

**Dr Mahathir Postponed PKFZ Land Purchase Pending MOF Report, Says Witness
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KUALA LUMPUR, Oct 13 (Bernama) -- The High Court here was today told that former prime minister Tun Dr Mahathir Mohamad decided to postpone the purchase of a 400 hectare piece of land in Pulau Indah for the Port Klang Free Zone (PKFZ) project pending a report from the Ministry of Finance (MOF).

Former agriculture minister Datuk Seri Mohd Effendi Norwawi said the decision to postpone the purchase was made on Oct 9 2000 through a special message from the former prime minister, in representing the MOF.

"The decision was made pending a report from MOF which wanted the Attorney-General's Chambers to review the land purchase," said the 16th prosecution witness in the trial of former transport minister Tun Dr Ling Liong Sik, during examination-in-chief by Deputy Public Prosecutor Manoj Kurup.

Mohd Effendi, who was agriculture minister at the time, said the postponement came a week after the Cabinet had decided to purchase the land on Oct 2 2000.

Former transport minister Tun Dr Ling Liong Sik, is charged with cheating the Malaysian Government by not disclosing to the Cabinet an additional interest rate of 7.5 per cent per annum on the purchase price of the land for the PKFZ project, which had been fixed at RM1,088,456,000 by the Valuation and Property Services Department (JPPH) based on RM25 per sq ft inclusive of the coupon/interest rate.

Dr Ling, 68, also faces two alternative charges, of cheating and intentionally omitting from the Cabinet that the 7.5 per cent per annum was an additional interest rate on the land price.

He allegedly committed the offences at the fourth floor of the Prime Minister's Office, Perdana Putra building in Putrajaya, between Sept 25 and Nov 6, 2002.

Answering Manoj, who wanted to know if it was the norm for a Prime Minister (PM) to review a decision one week after it was made, Mohd Effendi said based on his experience the PM could do so upon advice from his officers.

"In this case the advice came from MOF officials," he added.

Asked about who had proposed the land should be purchased, Mohd Effendi said he could not remember.

"I don't remember but based on the meeting's minutes, it appeared as though the Transport Minister had requested the Cabinet to purchase the land. However we understand that MOF wanted the land to be repossessed," he said.

The trial resumes tomorrow before Judge Datuk Ahmadi Asnawi.

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