

**1MDB burden shifting to Cabinet, says veteran newsman**  
**The Malaysian Insider**  
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Even as Putrajaya ordered the Auditor-General (A-G) to vet the debt-laden 1Malaysia Development Bhd's accounts, a senior newsman has observed that the move suggests the Cabinet was taking collective responsibility over the state-owned strategic investment fund.

Datuk A. Kadir Jasin said this also showed that power over 1MDB, which is Najib's brainchild, is no longer the exclusive domain of the prime minister.

"This could be useful for the prime minister. He now shifts part of the responsibility for 1MDB to the Cabinet. What started off as his one-man show is now the collective burden of the Cabinet," he said in a blog posting last night.

Najib yesterday ordered the A-G to vet 1MDB's accounts, after Cabinet was briefed about the government-owned company's accounts and told that allegations against it were related to transactions by third parties such as PetroSaudi International.

In the same statement, Najib said after the briefing by 1MDB and its auditors Deloitte, the Cabinet expressed confidence that no wrongdoing had been committed within 1MDB, and its desire for the company to be allowed to implement the proposed outcomes of its strategic review.

"If any wrongdoing is proven, the law will be enforced without exception," Najib had said.

The Auditor-General's report will be passed for transparency inspection to the Public Accounts Committee, which is fully bipartisan and reflects Parliament's composition, the prime minister added.

Najib yesterday called 1MDB and their auditors Deloitte to brief the Cabinet following recent media reports on the strategic development fund and its cash flow problems.

This comes a week after The Malaysian Insider reported that the Cabinet had rejected a proposed RM3 billion cash injection for the cash-strapped 1MDB, narrowing the financing options for the strategic investor to repay its debts on time.

Quoting sources, the report said that a majority of ministers at last week's Cabinet meeting had not approved the minutes of the previous week's meeting for the amount.

Other sources confirmed the Cabinet rejection, which is seen as a blow to the wholly-owned government company that was set up in 2009 to invest in key economic sectors under the prime minister.

1MDB also came under the spotlight after a series of reports by whistleblower site

Sarawak Report which said that businessman Jho Low had orchestrated the 2009 joint venture between 1MDB and PetroSaudi International to allegedly siphon off US\$700 million from the strategic development fund.

The UK-based website revealed that the 1MDB-PetroSaudi joint venture company's US\$700 million loan repayment to PetroSaudi in 2009 was a front and that the funds were channelled to a firm allegedly owned by Low, called Good Star Limited.

The US\$700 million loan repayment was a provision under the joint venture contract between PetroSaudi International and 1MDB, Sarawak Report said, citing documents it had obtained. It also published those documents along with its report.

The prime minister's order to the Auditor-General to have a look at 1MDB's books came after the Public Accounts Committee (PAC) had last week wanted the national auditor to immediately check several of the government-owned 1MDB's deals before it called up the company.

PAC chairman Datuk Nur Jazlan Mohamed said the immediate audit should be of the source of the RM2 billion used to settle 1MDB's loans with local banks, the RM3 billion injection of government funds into the debt-laden company, its dealings with PetroSaudi International and whether the money parked in Cayman Islands has been brought back. – March 5, 2015.

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