

DAP MP hits back at ministry over water issue

MalaysiaKini.com

Aug 3, 2012

By Koh Jun Lin

Klang MP Charles Santiago has dismissed the Energy, Green Technology and Water Ministry's reason for disallowing Selangor's bid to take over its water concessionaire Syabas as a "weak and very poor explanation".

Yesterday, Bernama quoted the ministry as saying that Syabas' ongoing court case against the state government was among the reasons the federal government could not allow the takeover.

"It should not be (the reason). It should be based on efficiency; it should be based on financial management. Both are now questionable," said Santiago (right in photo).

He told Malaysiakini when contacted that Syabas had repeatedly violated the concession agreement since 2005, when it imported pipes from Indonesia instead of using locally-manufactured ones.

It also violated the agreement by awarding 72 percent of its contracts, amounting to RM600 million, via direct negotiations, Santiago said.

The concession agreement stipulated the use of open tenders instead, he said, adding that these violations have already been documented by the government's own auditors.

Minds blind to reason

"There is a RM700,000 monthly management fee that is paid to (Syabas' parent company) Puncak Niaga Holdings Bhd. What exactly those fees are for, only God knows.

"There are many, many ways by which one gets the impression that financial mismanagement is going on," said Santiago, who is also coordinator of the NGO Coalition Against Water Privatisation (CAWP).

He argued that the alleged mismanagement, combined with Syabas' inefficiency in distributing water, already provided a sound basis for the Selangor government to 'retire' the concession agreement.

"But the federal government has not done it and the question is, 'Why?'" he said, pointing out that action was yet to be taken against the concessionaire for its many violations.

He also accused the federal government of being insincere about facilitating the takeover.

If it were, it would have been asking the state government questions on matters such as its new management team for Syabas, its business model and its plans to trim the high percentage of non-revenue water.

Instead, it chose to cite a court case as the reason for not allowing the takeover to proceed, said Santiago.

"If the federal government is a serious player interested in handing over, then it would have asked those questions.

"If it then tell the Selangor government that the state does not fulfil the requirements or there is no expertise in Selangor, then that would be a different ball game," he added.

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Source: <http://www.malaysiakini.com/news/205440>