

PKA top management grilled by journalists

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A press conference called by the Port Klang Authority (PKA) to refute the allegations related to Port Klang Free Zone (PKFZ) scandal turned into a public relations disaster when the PKA management failed to give satisfactory answers to questions raised by the journalists.

NONEThe press conference held at PKA office in Port Klang today began with PKA chairperson Teh Kim Poh's (left) assurance that current Transport Minister Kong Cho Ha had never issued any instruction to PKA not to proceed with the PKFZ court cases or to squirrel away evidence.

"I can swear to you. If you want me to swear anywhere, I can swear. Please tell the truth," said Teh, the former MCA assemblyperson for Pandamaran.

Teh called on all quarters to respect and have trust in the court, and allow due process.

"If the attorney-general wants to charge more people, let him charge," he said.

'Lee's book is outdated'

Teh also took a swipe at his predecessor Lee Hwa Beng's newly-published book PKFZ: A Nation's Trust Betrayed, describing its content "outdated" as PKFZ has achieved vibrant development under his stewardship in the last six months.

NONEHe even described former transport minister Ong Tee Keat's statement published in Malaysiakini yesterday as "fabrication".

A dispute then broke out when R Nadeswaran, an editor with English daily The Sun, who has been following the PKFZ issue since the scandal was exposed, blasted Teh on why PKA continued to make payments to bondholders although the bonds were issued by KDSB, the turnkey developer of PKFZ.

"You never took the loan, why are you paying back? It is not your money, it is all our taxpayers' money and you don't care about our money?" he asked.

Failing to satisfy Nadeswaran with his explanation, Teh passed the ball to PKA financial manager Adnan Abidin, who could only argue that PKA had signed an undertaking to repay the bonds but declined to reveal details of the grounds that the matter is being heard in court.

azlanNadeswaran also questioned why PKA insisted on making the payment, even though it was against the advice of Skrine & Co, the legal firm engaged by PKA earlier to recover the funds paid to KDSB.

The apparently clueless Adnan replied that he could not comment on the legal advice, and that he had not read it.

KDSB is a company formerly owned by BN Backbenchers Council chairperson and Bintulu MP Tiong King Sing. It funded the PKFZ development by issuing bonds to four Special Purpose Vehicles (SPVs).

Under the agreement, KDSB obtained the funds from the bonds issued and PKA agreed repay RM4.6 billion to the bondholders over a span of 11 years from 2007 to 2017.

According to Ong, RM3.039 billion is estimated to have been paid to KDSB bondholders to date, with another RM733.37 million due on June 20 this year.

Reporters at the press conference were dumbfounded again when Teh and his colleagues, including PKA general manager Capt David Padman, PKFZ chief executive officer Chia Kon Leong and Adnan, could not state the number of civil suits brought by PKA to recover the taxpayers' money.

"What is this? How do you run the organisation? The CEO is sitting here, the chairman is here but they don't know the status of the cases. How many cases? This is the reflection of the incompetence and the mess we are in because of this," said Nadeswaran.

Teh then scrambled to call PKA legal adviser Fadzilah Surkisah into the meeting to give the answer - which was four.

Another journalist quizzed Teh on why PKA should pay the bondholders when KDSB, which had obtained the funds from the bonds issue, was being sued by PKA for overcharging and non-completion of work.

"I cannot answer this. It is already in the court, let the court case take its course," Teh replied, giving the same argument.

Still sourcing independent directors

On Ong's claim that PKA had dismantled all the corporate practices that he implemented in PKFZ to ensure good governance and transparency, Teh claimed that all the practices were still intact.

However when a journalist asked about the fact that currently only one independent director was on the board of PKA, against Ong's decision to appoint three independent directors, or one-third of the 10-member board in order to ensure checks-and-balance in the PKA, Teh again appeared oblivious.

He replied that there was still one vacancy for an independent director before other journalists corrected him that there are actually two vacancies.

"We have actually wanted to (appoint independent directors). (There are) some recommendations from people, but unfortunately the persons refused to accept the appointment, so we are still sourcing now," Teh said.

The journalist then pointed out that the two directors seats had been vacated for more than a year.

After a short pause, Teh replied, "it will be filled up as soon as we able".

NONETeh and Nadeswaran (right) engaged in another spat when the latter questioned the reason behind PKA's decision to withdraw its complaint to the Bar Council on Rashid Asari & Co - the law firm which was accused of being in conflict of interest situation in an audit commissioned by Ong.

Teh argued that the Bar Council could still take action against the legal firm, even though the complaint had been withdrawn.

But Nadeswaran continued to press for the reason for the withdrawal of the PKA complaint and Teh ended the spat by confessing, "In that case, I don't know law".

