

1. PAC to clarify if Arul can continue making statements

KUALA LUMPUR: Clarification is needed from Dewan Rakyat Speaker Tan Sri Pandikar Amin Mulia if 1Malaysia Development Berhad (1MDB) president Arul Kanda Kandasamy should continue making public statements, says Datuk Seri Hasan Arifin (*pic*).

The Public Accounts Committee (PAC) chairman said he was unsure if the ruling made by Pandikar prohibiting a debate between Arul and Petaling Jaya Utara MP Tony Pua also applied to the 1MDB chief's other public appearances given that he was a key witness in the committee's ongoing probe against the company.

"I will need to seek clarification from the Speaker's office. I'm not too clear on this, but it appears that yes, they (Pua and Arul) are not allowed to speak publicly," he told reporters at the Parliament lobby.

"Based on the Speaker's ruling, it looks like Tony Pua actually cannot speak publicly about 1MDB," he said.

The newly-appointed PAC chief was asked if the Speaker's ruling meant that Arul could no longer speak to the media or give television interviews about 1MDB until the probe was completed.

Pandikar had said earlier in the day that the proposed live debate between Pua and Arul would be a breach of Parliamentary Standing Orders as members of the PAC and their witnesses were not allowed to publicly disseminate information gathered from the committee's meetings until its findings were presented in Parliament.

Hasan also urged MPs from both sides of the political divide to respect the ruling made by Pandikar and not to press for the debate to take place.

On suggestions that the opposition could consider someone to take Pua's place in the debate, Hasan replied; "That is beyond the PAC's control. We are talking about Pua as he is a PAC member".

2. 1MDB not sole reason for currency depreciation, says Johari

KUALA LUMPUR: The 1Malaysia Development Berhad (1MDB) controversy should not be perceived as the sole reason for Malaysia's currency depreciation.

Deputy Finance Minister Datuk Johari Abdul Ghani said that external factors were also at play in causing the ringgit to fall in value.

"First, the investor sentiments rose in anticipation on short term investments in the United States, while the second factor is the slump in regional economy.

"Thirdly, Malaysia is a crude oil exporter, so when the prices of crude oil dropped, our revenue fell from RM64bil to RM43bil, and is expected to continue falling by RM3.1bil next year," he said in response to a question by Shamsul Iskandar Mohd Akin (PKR - Bukit Katil) in the Dewan Rakyat on Wednesday.

However, Johari observed that the fourth factor was probably the most important - negative sentiments among investors on the current state of affairs in Malaysia.

"I believe countries like Russia, New Zealand, Australia and Brazil had also suffered currency depreciation, but they don't have a 1MDB controversy to deal with.

"We cannot relate 1MDB to the ringgit's fall, but there are external factors outside the powers of the government and the country," he said.

On Shamsul Iskandar's question on whether the investigations into 1MDB will continue, Johari said there were no attempts to stop it.

3. Civil servant loses bid to challenge salary scheme

KUALA LUMPUR: The High Court here yesterday dismissed a bid by a senior civil servant to challenge the Public Service Department (PSD) director-general to allow his salary to be paid according to the New Remuneration Scheme (SBPA).

High Court (Appellate and Special Powers) judge Justice Asmabi Mohamad dismissed an application by Datuk Omar Awang for leave to initiate judicial review proceedings.

Speaking to reporters after the decision was handed down in chambers, Omar's lawyer, Hasnal Reza Merican said the court held that his client has delayed in filing his legal action.

"The judge also said that the court would be slow in interfering on policy matters such as salary schemes. She said it involved a situation where the government acted as the employer in implementing the scheme for its employees," added Hasnal.

He said the judge dismissed the application for leave with RM5,000 in costs.

In his court papers, Omar, 58, said he had agreed to accept the new salary scheme offer by PSD about four years ago.

Under the new scheme, Omar said his maximum salary could reached up to RM17,070 per month.

He said he was still paid via the previous the Malaysian Remuneration System (SSM) despite agreeing to the new scheme on Dec 29, 2011.

Omar was a Human Resources Ministry secretary and an administrative and diplomatic officer.

In his application for leave, Omar had named the PSD director-general and the Government as respondents.

He sought a court order declaring his salary and terms of service to be in accordance with the SBPA and for the respondents to pay the difference of the salary which was to be calculated from Jan 1, 2012 until now.

4. RM37.2mil allocated for several Johor landscape projects

BATU PAHAT: The Government has allocated some RM37.2mil to develop several landscape projects in Johor next year, said Urban Wellbeing, Housing and Local Government Deputy Minister Datuk Halimah Mohd Sadique.

Halimah said the Government set aside an allocation to better the landscape of Johor.

She said some of the landscape makeover projects identified included the Batu Pahat town, Taman Tasik Bandar Tenggara, Taman Awam Tepian Sungai Tanjung Agas and Taman Komuniti Kampung Melayu Kluang.

"These are just some the projects that the Federal Government have identified for development next year," she said during the the state Landscape Day celebrations at the Johor Botanical Gardens here on Sunday.

