKA's move to initiate legal action against Kuala Dimensi. Lee had lodged a police report against Kuala Dimensi for alleged fraud, over-billing and discrepancies of between RM500mil and RM1bil in relation to the construction of the PKFZ transshipment hub. Azmi also said the PAC would next call up Kuala Dimensi representatives next week, while former PKA chairman and PKFZ executive chairman Datin Paduka O.C. Phang would be called up within the next two weeks. He said the PAC would also pay a visit to the PKFZ site in Klang to get a better perception on the project. Met by reporters, Lee said he was glad to come the PAC inquiry, adding that "the truth will prevail." "We will call for a press conference once we have implemented some decisions on the issue," he said.

Saturday August 22, 2009

Putrajaya's new landmark

By GEETHA KRISHNAN Photos by ROHAIZAT MD DARUS

MUSLIMS working and living in Putrajaya can now perform their prayers at another awe-inspiring landmark, the newly-opened Tuanku Mizan Zainal Abidin Mosque in Precinct 3. Named after the Yang di-Pertuan Agong, Tuanku Mizan Zainal Abidin, the mosque is expected to be officially opened in September. In a symbolic but low-key ceremony on Thursday, the mosque was handed over by Perbadanan Putrajaya (PPj), represented by its president, Tan Sri Samsudin Osman, to Islamic Religious Development Department of Malaysia (Jakim) director-general Datuk Wan Mohamad Sheikh Abd Aziz. The ceremony was held at the mosque's multi-purpose hall.



Pedestrian access: A view of the Kiblat Walk heading towards Perbadanan Putrajaya and the Palace of Justice from the mosque.

Samsudin said the RM208mil mosque catered to 20,000 worshippers and was completed on time. "We were often asked why build another mosque when the Putra Mosque in Precinct 1 is deemed big enough. We estimate the future working population on the Core Island to number 28,000 so the Tuanku Mizan Zainal Abidin Mosque will cater for this," he said at a press conference. According to Wan Mohamad, 565,408 tourists visited the Putra Mosque last year.



Impressive entrance: Internal Iwan is the gateway to the main prayer hall within the mosque.

"Besides catering to worshippers, the Tuanku Mizan Zainal Abidin Mosque will also draw tourists. Therefore, I urge the mosque management not to run things military-style by restricting access to Muslims alone. "This amazing mosque has many features. Yes, there

are places where non-Muslims are not allowed but at the same time, we can be more welcoming so as to tell others about the religion and answer any queries they may have," he added.

The entire structure built on 4.04ha comprises the mosque (3.32ha) and the soon-to-be opened Kiblat Walk (0.72ha). Funds from the Eighth Malaysia Plan (RM8) were used for the overall construction, undertaken by KLCC Projek Bhd. The main prayer hall houses the Mihrab Wall that directs worshippers towards the "kiblat" (the direction of Mecca). The Mihrab Wall is inscribed with Quranic verses in the Nasakh calligraphic-style.

The *khat* is inscribed onto the back of the anti-reflective glass, giving a sense of verses floating down from the sky. The *Sahn* is the overflow prayer area outside the main prayer hall and the entrance to this is via a gateway called the Internal Iwan. It features stainless steel grilles, based on Islamic motifs and mirrors traditional Islamic architecture in a contemporary manner. Pedestrian access to the mosque from the Palace of Justice and PPj is provided through the Kiblat Walk. Once opened, it will be dotted with landscaping and stalls selling religious paraphernalia.

Sunday August 23, 2009

Civil servants involved in street demos will be sacked

By SARBAN SINGH

SEREMBAN: A sacking or demotion awaits civil servants found to be involved in movements that organise street demonstrations. They will also be charged for dereliction of duty if they leave their work stations to see or participate in such illegal gatherings. In issuing the reminder, Public Service director general Tan Sri Ismail Adam said civil servants should always pledge their loyalty to the Yang Di-Pertuan Agong and the government of the day and not to be taken in by any illegal movement out to create public disorder.

"You are not allowed to use the office printer, photocopier or computers to produce leaflets on any such demonstration. "Also, you can't leave your workplace during working hours even if your intentions were to just see the demonstration," he said in a directive issued on Aug 13. He said civil servants should remember that they could not participate in any activity that disturbed the peace. "Public sector employees are also not at any point allowed to act in a manner seen to be sympathetic towards such illegal events. You cannot put your personal interest above your duty as a civil servant," he said.

He also reminded civil servants in the Top Management Group (JUSA) that they were strictly forbidden from being active in politics. Ismail said those in the Support Group, who make up almost 60 per cent of the civil service, are only allowed to hold positions in political parties after obtaining written approval from the Public Service director general or the secretary-general of the ministry. "This is important because we want to retain the

neutrality and integrity of the civil service. "This is also to ensure the civil service was stable and impartial and not influenced by any political party or movement," he said.

Ismail said those who violated the directive could be charged under rule 4(1) of the General Rules (Discipline and Conduct) Regulations 1993 for disloyalty against the Yang Di-Pertuan Agong and country. Cuepacs president Omar Osman said the directive was probably issued as there were a small number of civil servants involved in such wrongdoings. "The provision is already contained in our Aku Janji (My Pledge) document which is signed by all civil servants. "It is good that the PSD had issued the directive as some civil servants may have forgotten that it was an offence to participate in such activities," he said.

Omar said Cuepacs had also reminded civil servants about the offence of being involved in such activities during a recent roadshow. "We told our members not to blame anyone except themselves if disciplinary action is taken against them. As far as Cuepacs is concerned, we must at all times remain loyal to the King, country and the government of the day," he said.

In a separate directive, Ismail said government servants in the Top Management Group who were above 40 must undergo annual medical check-ups. "All other civil servants must also undergo a medical check-up upon reaching 40. "This is important because we want them to be at their best to ensure we have a productive and efficient civil service," he said.

