

1. 15 Immigration Department officers get the chop

SEPANG: Fifteen Immigration Department officers have been sacked, 14 suspended from work and eight had their increments frozen over the Malaysian Immigration System (myIMMs) fiasco that has seen billions being siphoned into the hands of syndicates.

And this is just the beginning of the clean-up at the Immigration Department. A new set of officers will be assigned to KLIA and 20 others are still under investigation.

Some of those dismissed were very senior personnel, having served in the department for up to 15 years, said Immigration director-general Datuk Seri Sakib Kusmi.

There will also be a major reshuffle of officers based in the headquarters in Putrajaya and state headquarters besides KLIA, added Sakib.

"We have taken drastic measures and transferred 63 officers from the headquarters. We have also prepared a new set of officers for KLIA. Those who have been at KLIA for more than six months will be transferred out.

"The sabotage that has gone on is too wide. We will continue our monitoring and our internal investigations on other suspected officers," he said during a working visit to KLIA here yesterday.

The myIMMs is the Immigration Department's information technology system which was developed to support its operations in providing services to the public, external agencies and stakeholders.

He said the internal investigations, carried out by the department's own intelligence team, did not investigate directors, their deputies and former directors as there was no element of sabotage at the higher level.

The department has also identified vendors handling the myIMMs system that were allegedly involved in the sabotage but could not reveal the figures yet.

"It is not the end for those who were penalised. Some of them are also being investigated by the police and if there are any criminal elements, the police will also take action.

"They are involved in many syndicates but we cannot reveal too much. We know who they are but we don't want them to know that we know," he said.

Asked if it was time for the Malaysian Anti-Corruption Commission to investigate, Sakib said he would "think later".

"We have around 13,000 personnel and only 100 of them were suspected to be involved.

"The number might be small but it is enough to tarnish the image of the department.

On Thursday, Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi said some 100 people, including Immigration Department officers and syndicate members, were being investigated on suspicion of being involved in the sabotage.

The Auditor-General's 2015 Report in its first series found among other things, weaknesses in planning, implementation and monitoring of the myIMMs. Three out of seven systems for application and payment of visas and passes worth RM10.3mil were not used.



Wednesday, 1 June 2016

2. Malaysian mastermind of syndicate that sabotaged immigration system

PETALING JAYA: A Malaysian has been identified as the mastermind of a syndicate that sabotaged the myIMMs immigration system, Deputy Inspector-General of Police Datuk Seri Noor Rashid Ibrahim (*pic*) said Wednesday.

He said the police had also identified several other people involved in the sabotage and would make arrests soon.

"These people are from a local syndicate that had carried out the sabotage.

They managed to lure one or two immigration officers initially and the number eventually grew," he told a press conference after inaugurating the Sime Darby Property auxiliary police service.

Asked about the statement by Immigration director-general Datuk Seri Sakib Kusmi Tuesday that an international syndicate was involved, Noor Rashid said the international syndicate was believed to have collaborated with the local syndicate in the crime.

Replying to another question, he said the police would focus on eradicating the local syndicate before seeking Interpol aid to go after the international syndicate.

Sakib had also said that 37 immigration officers had been penalised since February over the sabotage, with 15 of them sacked, 14 suspended and eight having their salary raise frozen.

The first series of the Auditor General's Report of 2015 had stated that the myIMMs developed to support the major operations of the Immigration Department was less than satisfactory and did not meet its objective.

Meanwhile, Noor Rashid praised Sime Darby Property for setting up its auxiliary police unit, saying the company's effort was in line with the National Blue Ocean Strategy that placed great emphasis on safety and security of the people.

"At the core of this collaboration is how the Royal Malaysia Police helps business corporations like Sime Darby Property to enhance their capacity and capability to contribute towards communal safety and public security," he said.

Sime Darby Property managing director Datuk Ir Jauhari Hamidi said the unit was part of the company's approach to reinforce security at all levels and future Sime Darby Property townships, with the aim of creating a safer environment for the community.