Halimah added that the Federal Government had contributed over RM13mil to develop the state's landscape between 2014 and 2015.

5. Wong Chen wrongly linked individual to 1MDB, says Nur Jazlan

KUALA LUMPUR: An opposition lawmaker could be hauled up to the Parliament's Rights and Privileges Committee for wrongly linking an individual to the 1Malaysia Development Berhad (1MDB) issue.

Deputy Home Minister Datuk Nur Jazlan Mohamed said PKR's Kelana Jaya MP Wong Chen should not make "wild accusations" without substantiating them.

"I would like to remind Wong Chen that he could be brought to the Rights and Privileges Committee for making wrong accusation.

"In future, I would like to remind people not to make accusations that are false or cannot be substantiated because you are harming one's reputation.

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"Don't abuse the Dewan Rakyat," Nur Jazlan told reporters at the Parliament lobby yesterday.

In a Parliamentary question submitted to the Home Ministry, Wong Chen had asked the ministry the whereabouts of five individuals--- Low Taek Jho, also known as Jho Low, Casey Tang, Jasmine Loo, Nik Faisal Ariff Kamil and Yusof Annuar Yaacob, alleged to be involved in the 1MDB fiasco.

In a written reply to Wong Chen, the ministry said the police are unable to trace and determine their whereabouts.

Nur Jazlan said Yusof, who was previously Goldman Sachs Malaysia's chairman and managing director has nothing to do with 1MDB.

"Goldman Sachs was the financial advisor to 1MDB but the others (named by Wong Chen) were directors in 1MDB.

"Yusof has nothing to do with 1MDB, he was just with Goldman Sachs," stressed Nur Jazlan.

He added that Wong Chen should apologise publicly to Yusof for wrongly accusing him.

"In fact, Yusof should consider suing Wong Chen," said Nur Jazlan.

However an online news portal had reported that Wong Chen had made a mistake in naming Yusof as one of the five people when submitting the Parliamentary question.

Wong Chen said he had meant to name SRC director Datuk Suboh Md Yassin instead of Yusof. The written reply from the Home Ministry did not acknowledge or correct Wong Chen's mistake.



Wednesday, 18 November 2015

6. Cops unable to locate five people over 1MDB issue

POLICE are unable to trace the whereabouts of several individuals alleged to be involved in the 1Malaysia Development Bhd (1MDB) controversy.

The individuals are businessman Low Taek Jho, also known as Jho Low, Casey Tang, Jasmine Loo, Nik Faisal Ariff Kamil and Yusof Annuar Yaacob.

"The police cannot trace and determine the whereabouts of these individuals.

"At the same time, no application has been received from any party seeking Interpol's help to trace these individuals," said the Home Ministry in a written reply to Wong Chen (PKR - Kelana Jaya).

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It was reported that Bank Negara Malaysia is investigating Tang and Loo under the Exchange Control Act 1953 and is attempting to ascertain their whereabouts.

Tang was one of the founders of Terengganu Investment Authority (TIA), which later became 1MDB.

He was part of the early TIA team together with 1MDB's former managing director Datuk Shahrol Azral Halmi.

Loo was reported to have joined 1MDB in 2011 to replace Tang. Prior to that, she was the executive director of the Utama Banking Group Bhd's compliance and legal department, a company that businessman Jho Low and his associates used to own.

She was also a director in Putrajaya Perdana Bhd, a company that UBG took over in 2008.

Nik Faisal was SRC International's managing director, a company that was formerly a subsidiary of 1MDB.

He was also chief investment officer at 1MDB.

Yusof Annuar was Goldman Sachs Malaysia's chairman and managing director



Thursday November 19, 2015

7. Hasan: RM2.6bil not linked to 1MDB

THERE is no need for Prime Minister Datuk Seri Najib Tun Razak to testify before the Public Accounts Committee (PAC) over the 1Malaysia Development Berhad (1MDB) issue.

However, its chief executive officer Arul Kanda Kandasamy will be summoned to testify before the PAC on Dec 1.

PAC chairman Datuk Hasan Arifin said it was not necessary to call Najib when asked if the Prime Minister would testify before the committee due to his role as adviser in 1MDB.

"It is not necessary to call the Prime Minister," he said.

Hasan was speaking to reporters at a press conference after chairing his first PAC meeting since the resumption of proceedings that were temporarily suspended in July following a Cabinet reshuffle.

He also said the interim Auditor-General's Report had yet to be completed.

He asked newsmen to be fair and allow the PAC to conduct its probe, which would be done in an "objective and thorough" manner.

The Auditor-General's interim report, he said, had not linked the RM2.6bil donation to Najib's account from 1MDB.

"Let the public know that the two are entirely different issues. 1MDB has nothing to do with the RM2.6bil," he said.

Ex-PAC chairman Datuk Nur Jazlan Mohamed, who resigned from his post after being appointed Deputy Home Minister, previously said the committee could not rule out the possibility of Najib being called to testify.

On a separate matter, Hasan reiterated that 1MDB's present CEO and president Arul Kanda would be summoned to testify before the PAC on Dec 1.

