

Selangor government seeks takeover of PKFZ
Malaysiakini.com
Mar 25, 2008
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The Selangor government wants to take over and manage operations at the Port Klang Free Zone (PKFZ) as part of its overall revamp of troubled projects and corporations within the state to bring these back to the black. MCPX

khalid ibrahim interview 250308 01Rather than letting this Port Klang project go to 'waste' at taxpayers' expense, the state government will try to turn it around to make it economically viable, said Selangor Menteri Besar Abdul Khalid Ibrahim.

"I'm going to request the federal government that we be allowed to operate it so that the state can make use of these assets and enhance the economic activities of the port," Khalid said in an exclusive interview at his office in Shah Alam.

Otherwise, the 406 hectares of real estate on which PKFZ is sited and more than RM4 billion that has been committed to develop the project may be in danger of going to waste, given the lukewarm reception on the part of local and foreign investors, he said.

"We will take it over at book value of RM1 or RM2, and then we can do it better. If you leave it alone, it becomes a ghost town," he said.

port klang free zone 070607 warehousesOwned by the transport ministry's Port Klang Authority (PKA), PKFZ attracted considerable attention last year after reports surfaced of alleged mismanagement, conflict of interests involving political figures, and numerous other irregularities.

For example, its cost was found to have ballooned from RM2.3 billion - when the initial land and development agreements were signed between 2003 and 2004 - to more than RM4.68 billion.

The federal government later announced that it would extend a 'soft loan' amounting to RM4.68 billion to the PKA to ensure its success.

Unanswered questions

Khalid, however, said the government's bailout of PKFZ has not resolved the 'internal' issues relating to the alleged irregularities, and has not assured its economic viability either.

"Who are the sub-contractors? What are the costs involved in that (project?). We can help unravel all the issues to correct the position," said Khalid.

"I think the least (that) the public expect is that people who benefitted from this must pay for their sins or crimes (through legal action)."

Khalid also said he is in a good position to spearhead the effort to turn PKFZ around given his involvement in 1992 - as chairperson of then-Kontena Nasional Sdn Bhd which is owned by investment firm Permodalan Nasional Bhd - in the privatisation of Port Klang's services.

khalid ibrahim interview 250308 03 Asked how he thinks the federal government will react to his proposal, Khalid said animatedly: "They should react positively! How on earth can they waste taxpayers money and not react positively? Here is a group of people who are willing to help the government to make it better."

Khalid has been menteri besar for 12 days, following the success of the PKR-DAP-PAS alliance in the general election conducted on March 8.

The full interview with him will be published tomorrow.

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