"The first batch, comprising 32 personnel, will be deployed to selected townships and developments for now and we plan to expand the unit with more trained personnel being deployed across all our townships soon," he said. - Bernama



Wednesday, 8 June 2016

3. 1MDB says liquidity position strong, unaffected by Moody's rating withdrawal

KUALA LUMPUR: 1Malaysia Development Bhd (1MDB) reiterates that its liquidity position is strong despite a move by Moody's Investor Services to withdraw its rating on the 5.99% US\$1.75bil senior unsecured notes issued by 1MDB Energy Ltd.

It said on Wednesday that it took note of the withdrawal and emphasised the move was undertaken without a downgrade in Moody's "Aa2" credit rating for the Energy Notes and that the Energy Notes continue to benefit from a "AA" rating from Standard and Poor's.

"1MDB's reiterates that its liquidity position is strong and the company remains focused on execution of its successful rationalisation plan," it said.

The international ratings agency had stated on Tuesday the withdrawal of the Aa2 rating on the notes was "for its own business reasons".

Under Moody's "Policy for withdrawal of credit ratings for business reasons", this referred to Moody's own business reasons, not the business reasons of the rated entity or obligor.

Moody's said its business reasons generally do not reflect any concerns about the rated entity's creditworthiness or the quality of its management.

Moody's decision to withdraw a rating under these circumstances will attempt to balance the informational benefit to market participants from maintaining a credit rating against the resources required to maintain and monitor that credit rating or other business considerations.



Thursday, 9 June 2016

4. Five more Immigration officers nabbed over systems sabotage

KUALA LUMPUR: Five more Immigration officers have been arrested in connection with the sabotage of the Malaysian Immigration System (myIMMs).

Inspector General of Police Tan Sri Khalid Abu Bakar said the officers were arrested at the KL International Airport on Wednesday.

"We are still investigating. So far we have made more than 10 arrests and have seized documents from them as well," he told reporters after attending the Police Cooperatives Berhad annual general meeting on Thursday.

It was recently reported that a Malaysian has been identified as the mastermind of a syndicate that sabotaged the myIMMs.



Tuesday, 14 June 2016

5. Najib: I never abused my position for personal interest

KUALA LUMPUR: Datuk Seri Najib Tun Razak (*pic*) has contended that he never abused his position for his personal interest.

The Prime Minister said that he does not exercise control over ministers, police, Malaysian Anti-Corruption Commission and Malaysian Communications and Multimedia Commission officers in carrying out their duties.

Besides that, Najib said he has not exercised any control over the powers and duties of the Attorney-General, who had on Jan 26 found that no criminal offence was committed by him in relation to SRC International and the alleged RM2.6bil donation.

Najib said he held the position of chairman of the board of advisors of 1Malaysia Development Board (1MDB) at all material times, and had announced that the Auditor-General would carry out an audit of 1MDB but was not responsible for the appointment of the Special Task Force.

He said this in his statement of defence over a lawsuit filed by former prime minister Tun Dr Mahathir Mohamad and two others against him for alleged misfeasance in public office.

Dr Mahathir, former Batu Kawan Umno division vice-chief Datuk Seri Khairuddin Abu Hassan and former Langkawi Wanita Umno member Anina Saadudin want Najib to pay RM42mil in aggravated damages to the Government.

In addition, Najib in his defence statement dated June 13, made available to media today, said he had not interfered with the due process of law.

"The defendant will further contend that he has not abused his position as the Prime Minister, Finance Minister, Barisan Nasional chairman and Umno president to further his alleged corrupt practices," he said.

On Dr Mahathir, Najib said the former premier had the right to withdraw support for him and was entitled to voice his criticism on his weblog.

Najib added that police are entitled to question Dr Mahathir if an offence of criminal defamation is committed by the former prime minister and that it was not due to him.

Apart from that, he said the fact that Dr Mahathir had had his position as Petronas advisor terminated did not give rise to the filing of a suit.

On Khairuddin's arrest on Sept 23 last year for an offence under the Securities Offences Special Measures Act 2012, Najib contended that it was not due to him.

On Anina, Najib said if she had any cause of action, action should be against the party or its office bearers.