He added that Arul Kanda's predecessor, Datuk Shahrol Helmi, would face the PAC on Nov 25.

Asked if the PAC would pursue calling businessman Low Taek Jho, also known as Jho Low, to testify before it, Hasan said it was not necessary at the moment.



Thursday November 19, 2015

8. Jho Low says has been in touch with MACC

KUALA LUMPUR: Talk that help is needed to contact Low Taek Jho (*pic*), or Jho Low, to assist the Malaysian Anti-Corruption Commission in the SRC International Sdn Bhd probe is baseless, said the businessman's spokesman.

In a one paragraph statement to Bernama, the spokesman said: "In August 2015, the MACC sought Low's help. Low's representatives immediately contacted the MACC and continue to be in contact."

The statement was in response to the Home Ministry which said the police have not been able to

detect Jho Low.

In a written reply in to a question from Wong Chen (PKR-Kelana Jaya) in the Dewan Rakyat, the ministry said no investigation was conducted by the police on the millionaire and there was also no request from any party to seek Interpol's assistance to locate him.

Apart from that, the Home Ministry said Interpol Malaysia was also not able to trace four other individuals, namely former 1Malaysia Development Berhad (1MDB) executive directors Casey Tang Keng Chee and Jasmine Loo Ai Swan, SRC International managing director Nik Faisal Ariff Kamil and Goldman Sachs Malaysia managing director Datuk Yusof Annuar Yaacob.

Nik Faisal and Low are sought by the MACC to assist in investigations related to SRC International, while Tang and Loo are sought by Bank Negara Malaysia to facilitate investigations under the Exchange Control Act 1953 to assist in investigations related to 1MDB.



Monday, 23 November 2015

9. 1MDB sells Edra power assets to China firm for nearly RM10b cash



KUALA LUMPUR: 1Malaysia Development Bhd (1MDB) has inked a deal to sell its entire power assets under Edra Global Energy Bhd to China General Nuclear Power Corporation (CGN).

1MDB said on Monday the sale of the 100% of the energy assets would be for RM9.83bil cash.

CGN Group will also assume all the relevant gross debt and cash of the Edra operating companies, based on a valuation date as at March 31, 2015.

"The transaction is expected to be completed in February 2016," it said.

Earlier reports stated the sale of Edra's power assets, valued at RM18bil in 1MDB's books, is part of the latter's rationalisation plan to reduce its debts of close to RM42bil.

1MDB had paid RM12bil for the equity of the power assets under Edra and assumed debt worth RM6bil when it completed the purchase of the power assets. It was reported that 1MDB did not put a reserve price on Edra, but had hoped to sell the energy assets at a price close to its book value.

Below is the statement issued by 1MDB:

1Malaysia Development Bhd (1MDB), Edra Global Energy Bhd and its subsidiaries (Edra) have executed a share sale and purchase agreement with China General Nuclear Power Corporation and its subsidiaries (CGN Group) for the 100% sale of 1MDB's ultimate ownership in all its energy assets.

The assets are Edra Solar Sdn Bhd, Edra Energy Sdn Bhd, Powertek Energy Sdn Bhd, Jimah Teknik Sdn Bhd, Jimah O&M Sdn Bhd, Mastika Lagenda Sdn Bhd and Tiara Tanah Sdn Bhd (Edra operating companies).

CGN Group will pay, in cash, an equity value of RM9.83 billion and will assume all the relevant gross debt and cash of the Edra operating companies, based on a valuation date as at 31 March 2015. The transaction is expected to be completed in February 2016.

Indicative offers for the Edra operating companies were first received in June 2015 via a rigorous, competitive and international tender process run by 1MDB's financial adviser, Maybank Investment Bank Bhd.

Rothschild acted as financial adviser to Edra. The sale is the largest announced M&A transaction in Malaysia and one of the largest in the Asian power sector, year to date.

More importantly, this transaction marks the achievement of the first major milestone in the 1MDB rationalisation plan, as presented to the Cabinet of Malaysia on May 29, 2015.

Arul Kanda, president & group executive director, 1MDB, said: "We are pleased to announce this significant milestone of the Edra monetisation process. CGN Group was a clear winner in this international tender, based on the objectives announced by 1MDB previously, namely value maximisation, acceptable commercial terms and certainty of transaction execution.

The purchase by CGN Group brings a significant Foreign Direct Investment commitment to Malaysia and is a clear vote of confidence in the Malaysian economy.

He further added "1MDB thanks the staff, senior management and board members of Edra for their contributions to the company and commitment during the sale process".

Datuk Mark Ling, president & executive director, Edra, said: "Edra has successfully integrated what was originally 13 power plants across five countries, into one cohesive and strong platform, that practises the highest of international standards.

"I am proud that the value created in our operating assets has been recognised by CGN Group, a major international operator with significant global operations. Edra senior management and staff are committed to continue performing our role as a key independent power producer (IPP) in Malaysia, Egypt, Bangladesh, Pakistan and the UAE".

