

## **Zahid to be quizzed on defence procurements**

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Three opposition MPs are to raise issues related to controversial multi-billion ringgit procurements when they meet with Defence Minister Ahmad Zahid Hamidi tomorrow, on his invitation.

NONThe representatives are DAP's Petaling Jaya Utara MP Tony Pua (left in photo), PKR's Machang MP Saifuddin Nasution and PAS' Kuala Selangor MP Dzulkefly Ahmad (right in photo).

The RM9 billion contract with Boustead Naval Shipyards for six littoral combatant ships (frigate class) is expected to feature in the discussions.

"The contract was signed despite the defence minister having told Parliament, twice in March last year, that the ceiling price set for the acquisition of these ships was RM6 billion," Pua said in a statement this morning.

"This represents a huge increase of RM3 billion or 50 percent of the original budget."

Scandal-hit company to build warships

Pua said Malaysians were even more concerned when Boustead announced that the ships would be built by scandal-ridden French warship manufacturer DCNS.

DCNS had been convicted by a French court of bribing Taiwanese officials and fined RM2.5 billion.

abdul razak baginda pc 201108 06The company supplied Malaysia two Scorpene submarines, costing RM6.5 million, and has allegedly paid its local agent Perimekar Sdn Bhd RM500 million to for "coordination and support services".

One of Perimekar's shareholders is the wife of political analyst Abdul Razak Baginda (left), who is closely linked to Prime Minister Najib Abdul Razak, who was defence minister at the time of the Scorpene purchase.

Abdul Razak was one of three people charged with the gruesome murder of Mongolian national Altantuya Shariibuu, who acted as a translator in the Scorpene procure deal, but was released without his defence being called.

Locally-based human rights NGO Suaram has filed a case in the French court against DCNS for allegedly paying kickbacks to Malaysian government officials for the submarine purchase. The payment of commissions for such deals is illegal under French law.

Pua also said that Zahid must also explain the RM7.55 billion purchase of 257 armoured personnel carriers, each of which cost RM29.4 million.

gerakan umno zahid hamidi penang penanti pc 150509 01Deftech Sdn Bhd, a subsidiary of DRB-Hicom Bhd, owned by a businessman closely linked to Umno - Syed Mokhtar Al Bukhary - has purchased the "base system" for the carriers from Turkish defence company FNSS Defence Systems for about RM1.7 billion or RM6.7 million each.

Last month, Zahid (right) invited Pua and Kita president Zaid Ibrahim to meet him so he could answer their queries over the purchase of the patrol vessels, also known as littoral combat ships (LCS).

Zahid, however, questioned where Pua got his information that the total cost of the six vessels had gone up from RM6 billion to RM9 billion.

Said Pua: "The minister must be transparent about this procurement, especially since it was not done by open tender.

"The government must provide details of equipment and services which makes the difference between the acquisition cost of RM7.55 billion relative to the base system of only RM1.7 billion."

He reiterated his call to the government to set up a Parliamentary Oversight Committee to review and to ensure greater accountability and transparency in the country's defence procurements.

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