

Land transfer under FGVH listing 'illegal', says ANAK
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KUALA LUMPUR, Mar 15 — It is illegal to transfer FELDA land under the planned listing of FELDA Global Ventures Holdings Bhd (FGVH), an opposition-aligned settlers group said today.

The FELDA Settlers' Children's Association (ANAK) said that under the Land (Group Settlement Area) Act 1960, FELDA land may only be owned by co-operatives and individuals, not commercial entities like FGVH.

ANAK president Maslan Aliman said the group will file for a court injunction later this month on these grounds to block the controversial listing, which could alienate a key Umno vote bloc.

"We will file an injunction to ensure that the land will not be listed. Our strongest argument is that the land falls under the Group Settlement Act," he told reporters in the Parliament lobby here.

Also present were PAS vice president Salahuddin Ayub, ANAK deputy president Razman Zakaria as well as the group's economic advisor, Rosli Yaakob, a former Bank Negara Malaysia deputy director.

The FGVH listing, first mooted by Prime Minister Datuk Seri Najib Razak in his Budget 2012 speech, will see the loss-making unit take control of assets now under the FELDA Investment Co-operative (KPF).

Last month, eight FELDA settlers won a temporary court order blocking transfer of shares from KPF to FGVH, a crucial step in the government's plan to list the plantation firm unit.

But Putrajaya said yesterday it will push ahead with the proposed listing in June, with or without the 51 per cent stake in commercial arm FELDA Holdings held by settlers.

Deputy Minister in the Prime Minister's Department Datuk Ahmad Maslan said in a press conference this was because the government wished to capitalise on high crude palm oil (CPO) prices.

"If we cannot set the injunction aside or if they appeal, we still have to go ahead. We have to capitalise while CPO prices are high.

"That is the main factor for why we want to list in May, but now it will probably be in June. But we will go ahead without KPF," he had said.

The government previously insisted it had backing from a majority of settlers, despite reports of widespread opposition.

FELDA announced that proceeds from the IPO will now be channelled into a special purpose

vehicle (SPV) to ensure settlers benefit directly from the listing, after the court blocked the shares transfer.

But PKR charged that the SPV would only lower FGVH's listing value, adding that the government's decision was a direct snub to KPF.

The co-operative has over 220,000 members, of which 112,635 are FELDA settlers while the rest are FELDA employees and children of settlers.

Reuters reported last month Putrajaya may delay FGVH's listing due to settlers' opposition, which risks undermining Barisan Nasional's (BN) support from voters long considered the ruling pact's vote bank.

Critics contend that the proposed listing, which will see loss-making FGVH assume control of KPF, will shortchange settlers and saddle FELDA with up to RM1.5 billion in yearly deficits.

FGVH subsidiaries such as FELDA Iffco Sdn Bhd, FELDA Global Technologies, FELDA Global Ventures Middle East and FELDA Global Ventures Arabia are reported to have chalked up accumulated losses of around RM500 million up to last year.

But Ahmad told Parliament yesterday the unit recorded pre-tax profits of RM203 million and RM366 million in 2009 and 2010, respectively.

FELDA Holdings has a workforce of some 19,000 employees, with a labour force of 46,795 workers at 300 estates, 70 palm oil mills, seven refineries, four kernel-crushing plants, 13 rubber factories, manufacturing plants and logistic and bulking installations in Malaysia and overseas.

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