He Yu, Chairman of the Board, CGN Group, said, "This investment represents a major commitment by CGN Group as part of a long-term, global diversification initiative.

"We are extremely impressed by the highly regulated, stable and transparent independent power producer framework in Malaysia, which has given us the confidence to make a long-term investment to the country. The CGN Group is a responsible and involved investor.

"We will work closely with Edra, a Malaysian based and Malaysian run global platform, and together, will take it to the next level. Most important of all, we will ensure uninterrupted power supply, using environmentally friendly technologies and adhere to the fixed terms of the respective power purchase agreements, for the benefit of the people of Malaysia."



Tuesday, 24 November 2015

10. Ringgit leads gains in Asia as 1MDB asset sale boosts sentiment

KUALA LUMPUR: The ringgit led gains in Asia after a debt-ridden state investment company struck a deal to sell its power assets and as an agreement by Saudi Arabia to help stabilize oil prices boosted the outlook for Malaysia's finances.

China General Nuclear Power Corp. agreed to purchase 1Malaysia Development Bhd.'s Edra Global Energy Bhd. for 9.83 billion ringgit (\$2.3 billion), a move that BIMB Securities Sdn. says will ease concern over 1MDB's debt. Saudi Arabia will "cooperate with all oil producers and exporters, from

inside and outside of OPEC, to preserve the stability of the market and prices," according to a statement from the Cabinet on Monday.

The ringgit strengthened 0.9 percent to 4.2665 a dollar as of 10:16 a.m. in Kuala Lumpur, according to prices from local banks compiled by Bloomberg. While the currency has climbed 0.8 percent this month, the region's best performer, it's dropped the most in Asia this year as depressed Brent crude prices weigh on earnings for the net oil exporter.

"Relief provided by the 1MDB news is one possible reason" for the ringgit's advance, said Sim Moh Siong, a foreign- exchange strategist at Bank of Singapore Ltd.

"Another reason is the turnaround in oil prices overnight after Saudi Arabia repeated its intent to cooperate with the Organization of Petroleum Exporting Countries ahead of the Dec 4 meeting."

Brent crude gained for a fifth day and extended its recovery from a two-month low. Malaysia derives about 22 percent of government revenue from the commodity.

1MDB, whose advisory board is headed by Prime Minister Datuk Seri Najib Tun Razak, announced plans in February to dismantle its assets after it drew criticism from lawmakers for accumulating about 42 billion ringgit of debt in less than five years of existence. The company came under further scrutiny after it almost defaulted on a loan and clouded the sovereign's credit rating with its borrowings weighing on the government's contingent liabilities.

The state investment company's dollar bonds rose on the announcement, with the yield on the 4.4 percent 2023 notes dropping 10 basis points to a four-month low of 6.48 percent, data compiled by Bloomberg show. Government securities followed suit. The yield on Malaysia's U.S. currency debt due in 2021 fell four basis points to 2.96 percent and the 10-year yield declined three basis points to 3.45 percent.

The asset sale is supportive for Malaysia's credit risk and investors will see it "as a hopeful sign of light at the end of the 1MDB scandal tunnel," Tim Condon, ING Groep NV Asia research head in Singapore, wrote in a note Tuesday. Five-year credit- default swaps will settle around 125 basis points, assuming oil prices average \$60 a barrel in the first quarter, he said.

The CDS contracts were at 175 points on Monday, having climbed to 247 in September, the highest in more than six years, CMA prices show. Brent crude was around \$45 on Tuesday and is down from its 2014 peak of more than \$115. - Bloomberg

11. MACC lodges police report over false statements

PETALING JAYA: The Malaysian Anti Corruption Commission (MACC) has denied rumours that the commission is using the RM2.6bil from the Prime Minister's private account to pay for compensations and rewards.

In a statement on Tuesday, MACC said they were aware of the allegations being spread on social media about them.

"Claims were made that MACC is paying for its rewards and compensations with the RM2.6bil from another case being investigated by the commission.

"We would like to stress that the commission never announced about RM2.6bil (US\$700mil) from Datuk Seri Najib Razak's private account being declared as a contribution to be paid to Malaysians who are committed to fighting terrorism," said the statement adding that the information being disseminated was false.

MACC added that a police report has been lodged and hoped for the Malaysian Communications and Multimedia Commission(MCMC) to investigate the spread of the false information.

"This affects the image of MACC, so we call for all those who receive the information to not be influenced by it.

"We also ask the public to not forward or spread such information via text messages or social media platforms," said the statement.

12. NFCorp boss acquitted of CBT



KUALA LUMPUR: The sessions courts has acquitted National Feedlot Corporation (NFCorp) executive chairman Datuk Seri Dr Mohamad Salleh Ismail (*pic*) of two criminal breach of trust charges amounting to RM49.7mil.

The decision was made by judge Norshahidah Awang on Tuesday.

On March 12, 2012, Dr Mohamad Salleh, in his capacity as NFCorp director, was charged with CBT amounting to RM9.7mil to fund part purchase of two units of condominium here and transferring RM40mil into the account of National Meat & Livestock Corporation, which he owns with one of his sons.

