

PAC reveals NFC received loan before signing contract

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The National Feedlot Corporation (NFC) was able to withdraw its RM250 million soft loan from the government even before a contract with the government was signed.

This was revealed by Public Accounts Committee (PAC) chairperson Azmi Khalid (right) after the committee interviewed several Agriculture and Agro-based Industries Ministry officers today.

“In this case, the money was disbursed in 2009 into a special account which needs the (relevant) ministry’s approval, to be withdrawn for the company’s operations.

“But only after the money was disbursed (in 2009) was the contract signed a year later in 2010,” Azmi told reporters.

He said that other problems with the NFC uncovered by the PAC were poor management, delays in approval and changes in goals.

PAC 'fed up' with fund mismanagement

Agriculture and Agro-based Industries secretary-general Che Mohd Hashim Abdullah and his predecessor Mohd Mokhtar Ismail were among some dozen other officers present today.

The practice, despite its shortcomings, is still largely exercised by government departments across the board, he said.

“2008, 2009, 2010 and now in 2011... year after year, the PAC deals with the same problem... We see this as an indication that our management system is something that should be viewed again and reviewed ,” Azmi complained.

The PAC and the people, he added, were 'fed up' with this annual debacle and the BN government was being cast in negative light because of this.

NFC’s operations have attracted negative comments in the 2010 Auditor-General’s Report, which said the project was “in a mess”.

Among the accusations made by PKR were that part of the loan had been abused to benefit a federal minister and her family members.

Although both the government and NFC have denied all the claims, PAC acted on queries raised by MPs in Parliament and began its investigations today.

Urgent revamp needed

The urgency to revamp the government’s fiscal management system was crucial, Azmi said, since government agencies were now directly involved in approving and overseeing business orientated projects.

“Their (the civil service staff) intentions may be good, even planning might be good... but the lack of coordination and weak management, and most of all, delay in this and that...

“If we ask the departments, they will give us a myriad of excuses. They will say they did everything correctly. It is true that their intentions are good, but it is the implementation that is being questioned,” he reiterated.

“Therefore, we have decided to call all the ministries involved to see what can be done and revamp the way we manage things,” Azmi said.

The Finance and Agriculture and Agro-based Industries ministries, he added, would be called in again in January, along with the NFC management.

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