In asking for the claim to be dismissed with costs, Najib said the plaintiffs had not suffered any personal losses.

He said that the claim for payment of exemplary and aggravated damages was directed to the Government, which was not a party to the claim.

High Court judge Justice Abu Bakar Jais set June 23 to hear an application by Dr Mahathir and two others to obtain leave to cross-examine Najib over content of his affidavit.

In the lawsuit filed in March, the plaintiffs also sought for the High Court to order the Prime Minister to pay RM2.6bil in exemplary damages to the Government.



Tuesday, 14 June 2016

6. 1MDB: Ipic, Aabar submit a request for arbitration

KUALA LUMPUR: Abu Dhabi's International Petroleum Investment Company (Ipic) and Aabar Investments PJS have submitted a request for arbitration (RFA) to the London Court of International Arbitration, said 1Malaysia Development Bhd (1MDB).

In a statement on Tuesday, the company said it and its legal counsel would review the RFA once it had been served with a copy.

The strategic investment fund reiterated that, notwithstanding the dispute with Ipic, it has a strong liquidity position and was able to honour its current debt obligations.

According to a filing to the London Stock Exchange by Aabar, the RFA concerned the failure by 1MDB and Minister of Finance Inc (MOF) to perform their contractual obligations under the binding term sheet (BTS) as described in Ipic GMTN Ltd's announcement of June 10, 2015.

The failure of 1MDB and MOF to perform their obligations, cure their defaults or put forward acceptable proposals has left Ipic in the position where it must pursue its claims in arbitration.

The total amount claimed by Ipic/Aabar is about RM26.5bil.

The claim will be determined by an arbitral tribunal that will comprise three arbitrators in accordance with the BTS and the LCIA Rules.

7. Oil & gas market rally in Malaysia fizzles out

PETALING JAYA: The recent surge in oil and gas (O&G) counters is fizzling out as new data indicates that the industry's fundamentals still have some way to go before it catches up with the recovery in sentiment recently, say analysts.

The major downturn in equities in recent days has also wiped out a large chunk of the gains in O&G counters, which had previously rallied in line with rising crude oil prices.

Shares of SapuraKencana Petroleum Bhd (SapKen) closed at RM1.50 yesterday after rallying to a high of RM1.77 on June 8. Another large cap, Bumi Armada Bhd, retreated to 71 sen on Tuesday after having risen to 78 sen on June 9.

While crude oil prices have recently breached new highs, with Brent crude rising to US\$53 per barrel as recently as last week, the recovery in sentiment will take a while until it is reflected in the fundamentals of the industry.

This is because apart from the perceived abundance of oil, which could still deter a sustained rally in prices, the oversupply of vessels for drilling and exploration works has dented the earnings of many upstream-oriented companies.

In a note by RAM Ratings yesterday, the firm said that based on the performance of 31 listed domestic O&G companies, the aggregate drop in revenue last year came to a moderate 18%. However, the pre-tax profit drop was steeper at 57% as the decline was exacerbated by the impairment of assets and intangibles.

"More than two-thirds of the companies posted year-on-year declines in pre-tax profits last year, with about a quarter of them incurring losses. However, their fortunes vary according to the sub-segment or type of services within the sector," said RAM's head of consumer and industrial ratings Kevin Lim.

Companies in the O&G industry had experienced varying fortunes over the past six months, with downstream and operational maintenance companies clearly having the upper hand over the pure upstream firms, RAM added.

In a note by MIDF Research, daily charter rates (DCRs) for jack-up drilling rigs hit a new low of US\$60,000 per day in April from US\$80,000 to US\$90,000 back in January.

Among the companies that operate in this space are UMW Oil and Gas Corp Bhd and Perisai Petroleum Teknologi Bhd.

"Although utilisation rates for rigs in South-East Asia have ticked up to 59% from 50% in January, DCRs have remained depressed. Asset owners are still seen to be delaying and deferring construction and the delivery of jack-ups in this lull activity climate," MIDF said.

The research house recommended investors to cherry-pick stocks which are specifically focused on the downstream segment. Among its top picks are Petronas Chemicals Group Bhd and Gas Malaysia Bhd.