He is said to have committed the first offence at the CIMB Islamic Bank branch in Taman Tun Dr Ismail here between Dec 1 and Dec 4, 2009 and the second offence between May 6 and Nov 16, 2009.

13. Sarawak MACC: Sixty-five arrested on corruption charges this year

KUCHING: The courts have slapped more than RM410,000 in fines on 35 individuals found guilty of corruption in Sarawak this year.

In addition to that, the state branch of the Malaysian Anti-Corruption Commission (MACC) has arrested 65 people to date.

Without going into detail, Sarawak MACC director Datuk Badrul Shah Norman told reporters that 16 of the 65 individuals were civil servants.

"Three can be categorised as from the management and professional group, and 13 are assistant staff," Shah said during a media gathering here on Monday.

Thirty members of the public have also been arrested along with 19 individuals from private companies.

The number of MACC arrests has risen every year since 2013 when just 45 were apprehended, of which there were 15 civil servants.

Shah said 59 arrests were made in 2014, with civil servants making up 10 of the total number.

"Throughout this year, Sarawak MACC has been actively engaging with the public. We have held anti-corruption programmes for politicians in April and October. We have engaged with community leaders, rural grassroots chiefs and other target segments. Sarawak MACC has also carried out 326 talks at various public departments and agencies," he said.

Shah added that the Sarawak Timber Association had also been given "explanation sessions related to integrity and anti-bribery messages in April".

Ops Gergaji, targeted at illegal loggers was launched the month after, he said.

14. Technical errors cause almost RM15mil in uncollected taxes

PETALING JAYA: Technical errors by the Royal Malaysian Customs Department caused it to fail to collect almost RM15mil in taxes, says the 2014 Auditor-General's Report.

Describing the performance of the department as "less than satisfactory", it said that 213 K1 forms contained errors in assessments, which resulted in the under-collection of taxes amounting to RM1.29mil and an over-collection of RM499,296.

"A total of 111 K1 forms contained insufficient information on vehicles involving duties/taxes amounting to RM1.85mil. The value of the vehicles were RM2.86mil," it added.

It also said the Malaysian Association of Malay Vehicle Importers and Traders had failed to apply for an extension for keeping unsold imported vehicles for more than 36 months without payment of duties or taxes.

"As at Dec 31, 2014, the estimated duties due from those unsold imported vehicles amounted to RM12.65mil," it said.

Besides that, it said seven licensed warehouses (or 12.3% of those audited) were not insured for fire and theft, which involved 725 vehicles with an estimated excise duties of RM38.22mil.

The A-G suggested that the Customs Department reassess the Customs declaration forms that contained the errors highlighted and report the results to National Audit Department by June 2016.

"The Customs officers should also ensure that only quality Customs declaration forms with sufficient details on vehicle information and first registration date are accepted.

"Its Warehousing Management and Control Unit should tighten the control over unpaid duties or taxes on vehicles in the licensed warehouses," it said.

The Customs Department is the second largest revenue collector after the Inland Revenue Board of Malaysia.

15. The 3,000 will contribute again, says Yapeim D-G

KOTA BARU: The 3,000 contributors to the Malaysian Islamic Economic Development Foundation's "Amal Jariah" fund, who terminated their subscriptions, will be given an explanation on the alleged mismanagement of funds.

Yapeim director-general Datuk Abibullah Samsudin believed that they would continue contributing after that.

"We will send press statements to them so that they understand what is really happening," he told reporters.

The session, organised by the Council of Kelantan Professionals, was attended by Yapeim board of trustees' deputy chairman Datuk Siti Zaleha Hussien and board member Prof Datuk Mahamad Naser Disa, among others.

Abibullah said Yapeim now had about 5,000 contributors, each contributing between RM1 and RM500 a month through salary deductions.

He said an internal investigation was being conducted by Yapeim regarding the leak on its financial management.

Abibullah said the Malaysian Anti-Corruption Commission (MACC) has also called an officer from the foundation to give a statement, but declined to elaborate.

Yapeim made headlines last week following claims of misappropriation of funds.

16. PAC wants six ministries to explain performance decline

PETALING JAYA: Senior officials from six ministries will be hauled up by the Public Accounts Committee (PAC) to explain the decline in performance as stated in the 2014 Auditor-General's Report.

PAC chairman Datuk Hasan Arifin said the committee was dissatisfied with the general decline in financial management by ministries, government departments, agencies and statutory bodies.

The number of ministries, federal and state departments, including statutory bodies, that scored four-star ratings dropped to 60 last year, compared to 68 in 2013.

Numbers for three-star ratings also dropped to 70 in 2014 as compared to 72 the year before.

"We will call the secretaries-general of each ministry in February after we wrap up investigations into 1MDB," he told a press conference in Parliament House yesterday.

The Agriculture and Agro-based Resources Ministry will be hauled up over its management of subsidies for ST15 and S15% rice while the Rural and Regional Development Ministry will be called to explain the orang asli socio-economic development programme.

