

FBC under probe over conflict in Putrajaya contract
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KUALA LUMPUR, Aug 17 — The British Broadcasting Corporation (BBC) is investigating FBC Media's "inappropriate outside interests" after an embarrassing exposé showed the British publicity firm had been paid by Putrajaya and Sarawak to portray Malaysia positively in programmes it produced for the public broadcaster.

The BBC said in a statement to Britain's The Independent newspaper that was published today that it had not been told by FBC Media of its contract with Malaysia when it aired the company's programmes, which may be in breach of its impartiality rules.

Putrajaya has now ended its contract with FBC Media after an exposé revealed Malaysian leaders routinely appeared in paid-for interviews on global television programmes on CNBC.

The Malaysian Insider understands that the Prime Minister's Office (PMO) terminated FBC Media's contract in the past week, just months after another public relations firm, APCO Worldwide from the United States, met an ignominious end for alleged links to Israel.

The BBC has suspended all programming from London-based production company FBC, which, since 2009, has made at least four BBC documentaries dealing with Malaysia and controversial issues such as the country's contentious palm oil industry and its treatment of rainforests and indigenous people, The Independent reported today.

In its statement, the BBC said: "FBC has now admitted to the BBC that it has worked for the Malaysian government. That information was not disclosed to the BBC as we believe it should have been when the BBC contracted programming from FBC. Given this, the BBC has decided to transmit no more programming from FBC while it reviews its relationship with the company."

FBC Media's dealings with the Malaysian government came to light after supplementary supply Bills showed vast payments made for a "Global Strategic Communications Campaign".

The records showed that between 2008 and 2009, RM57.7 million was paid by the Prime Minister's Office to FBC Media for the campaign.

The Independent said in its special report today that documents filed with the United States government's House of Representatives in 2008 show that FBC Media (UK) contracted the Washington-based American lobbying company APCO Worldwide, which it paid more than US\$80,000 (RM240,000) in 2008 for the purpose of "raising awareness of the importance of policies in Malaysia that are pro-business and pro-investment as well as [showing] the significance of reform and anti-terrorism efforts in that country".

The BBC's guidelines on conflict of interest state that "Independent producers should not have inappropriate outside interests which could undermine the integrity and impartiality of the programmes and content they produce for the BBC".

The BBC is now investigating whether any of the FBC material it broadcast was in breach of BBC guidelines on impartiality.

Global broadcasters have been scrambling to contain potential damage after the allegations

of impropriety surfaced following the expose by whistleblower Sarawak Report, which claimed the interviews and other programmes produced by FBC Media had cost the ruling Barisan Nasional (BN) coalition millions of ringgit as part of its bid to shine its international image.

US-based broadcaster CNN denied last week it was paid to interview Datuk Seri Najib Razak during his visit to London last month, but questions remain about the role played by its anchor John Defterios after the latter's FBC Media programme "World Business" was axed early this month by rival network CNBC.

The spotlight is on the relationship between FBC Media — the British publicity firm led by media giant Alan Friedman, which still lists Defterios as its group president — and broadcasters like CNBC, CNN and the BBC.

Both interviews were conducted by Defterios, which raised eyebrows over his appearance on the rival channels as well as questions over a conflict of interest on his unclear ties with FBC Media.

Defterios was listed as director in the British firm on the FBC Media website before it was stripped down to a one-page fact sheet yesterday, with all information about its board members removed.

The Independent said in its report today that the coverage of the workings of one of Malaysia's most important industries, shown on BBC World News's Third Eye series this summer under the title "The Power of Asia", formed part of a much bigger picture.

The programme was made for the BBC by FBC Media when it was still hired by Malaysia.

In the Third Eye programme, one of several productions made on Malaysia for the BBC in the last three years, viewers were told of the key role of the Malaysian palm oil industry in meeting the growing demand for food in countries such as China and India. The programme dealt with the growing food crisis in Asia and the economic instability and social unrest that may result. It highlighted failures in harvesting rice in China and contrasted that with the successful Malaysian palm oil industry.

Only a brief reference was made to the reasons why the palm oil industry is the subject of fierce debate. Environmental groups complain that its spread has caused devastating levels of deforestation that harm biodiversity, threaten the livelihoods of indigenous people and put at risk the survival of the orang-utan.

In February 2011, BBC World News broadcast on its "One Square Mile" programme a piece from Sarawak in which presenter Rian Maelzer, who describes himself as the "South East Asia Correspondent" for FBC's CNBC programme World Business, explored the lifestyle of the tribal Iban people and took a boat ride to visit a traditional longhouse, The Independent said.

"Tourism not only brings in money, it also encourages youngsters to keep alive skills that might otherwise have died out," he reported. "For the past 40 years, the Malaysian government has practised an affirmative-action policy aimed at raising the living standards of indigenous groups."

Similar subjects were examined in FBC's "Develop or Die" documentary for the BBC in March 2009. The Independent said the programme opened with a cartoon that drew

comparisons between colonialists who asked "Are the natives friendly?", and modern-day environmentalists who ask "Are the natives eco-friendly?"

It examined the benefits of the Malaysian palm oil industry and its value to the economy.

As part of its Develop or Die series, BBC World News also screened an FBC co-production, "World Debate: Islam and Democracy in 2009", featuring Najib sitting alongside the host on the panel.

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