

## **Why the secrecy over the RM20bil loans, asks DAP**

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**By Dukau Papau**

The Sarawak government is very secretive about its three off-shore loans amounting to over RM20 billion, according to Chong Chieng Jen (below), Sarawak DAP's chairperson .

"The state government is very secretive about these loans and has not reflected them in the state financial accounts that should have been tabled in the State Legislative Assembly," he said.

chong chieng jen interview 141108 01He added that the first loan of USD800 million (roughly RM2.56 billion) was raised through Equisar Sdn Bhd in June 2011, while the second on was raised by Sarawak Energy Berhad amounting to RM15 billion also in June 2011.

The third of another US\$800 million (RM2634) was raised in November last year through SSG Resources Limited ,a special purpose company incorporated in Labuan that created by the State Government, he said at a media conference.

Chong, who is the Kota Sentosa assemblyman said that he had raised the issue of Equisar Sdn Bhd's loan at the assembly's last sitting.

"The state government not only refused to disclose the details, it was also not reflected in the state financial account which should be presented to the August House.

State reserves will also drop

Why is the government so secretive of these loans?", he said, adding that there must be reasons for such secretiveness to surround the issue.

He said that what aroused DAP's suspicion was that the loans were not subject to the jurisdiction of the Labuan Financial Services Authority nor that of the Security Commission of Malaysia.

"I don't know whether Bank Negara has authority over such loans which were obtained outside Malaysia," he said.

He pointed out that the government is a duty-bound to disclose the details of these

loans and for what purpose .

On their impact , Chong who is also the MP for Bandar Kuching said that Sarawakians would be paying for all these loans through increased electricity bills, higher assessment and housing rates.

It would also mean less state reserves, less development funds for roads, basic amenities and clean water as well as less welfare benefits, he said.

FDI nothing to trumpet about

"The loans are certain to jeopardize the State's financial position," he added.

NONE Commenting on foreign direct investment (FDI) amounting to RM3.4 billion as announced by Industrial Development Minister Awang Tengah Ali Hassan (right), Chong said: "There is nothing to shout about the RM3.4 billion, when the State government has incurred the three loans totalling more than RM20 billion.

"What is there to shout about? You don't paint a good picture of Sarawak if you have these huge loans.

"Instead you should tell the people what are the companies which have invested in Sarawak. From what I know there could only be one or two companies," he said, adding that he knows Tokuyama is one of them.

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