The Education Ministry will be facing the PAC over its management of projects to build secondary-level religious schools and other related facilities in Sarawak, while the Defence Ministry will be hauled up for losing close to RM27mil over delays in the National Defence Education Centre (Puspahanas) project.

The Works Ministry will be jointly called with the Health Ministry to explain delays in the upgrading of Hospital Sultanah Nora Ismail in Batu Pahat, Johor, and the Home Ministry will be called to explain poor management of the National Anti-Drug Agency quarters.

Just before the press conference, the PAC was given a briefing by Auditor-General Tan Sri Ambrin Buang.

"We want all ministries, departments, and agencies to strengthen their internal audit units to prevent leakages and abuse of power," he added.

Hasan said the Chief Secretary to the Government can also have more town hall sessions with secretaries-general to keep things in check.



Tuesday, 24 November 2015

17. Over RM6mil flood mitigation equipment idle

PETALING JAYA: More than RM6mil worth of flood mitigation equipment allocated under the Tenth Malaysia Plan could not be utilised due to various technical problems, the Auditor-General Report said.

It said project components or work under the Flood Mitigation Programme (FMP) carried out by the Natural Resources and Environment Ministry (NRE) did not comply with specifications or were of low quality.

These equipment were supervisory control and data acquisition system (SCADA) worth RM1.44mil for Phase 2 of the Sibul FMP.

It could not be used due to an antenna installation problem.

The Phase 1 of the Kelantan River FMP also faced the same problem.

Its SCADA system worth RM4.85mil could not be used due to technical problems.

As for package 2B of the Muda River (Hulu) FMP and Package 2 of the Muda (Hilir) FMP, there were only seven units of occupied quarters where four units were used as an operation office and store or rest area.

Another three units were unused.

"Certain components of FMP were also not well maintained," the report added.

However, the A-G lauded the programme as it had managed to reduce the risk brought by floods such as loss of human lives and property damage.

But it noted that some flood-prone states such as Kelantan and Terengganu, which were among the states with the largest flood areas and highest average losses, were not given priority in the implementation of the FMP.

The Report recommended the ministry and the Irrigation and Drainage Department (DID) to monitor the FMPs effectively as well as supervise the work progress of contractors to ensure that the work done are in accordance with specifications and quality.

"The DID should be given sufficient maintenance allocation to ensure implemented projects could be fully utilised by the target groups over a longer period of time," it said.

18. Ongkili: Edra sale not a national security issue

The Energy, Green Technology and Water Ministry has defended 1MDB's decision to sell all of its power assets under Edra Global Energy Bhd to China as the sale does not jeopardise national security.

Its Minister Datuk Seri Maximus Ongkili said Edra's power assets only contribute 14% of the nation's electric generation capacity.

"It is only 14% of the total generation capacity. 50% is still held by Tenaga Nasional Berhad while Malakoff Corp Bhd holds 24%," said Ongkili.

He said that the government could still put in controls through laws or licenses on the power assets owned by Edra.

"In our view, foreigners own about 80% of Singapore's energy sector, so it should not be a problem," he said in his wrap-up speech for the Ministry's 2016 Budget at the policy stage on Tuesday.

It was reported on Monday that 1MDB said that 100% of the energy assets would be sold for RM9.83bil.

Ongkili said Edra's decision to sell of its assets was on the "willing buyer and willing seller" concept, adding that the Ministry would only act as a regulator.

"Our Ministry acts as a regulator and agreed to allow the company to sell 49% of its equity after scrutinising the matter, considering that it is part of transforming the energy sector," he said.

To a question from Datuk Mahfuz Omar (PAS-Pokok Sena), who asked whether the purchase would become a precedent for other foreign companies to purchase the country's strategic asset, Ongkili said that future transactions will be vetted by the Energy Commission.

"That is not true. We will look through it if it happens in the future," said Ongkili.

He added that the Ministry would not make it a precedent.

"We will control it through licenses or other mechanisms so it will not affect national security," he said.

19. Johari: 1MDB can resolve debt issue without Government help

KUALA LUMPUR: 1Malaysia Development Berhad (1MDB) is confident of resolving its debt and cash flow issue more quickly without help from the Government, the Dewan Rakyat was told Wednesday.

The 1MDB issue is not a cause for the fall of the ringgit, said Deputy Finance Minister Datuk Johari Abdul Ghani (*pic*).

"On the contrary, several external factors, such as the fall in crude oil prices and a global economy dependent on exports, are exerting pressure on the ringgit," he said when replying to an oral question from Siti Zailah Mohd Yusoff (PAS-Rantau Panjang).

Johari said all strategic planning under the 1MDB rationalisation plan were being implemented quickly towards reducing the debt-incurred interest of the company.

"1MDB has planned and is implementing the rationalisation measures, including asset sale and equity partnership. We are confident of resolving the amount of debt incurred without government financial assistance," he said.

