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1MDB can settle all loans due this year, says Najib

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REPAYMENT STATUS:
Delayed payments won't recur, PM tells Dewan Rakyat

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MALAYSIA Development Bhd (1MDB) can meet all its loan payments for the financial year 2015, the Finance Ministry said yesterday.

Prime Minister Datuk Seri Najib Razak, who is also finance minister, said this in a written reply to Jeff Ooi Chuan Aun (DAP-Jelutong) in Parliament.

Ooi had asked Najib to state the amount due and repayment schedule for 1MDB loans for this year.

Najib said 1MDB would make sure previous incidents of delayed payments would not recur.

Ooi had asked Najib to state the amount and repayment schedule for 1MDB loans that must be paid for this year so that the incident in February would not recur.

It was reported that 1MDB had settled the RM2 billion loans it owed local banks on Feb 14.

It was also reported that 1MDB had missed payments of a bridge loan that was due at the end of December last year but was given a final deadline of Feb 18 to settle it.

The government denied injecting a start-up fund of RM500 million into Terengganu Investment Authority (TIA) when it took over the company, which was later renamed as 1MDB.

Najib also clarified claims by Mohamed Hanipa Maidin (Pas-Sepang) that TIA had received RM500 million before it became 1MDB.

"From the information given by 1MDB to the ministry, the claims made by the Sepang member of parliament on TIA receiving RM500 million in start-up funds

are not true," Najib said in a written reply.

He was responding to a question from Hanipa, who asked whether TIA, which was set up in 2008 before 1MDB, was given a capital of RM500 million by the government.

Najib said the Federal Government acquired TIA from the Terengganu government on Sept 25, 2009, at a price of RM1,000,002.

"TIA's name was later changed to 1MDB," Najib added.

In 2009, Najib had said the decision to expand TIA into a federal entity was made to allow its benefits to reach a broad spectrum of Malaysians rather than to the residents of only one state.

TIA was expanded to 1MDB with the aim of investing in energy, real estate and hospitality sectors in the country.

In another written reply on 1MDB, Minister in the Prime Minister's Department in charge of parliamentary affairs Datuk Seri

Shahidan Kassim clarified that there was no deadline given to the attorney-general to review and audit 1MDB accounts.

"The Attorney-General's Chambers has ordered the police to give priority to the auditor general to obtain relevant documents without any interference for the purpose of their audit," he said in reply to Datuk Othman Abdul (BN-Pendang).

Shahidan said the auditor general would present its audit report on 1MDB to the Public Accounts Committee (PAC) before the police resumed their investigations.

Shahidan was replying to Othman, who asked if there was a deadline for the auditor general and the police to finish their findings on 1MDB and to explain what were the terms of reference for the investigation. He added that the police had been informed to give priority to carry out duties in obtaining documents on 1MDB and to forward them to the PAC to assist them in their investigation.