

PKA denies dropping lawsuits against KDSB
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By Shannon Teoh

KUALA LUMPUR, April 16 — The Port Klang Authority (PKA) today denied it will cease legal action against Kuala Dimensi Sdn Bhd (KDSB), insisting all legal cases involving losses from the multibillion Port Klang Free Zone (PKFZ) scandal are ongoing.

The DAP had claimed earlier today the PKA, which comes under Transport Minister Datuk Seri Kong Cho Ha, has decided to withdraw all legal action against KDSB, the PKFZ's turnkey developer, for failing to carry out RM1.6 billion in works.

The Sun also reported today the PKA has withdrawn its complaint to the Bar Council against Rashid Asari & Co over a conflict of interest when it prepared the sale-and-purchase agreements on behalf of PKA for the PKFZ project.

But PKA said that no legal suits have been dropped and the withdrawal of the complaint has "no legal implications."

"There is no decision to drop any of them and these suits will continue in court," a PKA spokeswoman said in response to The Malaysian Insider's request for confirmation from its general manager, David Padman.

Earlier today, DAP publicity chief Tony Pua said MCA secretary-general Kong and new PKA chairman Datuk Teh Kim Poh were conspiring to "dismantle and reverse... painstakingly agreed steps to get to the bottom of the scandal and cover up for all guilty parties."

The Petaling Jaya Utara MP claimed that PKA has agreed to proceed with arbitration instead, despite the "obvious criminality of the alleged offences" by KDSB, whose then chief executive was Bintulu MP Datuk Seri Tiong King Sing, the current Barisan Nasional (BN) Backbenchers' chief.

He added that this decision came despite the courts already ruling last year in favour of PKA against KDSB's appeal for the matter to be resolved through arbitration.

A three-man Federal Court Bench chaired by then Chief Judge of Malaya Tan Sri Arifin Zakaria had decided last June that the suits be tried in the Shah Alam High Court.

The PKA spokeswoman today said it has not decided to resolve any of the cases through arbitration.

The PKFZ project, initially tagged estimated at RM1.1 billion after it was mooted by then transport minister Tun Dr Ling Liong Sik in 1997, more than quadrupled to RM4.6 billion by 2007.

A position review by top accounting firm PricewaterhouseCoopers (PwC) revealed in 2009 that the total cost including interests from debt repayments could reach RM12.5 billion.

Since December 2009, six individuals have been charged in court including Dr Ling, an

ex-MCA president, and his successor as transport minister, former MCA deputy chief Tan Sri Chan Kong Choy, who are accused of lying to the Cabinet.

The complaint and suits against KDSB were filed by Datuk Lee Hwa Beng, who was PKA chief from March 2008 to March 2011.

The former Subang Jaya assemblyman for the MCA will release his book, "PKFZ: A Nation's Trust Betrayed", tomorrow and has said details revealed so far are "only the tip of the iceberg."

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