1MDB said recently the rationalisation plan involves, among others, debt-for-assets exchange with International Petroleum Investment Company (IPIC), sale of equity in Edra Energy and Bandar Malaysia, sale of land in TRX (Tun Razak Exchange) and disposal of non-core assets. - Bernama

20. Japan's SDP Global investing RM423.6mil in Malaysia

TOKYO: Japanese manufacturer of super-absorbent polymers, SDP Global Co Ltd will establish a production base in Malaysia with an expected investment of about US\$100mil (RM423.6mil).

SDP global president Hiroyuki Shimominami said construction on the production base in Johor was expected to start in May 2016 and the facility was slated to begin operation in the second quarter of 2018.

"The production base in Malaysia will follow the ones in Japan and China to meet the expected further expansion in global demand for super-absorbent polymers," he said.

He said this during a media briefing on Thursday after the exchange of sale and purchase (S&P) agreement between Johor Corp and SDP Global (M) Sdn Bhd for the purchase of land at the Tanjung Langsat Industrial Complex, Johor.

The S&P agreement is for the purchase of 6.8ha in the Tanjung Langsat Industrial Complex by SDP Global (Malaysia), a new company set up for SDP Global Co Ltd's production base in Malaysia.

"The base will have an initial production capacity of 80,000 tonnes per year, and will boost the groups total annual capacity to 440,000 tonnes from 360,000 tonnes," he said.

"We have decided to invest in Malaysia especially Johor as it is the best location with international ports, high quality human resources and competitive logistics and costs as well as cooperative state ministries," he said.

The exchange of the S&P agreement was witnessed by Minister of International Trade and Industry, Datuk Seri Mustapa Mohamed who followed the Malaysian Investment Development Authority's (Mida) trade and investment mission to Osaka and Tokyo from Nov 25-26.

Mida is organising a trade and investment mission to Seoul, Osaka and Tokyo from Nov 23-27 involving Malaysian delegates from the private and government sectors.

Mustapa said the decision by SDP Global to invest in Iskandar Malaysia's flagship zone was based on the government's support in building infrastructure for the region.

"We are confident Iskandar Malaysia will continue to attract more investments from Japan and other countries," Mustapa said during the media briefing.



Friday, 27 November 2015

21. ECER attracts investments worth RM12.5b

Despite facing economic challenges, the East Coast Economic Region (ECER) attracted investments worth some RM12.5bil this year.

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ECER's chief executive officer Datuk Seri Jebasingam Issace John said the total investments had surpassed the RM12bil target set for the year.

"More importantly, there was a balanced distribution of investments in both the urban and rural areas," he said in a statement issued after the ECER development council meeting yesterday.

Jebasingam said various human capital and entrepreneurship development programmes had benefited 48,000 people, almost all were in the Bottom 40% household (B40).



Saturday, 28 November 2015

22. Home Ministry probing if MyEG employed agents for renewal of foreign workers' permit



SEPANG: The Home Ministry will investigate reports alleging that My E.G. Services Berhad (MyEG) or its employees have been enlisting third-party agents to manage the application of Foreign Workers Permit Renewal (PLKS).

Deputy Minister Datuk Nur Jazlan Mohamed (*pic*) said many reports have been received from the public claiming that the company or its officers had appointed agents to apply for PLKS.

He added that the ministry was investigating the authenticity of the reports and took the issue seriously.

"This should not be happening as the condition imposed on MyEG was that they cannot hire agents to manage the application of PLKS.

"The renewal of the permit can complicate enforcement work carried out by the Immigration Department, especially in determining whether or not a foreign worker has valid documents," he told reporters after a raid in Bukit Damar here early Saturday.

Nur Jazlan said if the reports were proven to be true, action will be taken against those found guilty of appointing agents to manage the application of PLKS.

The raid was aimed at cracking down on illegal immigrants living at illegal housing quarters in Bukit Damar under an operation codenamed Ops Ikrar Bersepadu.

The raiding party comprised 283 Rela members and officers from the Immigration Department and National Registration Department (JPN).

Leading the raid was Putrajaya Immigration Enforcement Director Datuk Jaafar Mohamed.

Between Jan 1 and Nov 25 this year, 225,647 illegal immigrants have been deported to their countries of origin, including Myanmar, Bangladesh, Indonesia, Nepal and the Philippines.



Sunday, 29 November 2015

23. Jakim has never issued any halal logo to "haram" products



KUALA LUMPUR: The Malaysia Islamic Development Department (Jakim) today stated that it had never issued any halal logo to any product confirmed to be haram (forbidden in Islam).

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Its Halal Hub Division director, Hakimah Mohd Yusoff said investigations had been carried out

following the dissemination of photographs on social websites showing non-halal products with the halal logo being sold at certain supermarkets in Sarawak recently.

"Jakim's investigations at supermarkets in Miri and Kuching found no such products with the halal logo as claimed," she said in a statement, here.

Hakimah did not dismiss the possibility of the pictures being deliberately doctored to include the halal logo on the products.

Recently, a number of photographs believed to be of canned pork products with the halal logo appeared on the social media, causing uneasiness among Muslim consumers.

