

THE TIME WHEN DR MAHATHIR ACCUSED RAFIDAH OF CORRUPTION

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By Super Admin

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THE CORRIDORS OF POWER

Raja Petra Kamarudin

Ten years ago, back in 2005, the AP King controversy exploded when documents regarding the number of Approved Permits (APs) given to just four Malay billionaires were revealed during the Umno annual general assembly. According to the documents, the four AP Kings were earning RM1 billion a year just from the sale of the APs, and twice or thrice that if they used the APs themselves to import the cars.

Fingers started pointing at Trade and Industry Minister Rafidah Aziz. Whispers during the Umno assembly were that these four AP Kings were the Minister's proxy or that she had a cut of the action. Of course, these allegations were never proven, as most allegations in Malaysia never are. So they remain mere allegations until today.

In 2006, Tun Dr Mahathir Mohamad accused Rafidah of corruption related to the issuing of APs for importing foreign vehicles. Dr Mahathir also criticised Prime Minister Tun Abdullah Ahmad Badawi's handling of the AP issue. Dr Mahathir then expressed his surprise that Rafidah was still retained as a Cabinet Minister although two people on the list of persons issued with the highest number of APs were linked to her.

In March 2008, soon after the general election, Abdullah dropped Rafidah from the Cabinet, although she had won her seat, just to please Dr Mahathir who was constantly on his back regarding the AP issue.

So there you have it. RM1 billion a year profit just for selling a piece of paper — and much more if you use that paper to import cars into Malaysia yourself. And APs have been around for the last 40 years since the 1970s. How much money has been earned over the last 40 years is anyone's guess but I, for one, paid RM20,000 for an AP to import my wife's 190E from Germany more than 30 years ago. That was back in the early 1980s, mind you, and it cost me only RM20,000 because the chap who sold me the AP was my friend. If not the market price would have been RM40,000.

In 2005, the “AP King” controversy blew up when it was highlighted that only a few individuals monopolised the AP business. It was reported among the few AP Kings then were the late Tan Sri SM Nasimuddin SM Amin, Tan Sri Syed Azman Syed Ibrahim and Datuk Seri Mohd Haniff Abdul Aziz.

They collectively received 33,218 APs (about 50.1% of a total of 66,277) for 2004 and 28,283 APs (or 41% of 68,330) for 2005 alone, according to a list revealed by the government. Based on an estimated street value of RM30,000 per AP, this translates to RM996 mil in profit for 2004 and RM848 mil for 2005.

Nasimuddin is founder as well as former chairman and CEO of the Naza Group. Naza is well-known for its automobile business and holds the Malaysian franchise for South Korea’s Kia. Its other franchises include Ferrari, Maserati, Koenigsegg and Citroën.

Meanwhile Weststar, then 80%-owned by Syed Azman and 20% by his partner Haniff, was granted 16,303 APs in 2004 and 15,759 in 2005. Haniff was assistant director in Miti from 1975 to 1978. He also served as director of the Malaysian External Trade Development Corporation (Matrade) from 1991 to 1994. (The Ant Daily, 18 April 2015)

They were said to have had the most number of Approved Permits to import cars. It is now confirmed that Tan Sri Nasimuddin SM Amin, Datuk Syed Azman Syed Ibrahim, Datuk Mohd Haniff Abdul Aziz and Datuk Azzuddin Ahmad are the AP Kings.

According to the list of AP recipients released by the Government yesterday, the four – all involved in selling imported cars – were given more than 28,000 of the 67,158 APs allocated thus far this year.

Each AP can be sold for between RM20,000 and RM30,000.

The list, which is expected to be hotly debated at the 51st Umno General Assembly beginning Thursday, was released by the Prime Minister’s office amid the controversy surrounding the issuance of APs.

Of the number, Nasimuddin, managing director of the Naza Motor Group, held 12,524 APs mainly under Naza Kia Sdn Bhd.

For Nasimuddin, five of his six companies which received APs had other shareholders. His brother, Datuk SM Shalahuddin, was listed as a shareholder in five while in one company, Naza-Brabus Sdn Bhd, one Datin Zaleha Ismail is listed as the third shareholder.

Syed Azman, Mohd Haniff and Azzuddin received a total of 15,759 APs under several companies. (The Star, 19 July 2005)

Syed Azman Ibrahim is number 25 on Forbes List of 50 richest Malaysians

Syed Azman Ibrahim's privately held Weststar Aviation operates a helicopter service for offshore oil rigs. In less than 7 years his fleet has grown to nearly 40 choppers, serving companies such as Petronas Carigali, Shell and Tullow Oil. He also imports and distributes commercial vehicles and luxury cars. Syed Azman's wealth rose by nearly a third, partly on a better understanding of his assets. He also owns 4 private jets, including a Gulfstream II. (Forbes)

Former finance minister Tun Daim Zainuddin has suggested that the government consider abolishing the open Approved Permits (APs) policy required for the import of vehicles to help reduce the cost of owning cars in Malaysia.

"Removing the APs would translate into cheaper cars for the rakyat," he said here today. (Malay Mail Online, 20 November 2013)

Past reports indicated that the amount of APs given is capped at 10% of the number of locally-assembled cars in the preceding year, of which 60% of the total number of APs are given to bumiputra Open AP holders while the remaining 40% are given to franchise holders, the majority of which are bumiputera-owned.

These open APs are deemed to be highly lucrative, as channel checks reveal that these permits are resold at a hefty sum of RM25,000 to RM40,000 per permit. Margins are believed to be even higher if the open AP holders import the cars themselves.

The AP system has helped entrepreneurs like Tan Sri Syed Azman Syed Ibrahim who has grown his company, Weststar Group, which started as an importer of cars. He has since ventured into other industries, including aviation services for the oil and gas industry via his flagship entity Weststar Aviation Services Sdn Bhd.

With a fleet of 35 helicopters spanning from Malaysia to Mauritania, the company is the largest offshore aviation service provider in the region. It has also attracted the attention of global investment firm KKR & Co of the United States, which has invested about RM642mil in the company in October.

Meanwhile, the late Tan Sri SM Nasimuddin SM Amin and family have grown Naza to become a diversified group, with interest ranging from automotive to property development and food and beverage.

Besides bringing in high-performance luxury vehicles like Ferrari and Maserati, Naza also has factories and operations employing thousands of workers to assemble and distribute cars under international brands such as Kia and Peugeot. (The Star, 25 January 2014)

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