

**Soi Lek denies MCA link to traffic summons firm**  
**The Malaysian Insider**  
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**By Shannon Teoh**

KUALA LUMPUR, April 16 — Datuk Seri Dr Chua Soi Lek denied today any involvement by MCA in the automated traffic summons contract awarded to Beta Tegap Sdn Bhd, saying he has never “heard of this company.”

The MCA president said in a statement today the assertion by The Edge on Saturday that Beta Tegap Sdn Bhd, one of two companies appointed by the Road Transport Department (RTD) to implement the automated enforcement system (AES), is linked to the party is “both wrong and malicious.”

“I would like to stress that it is not a company related to MCA and neither have I heard of this company. The MCA would like to make this clear that the party is not involved nor has it a role to play in the company that was given the contract,” the former health minister said.

The Edge reported that two firms have been awarded the contract to implement the enforcement system. ATES Sdn Bhd and Beta Tegap Sdn Bhd will spend between RM300 million to RM400 million each to set up traffic cameras at 831 “black spots” nationwide.

Both ATES and Beta Tegap are entitled to RM16 per valid summons for the first five million issued. They will then split the remaining revenue evenly with the government up to a cap of RM270 million each, The Edge reported.

The firms will each receive 7.5 per cent from the remaining revenue and the government will keep the rest.

According to the weekly, each company will likely issue 10 million valid summonses over a five-year period from which all paid summonses will be deposited into a fund from which the firms will recoup their investment.

The Edge estimated that half the summonses, each carrying a penalty of RM300, will be paid, resulting in a fund size of RM1.5 billion per company. This would amount to RM416 million paid to each contractor.

This would be a handsome return if the companies manage to keep costs closer to RM300 million, even if the entire investment is written down after the five-year concession.

But the DAP said yesterday the project was “obviously” a rent-seeking venture as it was not awarded through open tender.

Secretary-general Lim Guan Eng cited the 17 per cent rate of return given to the companies as further proof of profiteering, given that the usual maximum rate is “eight to 10 per cent”.

Lim also expressed concerns that the companies might abuse their power by issuing summons indiscriminately, as it would be their main source of revenue.

Today, Dr Chua also urged Beta Tegap to come forward to clear the air on this matter as soon as possible.

He also asked the RTD to reveal the date on which the contract was awarded to Beta Tegap and other necessary details to avoid any further confusion and misunderstanding.

According to The Edge, the AES project, which will be put into place in September, has resulted in unhappiness from the police.

But RTD director-general Datuk Solah Mat Hassan told the newspaper the system will only be set up in areas with high incidences of fatal accidents.

"About 6,000 people die in road accidents every year. That's quite alarming. That is only the fatal accident figures. What about other non-fatal accidents?" he was quoted as saying.

However, The Edge reported that the police is said to be firming up plans to boost its own traffic camera system.

The RTD says unpaid traffic summonses between 2005 to 2009 amounts to RM5.8 billion.

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