



PM demands apology from Muhyiddin

DATUK Seri Anwar Ibrahim submits documents to show that he had approved the waiver of RM8.3 billion in Felda debts, thereby disproving the Perikatan Nasional chairman's claims. However, an ex-aide to Tan Sri Muhyiddin Yassin says the 'proof' is not a debt waiver but an agreement on government-backed sukuk.

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ANWAR WANTS APOLOGY FROM MUHYIDDIN

PM reveals documents showing he approved the waiver of RM8.3b Felda debt

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PRIME Minister Datuk Seri Anwar Ibrahim has demanded an apology from Perikatan Nasional (PN) chairman Tan Sri Muhyiddin Yassin after revealing documents to show he had approved the waiver of RM8.3 billion of Federal Land Development Authority (Felda) debt.

Anwar, who is also finance minister, said he had signed a debt waiver scheme for Felda settlers and he could prove it.

"I attach part of the Assignment for Financial Service Reserve Account (FSRA) agreement document related to the government guarantee for Felda I signed.

"Hence, I demand that Tan Sri Muhyiddin Yassin apologise for slandering me," he said in a brief statement yesterday.

On Tuesday, Muhyiddin issued a letter of demand to Anwar asking for an apology over the latter's claim that debts were never waived during the PN administration.

Muhyiddin gave Anwar 24 hours upon receiving the letter to furnish documentation to prove that he had by the end of June as the finance minister signed a debt waiver scheme for Felda settlers

amounting to RM8.3 billion.

On Wednesday night, Anwar said he would ask Treasury secretary-general Datuk Johan Mahmood Merican to provide him with the proof before leaving for an official visit to Vietnam yesterday.

The Finance Ministry confirmed that Anwar signed the agreement on June 26.

"As per the ministry's announcement on June 28, the agreement involves a government guarantee totalling RM9.9 billion for Felda via the issuance of sukuk and revolving credit to aid its financial recovery," the ministry said.

It said under the agreement, the government would provide RM990 million annually for the redemption of Felda sukuk.

The ministry confirmed that the first RM990 million was channelled on July 18 as per the allocation under the 2023 Budget.

"The conclusion of the agreement is a vital element implemented by the unity government to ensure Felda's survival by, among others, taking into consideration the impact on its cash flow and financial position following the disposal of Felda settlers' debts."

Felda, in a statement, said the debt waiver for settlers was initiated in 2021 and 2022 without any federal government allocation.

It said the debt waiver had a huge impact on Felda's cash flow and performance.

It said on June 26, Anwar signed the FSRA agreement to give the agency the first allocation of RM990 million.

"The agreement, among others, enables Felda to restructure its financial commitment on the in-

terest rates and waive 80 per cent of settlers' debts, totalling RM8.3 billion.

"Felda extends its appreciation to the government for its commitment to facilitate Felda's recovery process to ensure the continuity of an institution that looks after 112,638 settler families nationwide."

It said Anwar, during the Felda Settlers Day celebration on July 7, had announced that from this year, the unity government would allocate RM990 million annually for the debt waiver scheme.

"This initiative will see RM9.9 billion in financial aid channelled to Felda over 10 years.

"However, the prime minister's statement was misinterpreted, leaving many confused over the previous administration's pledge to waive Felda settlers' debts amounting to RM8.3 billion."

Muhyiddin's former private secretary, Datuk Dr Marzuki Mohamad, said the proof that Anwar released was not a debt waiver agreement, but an agreement on government-backed sukuk issued in phases.

He said in 2020, the PN cabinet approved the Felda Recovery Plan, which included waiving 80 per cent of Felda settlers' debt amounting to RM8.3 billion and the issuance of RM9.9 billion government-backed sukuk.

He said the plan included the settlement of loans between Felda and Maybank as well the Employees Provident Fund, and the allocation of annual grants worth RM990 million.

He urged the government to declassify the minutes of the cabinet meeting on Oct 14, 2020 in which the PN cabinet discussed the matter.