Ismail said disciplinary action will be taken against those who refused to undergo such checks and were later found to be unhealthy. "They may not be considered for promotions. They must abide by this directive because we want to have a healthy workforce," he added

Sunday August 23, 2009

Najib wants Felda, Felcra and Risda to form consortium

PEKAN: Datuk Seri Najib Razak proposed Sunday that the country's three biggest agriculture agencies form a consortium to carry out various high-impact downstream activities. The prime minister was confident that cooperation between Felda, Risda and Felcra could multiply profits for the three government agencies, besides eradicating poverty more effectively.

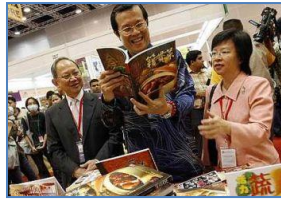
Najib said discussions to form the consortium would begin soon before the agencies put forward the joint-venture concept for implementation. "The three remain as separate agencies but the projects can be carried out together through a consortium. "I have asked the chairmen and chief executive officers of the three agencies to discuss the matter and when they are ready, they can meet me or the Rural and Regional Development Minister for us all to decide how the concept can be implemented," he said after handing out dividends from Risda's Cluster Replanting Scheme and Commercial Replanting, here, Sunday.

Sunday August 23, 2009

Ong: No regrets on handling of PKFZ issue

By NG CHENG YEE and YUEN MEI KENG

KUALA LUMPUR: MCA president Datuk Seri Ong Tee Keat regrets not having read the book, *The Unwritten Rules of Officialdom* earlier despite having bought it in 2006. "I only came to read this book much later after I bought it in Hong Kong in 2006. "If I had read this book earlier, the development of what is happening now (referring to the Port Klang Free Zone (PKFZ) controversy) would be different," he said.



Quick read: Ong touring the bookfest with C. N. Chou, Popular Holdings Limited chairman and managing director (left) and Lim Lee Ngoh, Popular Book Co. executive director.

Ong said reading the book gave him a better insight into some of the behaviour of politicians and administrators. "So, if I had read it earlier, I would have been better prepared for the onslaught," he said.

However, Ong, who is also the Transport Minister, stressed that he had no regret with the way he had dealt with the PKFZ issue. He was sharing with the media after launching the BookFest @ Malaysia 2009 here yesterday about the book that he was currently reading, which is by Chinese author Wu Si. The book is about the rules of governance in ancient China.

Ong said the baseless allegations and the various efforts to topple him were only carried out because of the high positions he was holding. He said people were only interested in such personal attacks because he was still the office bearer. "I realise that all sorts of lies and endeavour to demonise me or the hurdles, could be related to the positions I am holding. "If I am no longer holding these posts, I don't think all this will last. What these people really want is the seat (the position) I am holding," he said.

Earlier in his speech, Ong said the BookFest had evolved from an exhibition of Chinese books and materials to one that was multi-lingual over the years. "Previously, it was found that Malaysians read only two pages of book each year but the growing number of crowds coming to the event show that more people are enjoying reading". He said reading was no longer a hobby that one enjoyed individually but had become a group activity, involving those with similar interests.

Monday August 24, 2009

Set up a consortium, Najib tells agro agencies

By NIK NAIZI HUSIN

PEKAN: Risda, Felcra and Felcra should form a business consortium to carry out critical downstream activities, said Prime Minister Datuk Seri Najib Tun Razak. He said he was confident that the three agricultural agencies could multiply their profits and eradicate poverty by working together. "The three remain separate but the projects can be carried out together through a consortium," said Najib, adding that discussions on setting up the consortium would begin soon.



Reaping the rewards: Najib presenting Risda dividends to recipients in Pekan Sunday.

He said this yesterday after handing out dividends from Risda's Cluster Replanting Scheme and Commercial Replanting at the Convention Hall here. Also present were Pahang Menteri Besar Datuk Seri Adnan Yaakob, Rural Development and Regional Minister Datuk Seri Mohd. Shafie Apdal and Risda chairman Tan Sri Rahim Tamby Chik.

Najib said the format of the consortium and its implementation would depend on the outcome of a meeting of the heads of the three agencies. "If we can set up joint ventures with foreign companies, why not with other government agencies even if they come under the purview of different ministries? "We have the same objective and the internal strength to control the economy," said Najib.

He said many downstream activities could be implemented together by the three agencies, including in plantation and industrial plant management, because many of their projects were similar and so need not be carried out separately. For example, he said, they could set up a palm oil mill, the use of which could be shared by the Felcra, Risda and Felcra scheme participants, resulting in bigger economic benefits for all.

Monday August 24, 2009

RM7mil school project in Sabah interior to be revived

KOTA KINABALU: A fresh tender will be called for a RM7.8mil abandoned school building project in interior Sabah where the contractor is said to have collected RM5mil in claims. Keningau district engineer Edward Lingkapo said they would call for the tender after the contractor failed to finish the construction of 12 additional classrooms and an

administration block at SK Luagan about 120km from here. More than RM4mil of the fund for the project had been used but the contractor did not complete it, Lingkapo said without elaborating the reasons for it being abandoned. The issue was raised by Parti Bersatu Rakyat Sabah (PBRS) information chief Rayner Udong who asked the government to investigate the matter.

“Such contractors must be punished and blacklisted as their actions are depriving our rural children of vital facilities,” he said, adding that many parents were unhappy over the failure to complete the project. “The Federal Government has allocated a lot of money to improve facilities for rural education and it should be utilised properly,” Udong said, adding that the project had been abandoned for nearly three months. He said the school was only 3km from Keningau town and many other school projects had been completed.