Meanwhile, tender rig rates are not faring any better, although utilisation in South-East Asia has gone up to 56% in April compared to a low of 48% in November last year. DCRs for tenders are also near their lowest in years at US\$135,000 per day.

SapKen, which has the world's largest fleet of tender rigs, incurred heavy losses last year on the back of hefty asset impairments.

Nonetheless, the integrated and diversified services provider had been partially cushioned from the full impact of the O&G slump, as it can rely on other revenue contributing segments, RAM noted.

According to RAM, companies that cater to the operational requirements of upstream production such as supplies, maintenance, upgrading and fabrication of process equipments have been the least affected in terms of earnings deterioration, with their pre-tax profits declining by about 25%.

Meanwhile, the International Energy Agency said the global oil market would be almost balanced next year as demand continued to rise faster than production, while the current oversupply was much smaller than previously thought, *Bloomberg* reported.

The surplus in the first half of this year was about 40% smaller than estimated a month ago as consumption proved stronger than expected while disruptions reduced supply, the Paris-based agency said. Still, the "enormous inventory overhang" that accumulated during years of oversupply would limit any significant increase in prices, it said.



Wednesday, 15 June 2016

8. Arul briefed civil servants on 1MDB

SUNGAI BESAR: The Prime Minister's Department held a briefing on 1Malaysia Development Berhad for civil servants with 1MDB president Arul Kanda Kandasamy explaining several national issues.

Arul said the people should not be fooled by issues, which have been played up by the Opposition and blown out of proportion.

"1MDB is no more an issue. It was a business problem that is currently being solved. All problems will be solved by next year," he told the audience.

The briefing was organised by the Implementation Coordination Unit (ICU) and held at Sekolah Agama Menengah Pasir Panjang.

Those who attended include Sungai Besar candidate Budiman Mohd Zohdi, National Civics Bureau chief Datuk Ibrahim Saad and Special Branch (Operations/Counter Terrorism division) assistant director-general Datuk Ayob Khan Mydin Pitchay.

The audience, mostly teachers, were also briefed on terrorism threats to the nation, and how the people should be grateful to live in a multi-cultural country like Malaysia.

Arul denied that the Goods and Services Tax (GST) was implemented to cover the debts incurred by 1MDB.

"The GST issue has been politicised. The background to it is to change the country's taxation system. This has nothing to do with 1MDB," he said to a question from the floor.

He also rubbished claims that the RM2.6bil donation paid into Prime Minister Datuk Seri Najib Tun Razak's private account came from 1MDB.

"There is no donation from 1MDB in the prime minister's private account. This is a fact and not an opinion," he said.

The briefing came after one of 1MDB's critics, Tun Dr Mahathir Mohamad, campaigned for the Opposition ahead of the June 18 by-election.

A spokesperson from PMD denied that the briefing was held to coincide with the by-election.

"We planned this well ahead and we are doing this nationwide. This time is Selangor's turn so we chose this place," said the spokesperson.

9. 1MDB appoints law firm in dispute with IPIC

KUALA LUMPUR: 1Malaysia Development Bhd (1MDB) has appointed international litigation specialist Weil Gotshal & Manges in its dispute with International Petroleum Investment Company (IPIC) and Aabar Investments PJS.

It said on Friday Weil Gotshal is a globally renowned, top tier law firm, specialising in, amongst others, international litigation.

"1MDB will file a robust response to the request for arbitration (RFA), on or before the deadline of July 11 2016, as stipulated by the London Court of International Arbitration," it said.

The statement was issued after 1MDB was served with the request for arbitration, dated June 13, by IPIC and Aabar in relation to its ongoing dispute with IPIC.

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11. UNHCR Malaysia to launch new identity card to prevent fraud

KUALA LUMPUR: The United Nations High Commissioner for Refugees (UNHCR) in Malaysia will be launching a new refugee identity card with enhanced security features on Tuesday.

UNHCR Malaysia representative Richard Towle (*pic*) said the new card would contain biometric and radio frequency identification (RFID) features which would be make it harder to duplicate.

