

Documents confirm PM's hand in LRT deal
MalaysiaKini.com
July 10, 2012
By S Pathmawathy

PKR has revealed documents which allegedly prove that a high-level committee chaired by Prime Minister Najib Abdul Razak had awarded the RM1.18 billion Ampang LRT extension project to a consortium led by George Kent Berhad.

The documents are portions of minutes of the fifth meeting by the Finance Ministry's Procurement Committee (JPMK) on June 21, which Najib, who is also the finance minister, chairs, as well as a letter on the committee's decision dated June 25 to Syarikat Prasarana Negara Berhad.

At a press conference today, PKR strategy director Rafizi Ramli said the tender award is a "time-bomb" because George Kent is considered to be an "inexperienced higher bidder".

"The only expertise George Kent has is in the production water gauge meters. The company was earlier rejected because the company did not meet the minimum technical requirement for the extension job," he said.

"I think it is a disaster in the making if a company that make water meters is offered a multi-billion ringgit LRT extension project," said Rafizi.

Najib, who was asked to clarify the accusation, brushed it off, saying that everything was done according to procedure.

In the letter addressed to Prasarana managing group director Shahril Mokhtar read out by Rafizi, it was stated that JPMK which convened in a meeting on June 21 agreed to appoint tenderer George Kent - Lion Pacific JV for the Engineering, Procurement, Construction, Testing and Commissioning of System Works for the Ampang (AMG) Line Extension Project at a cost of RM1,180,037,624 to be completed in 44 months.

The letter is signed by JPMK official Fauziah Yaacob on the behalf of the Treasury's chief secretary.

Besides Najib, other members of the JPMK are Finance Minister II Husni Hanadzlah, Treasury chief secretary Wan Abdul Aziz Wan Abdullah and his deputy Norizah Bahari.

Rafizi also reproduced a JPMK document showing Najib, Husni and Wan Abdul Aziz's decision on cancelling Prasarana selected contractor, Balfour Beatty-Invensys Consortium (Balfour), for the project.

Questions for Najib

He also outlined three questions that needs Najib's response:

Which procedure in the Treasury Circular that allows for a company which had clearly lost the tender in the technical valuation to be awarded the project as opposed to a decision by the technical committee.

Which procedure in the Treasury Circular authorises the prime minister to award a project at a higher cost (George Kent quoted RM1.18 billion compared to Balfour's RM1.01

billion)? And to a bidder who failed in terms of technical and financial valuation?

Which procedure in the Treasury Circular allows a prime minister to intervene in such a huge tender?

Rafizi revealed confidential documents indicating Najib's hand in the tender award last month, saying that the project which first awarded to Balfour was instead given to George Kent.

The same day, Rafizi was visited by officials from the Malaysian Anti-Corruption Commission (MACC) to ascertain the authenticity of the documents in his possession.

He then lodged a police report citing loss of confidence in the MACC, saying that they were focussed on investigation on how the confidential documents came to him rather the misuse of power in the award of the contract.

Hours later, news leaked out that graftbusters had paid a visit to Prasarana, and the company's media affairs manager Azhar Ghazali told Malaysiakini it was just a "fact-finding mission".

"What was Najib's actual consideration? He is willing to endanger the lives of hundreds and thousands by appointing a company owned by his close friend," said Rafizi.

He reiterated that George Kent's bid was RM167 million more than "far more experienced" bidders who quoted a lower price.

"Can the RM167 million be considered a payment in terms of commission to any Umno-BN politicians, as in the case of the Scorpene submarines?" he asked.

"Najib has kept mum every time he is faced with a scandal in his administration. But Prasarana group managing director Shahril Mokhtar should also bear responsibility in this case for authorising George Kent on Najib's instructions," said Rafizi.