

Privatised projects' concessionaires should be more responsible

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PETALING JAYA: Concessionaires of privatised projects should be more responsible, and bear the consequences and business risks arising from these projects.

It is unfair to pass the costs and losses incurred during the concession period of the project to consumers, said Datuk David Chua, deputy secretary-general of Associated Chinese Chambers of Commerce and Industry Malaysia.

He said the government should avoid creating private monopolies when awarding privatised projects to companies. Instead, it should create alternatives so that monopolistic tendencies can be reduced to a minimum.

"A more diplomatic approach should be adopted in the privatisation of functions of a sensitive

nature as it involves the transfer of power normally exercised by the government," he said in his paper, *Privatisation under the 8th Malaysia Plan: The key issues and implementation*, at a conference yesterday.

The conference, which was opened by Prime Minister Datuk Seri Dr Mahathir Mohamad, saw more than 100 participants from various government, private and financial agencies.

Chua said the government should take into account the various aspects of the company in awarding a project. These include its capacity, commercial viability, cost efficiency, resource allocation as well as efficient coordination and planning. "All these are vital as the project must benefit the public," he said.