Towle said this to reporters here at the opening ceremony of a UNHCR's expert roundtable discussion on Monday.

It was recently reported that there were syndicates selling falsified refugee identity cards.

As of April 2016, there were 154,140 refugees and asylum-seekers registered with UNHCR in Malaysia.

More than 90% of them were from Myanmar while the others were from Sri Lanka, Pakistan, Somalia, Syria, Iraq, Yemen, Palestine and Iran.

12. Don't divulge government secrets, Zahid tells civil servants

PUTRAJAYA: Datuk Seri Dr Ahmad Zahid Hamidi has reminded civil servants of their duties to keep government secrets.

The Deputy Prime Minister said that although there were laws like the Official Secrets Act to prevent leakages of government secrets, he said it was up to the individual to "self-impose" the restriction on themselves.

"Government servants are governed by the civil service code of ethics. If any of us feel like leaking government secrets, the law will reach out to them.

"The Official Secrets Act exists to prevent this, but the real enforcement should be imposed by our own selves," he said at a Ramadan break of fast do with the Home Ministry and the Prime Minister's Department at Sri Satria here Thursday.

"When we are sworn in as civil servants, we swear in the name of *Allah*. It is our responsibility not to break that oath," said Dr Ahmad Zahid, who is also Home Minister.

Also present at the event were Deputy Home Ministers Datuk Nur Jazlan Mohamed and Masir Kujat, Home Ministry secretary-general Datuk Seri Alwi Ibrahim and Inspector-General of Police Tan Sri Khalid Abu Bakar.

At the event, which was attended by 1,200 guests, Dr Ahmad Zahid presented aid to 100 orphans and underprivileged children from the Tahfiz Al-Taqwa and Rumah Kasih Harmoni in Sungai Buloh, Selangor.



Friday, 24 June 2016

13. Vell Paari: Opposition possibly receiving leaked MACC information

PETALING JAYA: PKR vice-president Rafizi Ramli's revelations on the Malaysian Anti-Corruption Commission's (MACC) internal workings prove that information is being leaked to the Opposition, says Datuk Seri S. Vell Paari.

Vell Paari, who is MIC treasurer-general, said he was responding to Rafizi's "revelation" that there had been "secret meetings between a senior official from MACC and PKR leaders".

In a statement on Friday, Vell Paari said that Rafizi's revelation - that a MACC official had revealed that the anti-graft body was pressured on several cases earlier this year - only proved that information was being leaked to the Opposition.

He added that there might also have been political interference from the Opposition as Rafizi had also admitted to meeting the senior officer and discussed MACC internal matters.

Vell Paari said that there was a possibility that the Opposition had influenced The Commission's investigations into Lim Guan Eng due to an apparently close relationship between an MACC officer and Rafizi.

"This might have given the Opposition more time to hide the information needed," he said.

He also urged police to apprehend the senior officer and to conduct a detailed investigation into him.

14. 'Flying passport' Immigration officers held

JOHOR BARU: During the day, they are Immigration officers manning a check-point between Johor and Singapore.

After work, they meet up in a house in Tampoi to take drugs and also conduct their "illegal business" of extending the stay of foreigners, especially women from China, Vietnam and the Philippines.

However, police officers recently got wind of their activities and raided the house.

The suspects were apprehended and dozens of passports belonging to foreign nationals, rubber stamps, drugs and a police vest were seized during the raid.

The Immigration officers, one with about more than 10 years service, have regularly been meeting at the house to "get high" on ganja and for their illegal activities.

All tested positive for drugs and have since been reassigned to desk duties.

This practice, known as *paspot terbang* (flying passports), is done with a small group of rogue Immigration officers stationed mainly at major entry points around the country.

It is learnt that the officers were paid between RM500 and RM1,000 for each "passport".

A senior police officer, when contacted, confirmed that three Immigration officers were involved and investigations were ongoing.

It is learnt that syndicates operating vice rings will collect the women's passports and pass them to Immigration officers, who would then use fake Singapore rubber stamps and their Malaysian rubber stamps to make it look like the foreigners had exited Malaysia to Singapore and have re-entered.

