

On live TV, Husni avoids giving answers on Jho Low, 1MDB
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No need to make Jho Low glamorous was the response by Second Finance Minister Datuk Seri Ahmad Husni Hanadzlah when pressed about businessman Low Taek Jho's involvement in debt-ridden state fund 1Malaysia Development Bhd.

He also said that there was no way of confirming if Good Star Limited was controlled by Low, who is commonly known as Jho Low.

"I don't want to say Jho Low, because, what's the point of glamorising his name.

"All these are from media reports, and I have responded in Parliament that according to Standing Orders we cannot discuss statements from media because they are unsubstantiated," Husni said in an interview on TV1 tonight titled "1MDB – Where is the money?"

Whistleblower site Sarawak Report reported in March that Low had used PetroSaudi International as a front to siphon off US\$700 million (RM2.5 billion) from PetroSaudi International, a joint venture between PetroSaudi and 1MDB.

The UK-based website said Low engineered the joint-venture between PetroSaudi and 1MDB which resulted in 1MDB repaying the money to PetroSaudi. The funds ultimately went to a company controlled by Low, called Good Star Limited.

Husni said on national television that given that Good Star was owned by PetroSaudi, and the company had asked for the loan to be paid into Good Star, they had to comply.

"And the media then reports that Good Star is owned by Jho Low. How do we confirm that?

"We got back our initial investment of US\$1 billion and returns from the joint venture. So there is no issue of Jho Low in this," he said.

This prompted the moderator to pose a question posted on the dialogue session's Twitter feed by DAP national publicity secretary Tony Pua, who asked the minister to explain why US\$1.2 billion was paid to Good Star, which is owned by Low.

Husni responded: "His statement is not right. What was reported in the media was US\$700 million. So where does the US\$1.2 billion come from?"

"We know that every time the opposition says something, a lot of it is incorrect," the minister said.

This caused the moderator to again question about Low, saying that his involvement was being downplayed, and questioned the minister if he was saying that there was

no way of checking on the ownership of Good Star.

"PetroSaudi asked us to pay Good Star. So who the company belongs to is not for us to say," Husni said.

He also praised Putrajaya on its handling of the 1MDB issue according to the democratic process.

He added that whatever issues brought up by politicians and the public were addressed as the auditor-general and Public Accounts Committee (PAC) were brought in to check on the state fund.

On 1MDB president and group executive director Arul Kanda Kandasamy missing his inquiry appointment with PAC, the minister said that Arul Kanda had a prior appointment with a lender, which was important.

He said the government was being very vigilant to ensure that it did not have to come to the rescue of the state fund.

"If 1MDB cannot pay its debts, the government will have to pay," he said.

He explained that the country's target deficit this year was 3.2%, adding that if the country had to take over the RM42 billion debt, coupled with the RM52 billion development expenditure under the 11th Malaysia Plan, the deficit could breach 4%, adding that this would cause the country's ratings to come down.

This will mean that our currency will drop like what happened in 1998.

"So, for us the most important is to settle the debt so the people do not have to worry about it," he said in a reaction to Arul Kanda's missed appointment with PAC.

Husni also said that the rationalisation plan for 1MDB was brought to the Cabinet for endorsement and it was important for ministers to act as one.

He added that 1MDB would use its future profits to do corporate social responsibility for the people.

Criticism has been mounting over the state investment vehicle, established in 2009, which has chalked up debts of up to RM42 billion, backed by Putrajaya.

The auditor-general is currently looking through 1MDB's books with a preliminary report expected to be submitted to the Parliament in June, while the PAC started its investigation into the company on May 19.

Earlier today, Arul released a statement saying that the entire RM42 billion was accounted for, and provided the breakdown of how the money was spent.

These figures were repeated by Husni in the interview. – June 3, 2015.

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