

1MDB hearing – PM, Jho Low won't be called now

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The Public Accounts Committee (PAC) does not see any necessity at the moment to call Prime Minister Najib Abdul Razak or tycoon Low Taek Jho for questioning on the 1Malaysia Development Berhad (1MDB), according to its chairperson, Nur Jazlan Mohamed.

He said this when asked at a press conference today after chairing the bipartisan committee's first day of a new round of hearings on the debt-ridden state investment company.

Nur Jazlan said PAC would be calling witnesses as needed as the investigation proceeds, with at least two weeks' notice to be given to witnesses.

Thus far, in addition to government officials and 1MDB management staff, the PAC is calling all of 1MDB's past auditors to testify though a date has yet to be set to hear their testimony.

"We want to ask why this frequent change of auditors," Nur Jazlan (left in photo) told some 50 members of the media who had been packed in Parliament's VIP reception room for the press conference.

Low Taek Jho is the brainchild behind 1MDB's precursor the Terengganu Investment Authority and is often accused of having undue influence in 1MDB's decision-making, while Najib chairs 1MDB's board of advisors and is also the finance minister.

Low, better known as Jho Low, had previously denied the allegations saying that he was merely consulted on some matters and the final decisions rests with 1MDB's board members and senior management.

No timeframe

Meanwhile, Nur Jazlan said the PAC has not set a timeframe or any limits on the scope for the investigation, but assured that the committee will do all it can to investigate all aspects of the scandal including those that have been raised in the media.

"We are just basically getting facts established. If there are issues like those (improprieties), we will go deeper into it [...]"

"The objective is basically to get information to tell people what happened – This is wrong; this is right," he said, describing the hearings as a 'fact-finding mission'.

As for the separate investigation conducted by the auditor-general, Nur Jazlan said the PAC would take account of the auditor-general's findings when it is released.

He added that while the auditor-general would only probe financial aspects of 1MDB and its operations, the PAC can have a wider scope including investigating the company from “political aspects”.

“The political aspect is actually more ‘overwhelming’ on us than the auditor-general. The auditor-general just look at the financial aspects, we have to look at the negative impact on the image of the government, politically,” he said.

To a question whether there is a conflict of interest since most of PAC’s members are BN parliamentarians, Nur Jazlan denied this.

He said the PAC members were able to exchange views and ask questions without being saddled with partisan behaviour.

Today’s hearing saw Treasury secretary-general Irwan Serigar Abdullah (photo) and Economic Planning Unit (EPU) director-general Rahmat Bivi Yusoff testifying on 1MDB’s corporate governance and the extent of government involvement in the company since its inception in 2009.

The hearing saw full attendance of all 13 PAC members as well as permanent representatives from the Ministry of Finance, EPU, Auditor-General’s Department, Public Service Department, and Accountant-General’s Department.

There are eight BN and five opposition MPs on in the committee.

The hearing was originally slated to run from 11am to 12.30pm, but instead ran from 11.30am to 2.30pm including a 15-minute break, before concluding.

Nur Jazlan said Irwan Serigar and Rahmat Bivi had been “extremely cooperative” with the PAC, but it was still too early to reach any conclusions.

The next hearing is scheduled for May 26, where Nur Jazlan said PAC hopes to get information on 1MDB’s operations.

The company’s CEO Arul Kanda Kandasamy and his predecessor Shahrul Ibrahim Halmi is expected to appear before the PAC hearing on that day.

The dates for future proceedings on 1MDB beyond the second hearing have yet to be determined, including those that would see 1MDB’s past auditors Ernst and Young, KPMG, and Deloitte’s testimonies.