

PM TAKES AIM AT SHADY DEFENCE DEALS

Reduce role of agents through govt-to-govt deals, says Anwar

RAFIDAH MAT RUZKI
SEREMBAN
news@nst.com.my

PRIME Minister Datuk Seri Anwar Ibrahim called for greater transparency in defence procurement to eliminate outdated practices that fuel corruption.

He said this meant reducing dependence on third-party agents by using government-to-government (G2G) negotiations for defence procurements.

G2G deals, he added, could cut acquisition costs and enable technology transfer, training and domestic workforce involvement.

He said full cooperation was needed from senior security and technical officers to ensure that legacy methods, which have undermined the integrity of the system, are discarded.

"Our country does not have a good track record when it comes to procurement, not just in defence but across other sectors as well."

He said this at the launch of Mildef Technologies Sdn Bhd's production facility in Sendayan near here.

Present were Defence Minister Datuk Seri Mohamed Khaled Nordin and Mildef managing director Datuk Seri Mohd Nizam Mohd Kasa.

Anwar added that some procurements had created opportunities for certain individuals and companies to act as agents, exploiting government contracts for excessive profit.

"We have our armed forces, whose duty is to defend the nation. But there are 'leaks' in the system, where individuals enrich themselves at the cost of our national strength.

"Most recently, there were troubling reports involving the military's intelligence agency. While I accept the assurances from the defence minister and the armed forces chief that the situation is under control, a nation like Malaysia cannot easily forgive such betrayal.

"I cannot accept that those



Prime Minister Datuk Seri Anwar Ibrahim touring Mildef Technologies' production facility in Sendayan, Negri Sembilan, yesterday. PICTURE COURTESY OF PM'S OFFICE

trained with discipline, sacrifice and patriotism would betray the country in such a way," he added.

He cited the navy's littoral combat ship scandal, saying it had turned the country into a laughing stock for years.

While civilians may not grasp technical defence issues, he said the sector should be a source of national pride and a benchmark for integrity.

He urged enforcement agencies, including the police and the Malaysian Anti-Corruption Commission, as well as military leadership, to take corruption seriously and not sweep it under the rug.

He said Malaysia must reduce its dependence on foreign defence assets and build its own capacity through research and domestic production, especially involving the private sector.

He said the Defence Ministry and other ministries, including universities involved in research and innovation, must strengthen the domestic defence industry.

"We cannot cover every area, but there are sectors where we can develop expertise and capability.

"For example, with companies like Mildef, we have the capability in armoured vehicles. We should coordinate and support local, especially Bumiputera, companies to avoid overlap and allow each to succeed in their fields," he said.

He recalled an incident when Malaysia had deployed a team to Turkiye when the country was hit by an earthquake in 2023.

"We rushed there and I met President (Recep Tayyip) Erdogan and we discussed it then.

"The navy told me we had no vessels capable of protecting maritime zones and oil platforms. So I asked Erdogan if they had any ready vessels.

"I want to emphasise — as the minister and the defence minister have also stated — that if we are buying from abroad, it must be through direct government-to-government negotiations.

"It reduces cost and we can set conditions. Why the delay? How many people are to be appointed? Can this involve research? Technology transfer can be done directly."

He thanked Khaled for continuing discussions with the Turkish government, which has led to Malaysia receiving new naval vessels this year, with more to come next year.

He said that his administration has increased the national defence budget since taking office.

Later, he visited Mildef's national armoured vehicle manufacturing facility.

Founded in 2005, the company works with the Defence Ministry's Science and Technology Research Institute for Defence and the armed forces, including in the development and testing of vehicles such as the Tarantula HMAV.

Anwar added that during talks with Indonesian President Prabowo Subianto, he was informed of Indonesia's readiness to collaborate in using military assets produced by Mildef.