

FGVH listing solid strategy, says former minister
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KUALA LUMPUR, March 28 — Former Umno minister Tan Sri Rafidah Aziz last night backed the public listing of FELDA Global Ventures Holdings (FGVH). The move was a “solid financial strategy”, she said.

It would strengthen FELDA’s position as a federal agency as well as improve its economic viability.

“It is a good, solid financial strategy... as a listed conglomerate it has a good future ahead,” she said at a meet and greet session.

A FELDA settler had asked Rafidah her views on opposition towards the listing of FGVH.

“The shares will be benefited by all... this is (about) providing a stable, good future,” she said.

Eight FELDA settlers last month won a temporary court order blocking the transfer of shares from FELDA Investment Co-operative (KPF) to FELDA Global Ventures Holdings (FGVH), a crucial step in the government’s plan to list the unit of the plantation co-operative.

Under the listing, mooted by Prime Minister Datuk Seri Najib Razak in his Budget 2012 speech, the loss-making unit will take control of assets now under the KPF (FELDA investment co-operative).

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

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

FELDA announced that proceeds from the IPO would 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 the opposition 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 more than 220,000 members, of which 112,635 are FELDA settlers and the rest FELDA employees and children of settlers.

Reuters reported last month that Putrajaya might delay the FGVH listing as it could undermine support for Barisan Nasional (BN) from voters long considered the ruling pact’s vote bank.

Critics contend that the proposed listing will short-change settlers and saddle FELDA with up to RM1.5 billion in annual 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 about RM500 million up to last year.

But Datuk Ahmad Maslan, deputy minister in charge of FELDA, has said the unit recorded pre-tax profit of RM203 million and RM366 million in 2009 and 2010 respectively.

FELDA Holdings has about 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 logistics and bulking installations in Malaysia and overseas.

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