

Pua: Will NFC's RM250mil loan be recovered?

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The federal government has been urged to recover its RM250 million soft loan from the National Feedlot Corporation (NFC) now that a new implementor of the national feedlot project is being sought.

DAP publicity chief Tony Pua said that should the government fail to do so, it would send the message that it is condoning cronyism and patronage.

The NFC is ran by the family of outgoing Women, Family and Community Development Minister Shahrizat Abdul Jalil, who is under fire for the many scandals related to the company.

Documents have surfaced to show that NFC had used the soft loan in order to finance investments in properties and other areas that were not related to cattle-rearing.

NFC's boss Mohamad Salleh Ismail, Shahrizat's husband, is now facing charges for criminal breach of trust and violating the Companies Act 1965 over NFC's operations.

NONEPua argued that should the RM250 million loan not be recovered, all the actions taken against Salleh and Shahrizat's exit from cabinet would come to naught.

"Should both prime minister and agriculture minister fail to take immediate and all necessary steps to such effect, all other pronouncements about making good the national feedlot project will be a public relations, damage-control exercise and mere political rhetoric.

"In fact, their reluctance and failure to come down hard on parties who outrageously abuse public funds proves their bias and support for Shahrizat, at the expense of taxpayers," he stressed.

Has the contract been terminated?

Meanwhile, Pua also questioned if the federal government had terminated its contract with NFC, in view that it will be calling for a tender to seek a company that will take over the feedlot project.

Pua said the existing implementation agreement was signed on March 8, 2010.

Another issue which the government must account for is whether this agreement was signed despite an order from the Finance Ministry to halt the project in May 2009 until a cost-benefit analysis was carried out.

"Regardless, now that (Agriculture and Agro-based Industries Minister) Noh has announced the request for new bids, does it mean that a cost-benefit study has been indeed carried out and the project's viability has been approved by the Finance Ministry?" he asked.

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