China and Vietnamese citizens are only allowed to stay for 30 days, and can exit and re-enter via Singapore.

Security sources said the passports could be extended without the foreigners ever leaving the country as all this was done using runners.

Sources said under the Immigration Department's standard operating procedure, officers on duty at the counters were not allowed to carry mobile phones and the rubber stamps must be handed back at the end of their shift.

There are more than 1,500 Immigration personnel stationed at all the entry points in the state.

Earlier this year, the Malaysian Anti-Corruption Agency arrested four officers for being involved in similar cases at the Bangunan Sultan Iskandar Customs, Immigration and Quarantine complex here.



Wednesday, 29 June 2016

15. Govt to inject additional RM333.5mil into Sapangar Bay port project



The Sapangar Bay Container Terminal's annual throughput capacity will be boosted to 1.25 million TEUs.

KUALA LUMPUR: The Government has boosted the funding allocation to expand the Sapangar Bay Container Port, Sabah's main container port, by 42% to RM1.134bil.

Suria Capital Holdings Bhd, which operates the port through unit Sabah Ports Sdn Bhd, told Bursa Malaysia on Tuesday that the Federal Government had approved an additional sum of RM333.505mil for the expansion programme following the recommendation of the Value Management Lab for Sabah Development Corridor project.

The additional funding is to cover the cost of the expansion, it said.

Sabah Ports, it added, would be responsible for procuring the cargo handling equipment and the additional yard to achieve the 1.25 million TEU (20ft equivalent unit) capacity.

Under the 11th Malaysia Plan, RM800mil had been originally allocated for the port expansion, whereby funding under the first rolling plan was to be staggered over two years (2016-2017).

It was reported that construction work for the first stage of the development would begin early next year, with completion expected by 2019.

In its Bursa announcement on Feb 16, Suria Capital -- which is 49% owned by the Sarawak government (via Warisan Harta Sabah and Yayasan Sabah) -- said the project's initial phase would involve expanding the port's berth length from the current 500 metres to 1.2km and stacking area from 15ha to 60ha.

"With the additional operation area, the (annual) handling capacity is expected to increase to as much as 1.25 million TEUs from the current 500,000 TEUs," it said.

The Sapangar Bay Container Port, completed in 2006 after the privatisation of Sabah Ports in 2003, is expected to become the premier transshipment hub for the Brunei Darussalam-Indonesia-Malaysia-Philippines East Asean Growth Area (BIMP-EAGA).

For the financial year ended Dec 31, 2015, port operations contributed RM41.98mil to Suria Capital's group pre-tax profit. Property development, a business which it diversified to in 2013, contributed RM108.39mil.

Suria Capital shares shed 2 sen to close at RM1.93 on Tuesday with 22,600 shares traded.

16. Guan Eng to be charged on two counts of corruption



Lim being led by MACC officers to be taken to the MACC headquarters in George Town on Wednesday

GEORGE TOWN: Penang Chief Minister Lim Guan Eng has been taken into custody by the Malaysian Anti-Corruption Commission.

The DAP secretary general was arrested as soon as he exited the conference room at 6.20pm in Komtar after chairing the state's weekly exco meeting.

Five to eight plainclothes men were seen escorting Lim in a private lift from Level 28.

State exco member Chow Kon Yeow told reporters that Lim would be taken to the MACC office where he will be served with a warrant for his arrest on two charges.

"The charges are under Section 23 and Section 165 of the Anti-Corruption Act.

"The first charge is about the re-zoning approval of Magnificent Emblem's application to convert agricultural land to residential.

"But as we know, this was rejected by the Penang Island City Council.

"The second one relates to the purchase of his bungalow at below market value.

"He will be charged at the Sessions Court tomorrow morning," Chow said.

Asked if Lim said anything to his exco team before being taken away, Chow said: "Not much. Just be strong."

He said Penang DAP would hold an emergency meeting Thursday after Lim was charged in court.

"We believe he will be allowed bail. The state exco will also hold an emergency meeting."