

No new direct negotiation for RM450m project, says PM

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Prime Minister Dr Mahathir Mohamad today clarified that no new tender via direct negotiation was awarded to PDM Builders Sdn Bhd for a construction project worth RM450 million in Kota Bharu, Kelantan.

Instead, Mahathir said at a press conference in Putrajaya today, the project to build the new Bangunan Gunasama Persekutuan (federal general-use building) was approved by the previous administration.

"You have seen the note. Because it went viral, you have seen the note I wrote, that this is a continuation of a project that has been given to this party," said Mahathir in reference to leaked documents which suggested that the project was awarded through direct negotiation without an open tender.

"So what I said there was, if this company is willing to reduce the cost, and if this is a continuation of the previous project... I don't think that is (a new) direct

negotiation," he said.

On Sunday, Umno supreme council member Mohd Razlan Rafii had published a confidential letter addressed to the Prime Minister's Office which indicated that the Finance Ministry had conditionally agreed for PDM Builders Sdn Bhd to undertake the project.

The following day, former prime minister Najib Abdul Razak wrote about it as well, ridiculing Mahathir and Finance Minister Lim Guan Eng for not addressing the issue.

However, checks revealed that the approval for the project began during Najib's tenure as prime minister and finance minister.

According to the Works Ministry website, preliminary earthworks began in 2016 while the value of the project was revealed by then Kelantan Federal Development Committee chairperson Mustapa Mohamed, in Najib's presence.

Mahathir, who earlier chaired the 10th meeting of a special cabinet committee on anti-corruption, said he will meet with Lim to discuss the matter.

"Yes, we will talk about it," he said when quizzed further. Lim previously said he

would assess the supposed Finance Ministry letter before issuing a proper response.

Apart from the letter, another letter dated Nov 1, 2018, purportedly from PDM Builders to Mahathir had also made its rounds online.

The letter contained a handwritten note by Mahathir, dated March 9 this year, which read: "Honourable finance minister. This project was granted to PDM Builders. If they reduce the cost, a new tender is not necessary".

The same letter further stated that PDM Builders had won the rights to the project through a selective tender process - meaning that bidders were invited - and referred to a finance ministry letter of approval dated April 20, 2018.

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