In light of this, Hakimah said Jakim appealed to anyone with information on the sale, keeping or distribution of such products to come forward with the information. -



Sunday, 29 November 2015

24. 1MDB regrets Dr Mahathir misleading statements

KUALA LUMPUR: 1Malaysia Development Berhad (1MDB) regrets that former Prime Minister Tun Dr Mahathir Mohamad persists in issuing misleading and wrong statements on 1MDB.

In a statement today, 1MDB said it was then reported in an irresponsible manner, without analysis or journalistic enquiry, by certain online media portals.

Referring to a blog post relating to the sale of Edra Global Energy Bhd, 1MDB said Dr Mahathir had failed in his numerous attempts to politicise the 1MDB issue.

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"Through the sale of Edra to CGN Group (China General Nuclear Power Corporation), based on Edra March 31, 2015 financial statements, 1MDB will receive for its equity, cash of RM9.83 billion.

In addition, CGN Group will take over debt in the Edra operating assets of RM7.43 billion.

"Accordingly, through cash receipts and debt transfer, 1MDB will achieve debt reduction of up to RM17 billion, which is well within the anticipated RM16 billion to RM18 billion range per the rationalisation plan.

"It is important to clarify that the up to RM17 billion debt reduction is over and above the approximately RM2 billion cash dividends that 1MDB has received over time from the power assets during its ownership," it said.

The statement added that 1MDB has essentially "broke even" on its investment, through an international tender process, despite having to sell its assets whilst under sustained and misleading attacks from the opposition and Dr Mahathir himself.

"If Tun Mahathir took the trouble to review Note 29 (v) of 1MDB's March 31, 2014 publicly available audited financial statements, he would realise that of the RM42 billion 1MDB debt, RM19.82 billion of debt is denominated in Ringgit Malaysia and RM22 billion is denominated in USD.

Accordingly there is more than enough RM denominated debt to be settled from the RM9.83 billion Edra sale cash proceeds," it said.

It said as for the USD debt which concerned Dr Mahathir, per the binding term sheet executed with International Petroleum Investment Company (IPIC) on May 28, 2015, it is the intention of 1MDB that US\$3.5 billion of IPIC guaranteed bonds would be settled via a "debt-for-asset swap" with IPIC.

"This envisages 1MDB transferring to IPIC, 1MDB assets comprising USD denominated cash deposits and USD denominated fund units, in return for IPIC taking over the US\$3.5 billion of bonds that it has guaranteed," it said.

The statement said Dr Mahathir had also misled his blog readers by failing to mention that the independent power producer (IPP) tariff for the Edra assets were fixed for the life of the PPA (power purchase agreement) period.

"On average across all the Edra power plants, this is for the next 10 years.

So, there is no question of the IPP tariff being increased for the life of the PPA, despite the change of ownership," it said.

1MDB also requested that Dr Mahathir uses facts and figures in his arguments and to stop misleading and wrong political attacks on 1MDB.

The company also urged online news media to properly analyse and use critical analysis prior to publishing such wrong and misleading statements by the former politician.

"Tun Mahathir has repeatedly misled the public with false statements. Most infamously, he is on the

record as saying "RM42 billion hilang" ("RM 42 billion missing") from 1MDB.

"The sale of the Edra operating assets, with a debt reduction of up to RM17 billion, clearly shows how Tun Mahathir was and continues to be, wrong.

"Secondly, Tun Mahathir has repeatedly insinuated that RM2.6 billion in the accounts of Prime Minister Datuk Seri Najib Tun Razak was from 1MDB," he said, adding that this was despite the MACC publicly issuing three statements that no funds from 1MDB went into the accounts of Najib. - Bernama



Monday, 30 November 2015

25. PAC completes questioning former 1MDB CEO

KUALA LUMPUR: The Public Accounts Committee (PAC) says it has completed questioning former 1Malaysia Development Berhad (1MDB) chief executive officer Datuk Shahrol Halmi and was pleased with the cooperation and answers provided.

Shahrol, who was called up to testify before the PAC last Wednesday, spent another two hours on Monday answering a host of questions regarding the management of 1MDB.

"Shahrol has given satisfactory cooperation to the PAC and answered all the questions directed at him," said PAC chairman Datuk Hasan Arifin in a statement at the conclusion of the day's proceedings.

"All the PAC members also had the opportunity to ask him questions related to the overall management and running of 1MDB," he added.

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Shahrol, who was earlier seen leaving the PAC meeting at around 12.45pm, said that the meeting had gone well.

"We are happy to provide the answers and we think we have provided lengthy answers. We look forward to cooperating further," he told reporters briefly.

Shahrol, who was the CEO of the state investment firm from 2009 to 2013, was called in to testify following statements provided to the PAC by Treasury secretary-general Tan Sri Irwan Serigar Abdullah and Economic Planning Unit director Datuk Dr Rahamat Bivi Abdullah.

The Auditor-General had presented an interim report to the PAC back in July, with the final report slated to be out by year-end.

The committee will resume its probe into 1MDB on Tuesday, when it calls current president and managing director Arul Kanda Kandasamy.