

KINIGUIDE | What is the Jana Wibawa programme?

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Koh Jun Lin

KINIGUIDE | Bersatu information chief Wan Saiful Wan Jan and Segambut Bersatu deputy chief Adam Radlan Adam Muhammad were charged in court for alleged corruption yesterday (Feb 21).

The charges have brought a spotlight to the relatively obscure government programme known as Jana Wibawa.

In this instalment of KiniGuide, we take a quick look at what the programme is about.

What is Jana Wibawa?

Jana Wibawa, or Program Jana Ekonomi Perneriksaan Kontraktor Bumiputera (Bumiputera Contractor Empowerment Economic Generation Programme), was introduced in November 2020 during Muhyiddin Yassin's administration.

In a parliamentary reply on Dec 16, 2021, then-finance minister Tengku Zafrul Abdul Aziz laid out two purposes for the programme.

The first was to expedite the delivery of government projects to help stimulate Malaysia's post-Covid-19 economic recovery.

The second was to help bumiputera contractors in the construction industry build capacity to become more competitive.

Projects under Jana Wibawa were awarded either through direct negotiation or prequalified tenders.

Pre-qualified tenders involve only contractors who passed a pre-qualification process and are invited to submit their bids for a project.

With direct negotiation, there is no tender process at all. Projects are awarded to a contractor after negotiations with the government.

Nevertheless, Zafrul assured at the time that there were safeguards in place.

What is the process like?

According to Zafrul in the same written reply, a special evaluation committee at the Finance Ministry would vet the contractors and the conditions imposed on them.

He said the committee comprises representatives from the Public Works Department, Irrigation and Drainage Department and the Construction Industry Development Board.

“All contractors will be evaluated and comprehensively assessed in various aspects to ensure that capable contractors would be chosen to implement the projects while safeguarding the government’s interests without stymieing economic development.

“The government will also conduct the necessary due diligence that only contractors who truly meet requirements can be considered,” Zafrul told Parliament then.

In addition, the implementation of Jana Wibawa projects must follow Treasury Department guidelines regarding directly negotiated contracts and the terms of reference for the Jana Wibawa programme.

The Treasury guidelines stipulate the circumstances where directly negotiated contracts may be considered and the document is publicly available.

However, little is publicly known about Jana Wibawa's terms of reference.

How much money are we talking about?

In a parliamentary written reply on Feb 20, Minister in the Prime Minister's Department (Law and Institutional Reform) Azalina Othman Said said letters of acceptance were issued for 56 projects valued at RM6.3 billion.

Azalina said the MACC is investigating cases where the letters "involved family members of main leaders in certain political parties".

However, she said the MACC has yet to ascertain the value of the projects implicated.

What has gone wrong?

A source at the MACC told Malaysiakini earlier this month that Bersatu received contributions believed to be more than RM300 million from around 10 contractors who were awarded various projects when the party was running the

government.

The agency supposedly froze Bersatu's bank accounts in mid-January to facilitate investigations into this matter.

Yesterday, the MACC pressed its first charges in relation to Jana Wibawa.

Wan Saiful was accused of soliciting a bribe to help Napturis Sdn Bhd secure an RM232 million road project through pre-qualification, and receiving RM6.96 million as an inducement to help the same company secure a letter of award for the project.

Segambut Bersatu deputy chief Adam Radlan Adam Muhammad was accused of seeking a bribe of between 3.5 percent and 7 percent from the value of a project, in exchange for help in securing a letter of award for a project under the Jana Wibawa programme.

Adam Radlan is also accused of receiving RM500,000 as an inducement to help the same company obtain a letter of award for a road project in Perlis valued at RM47.8 million.

Bersatu and its leaders have maintained their innocence, while Wan Saiful and

Adam Radlan have claimed trial.

Another two businesspeople are expected to be charged in court today.

What happens to the Jana Wibawa projects now?

On Feb 15, Rural and Regional Development Minister Ahmad Zahid Hamidi told reporters at the Parliament building that about RM5.7 billion worth of Jana Wibawa projects have been temporarily halted.

This is pending a review to determine whether the projects followed the Treasury Department's procedures.

However, Zahid gave his assurance that this action would not affect the implementation of the projects. In particular, flood-related works such as repairs for flood-damaged infrastructure would be prioritised.

In addition to this, Sabah and Sarawak can approve any development project worth RM50 million or less without needing federal approval.

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