

PAC inquiry into 1MDB halted pending new members appointment, says Nur Jazlan
The Malaysian Insider
July 28, 2015

All Parliament's Public Accounts Committee (PAC) proceedings for August, including its ongoing inquiry into troubled 1Malaysia Development Berhad (1MDB) will be temporarily halted, following the appointment of four of its members into the Cabinet.

In a short statement, Datuk Nur Jazlan Mohamed said he will let go of his PAC chairman post as a result of the latest development.

The same holds true for the other three PAC members, namely Datuk Seri Reezal Merican Naina Merican, Datuk Mas Ermieyati Samsudin and Datuk Wilfred Madius Tangau.

"All proceedings that had been arranged for August, including 1MDB will be halted until the new PAC line-up is announced at the next Dewan Rakyat sitting," he said in a statement today.

Parliament will only reconvene in October for the Budget session.

In a Cabinet reshuffle announced by prime minister Datuk Seri Najib Razak today, Nur Jazlan will be the deputy home minister taking over from Datuk Seri Wan Junaidi Tuanku Jaafar, while Reezal Merican is deputy Foreign minister and Puteri Umno chief Mas Ermieyati is the deputy tourism and culture minister.

Madius has been appointed the Science, Technology and Innovation minister.

All four will be sworn in before the Yang di-Pertuan Agong on Wednesday.

The bipartisan parliamentary committee currently have 13 members, comprising eight from Barisan Nasional and five from the opposition bench.

The state investment firm's former CEO Datuk Shahrol Azral Ibrahim Halmi was to face the PAC inquiry on August 4, while president and group executive director Arul Kanda Kandasamy was set to be grilled the next day.

Mohd Hazem Abdul Rahman, who served as 1MDB's CEO from March 2013 to January 2015 had been scheduled to appear before the panel on August 6.

The PAC unanimously decided to begin proceedings into 1MDB in a special meeting held on April 30.

It had previously said that it would wait for the Auditor-General's report before beginning its own probe.

Nur Jazlan had said PAC could not wait for the A-G's report on the troubled company

as there was too much speculation by the public over the investment firm's financial standing.

Criticism has been mounting over the Finance Ministry wholly-owned investment firm, established in 2009.

Scrutiny has grown more intense following whistleblower site Sarawak Report's recent exposes, which piled pressure on Prime Minister Datuk Seri Najib Razak and prompted opposition politicians, former and current Umno leaders including long serving former prime minister Tun Dr Mahathir Mohamad and anti-graft bodies to demand a thorough investigation into the fund.

The Auditor-General had submitted a preliminary report to the PAC on July 10, with a full report due by the end of the year.

A special taskforce meanwhile, is also probing into the company's operations.

The strategic fund has come under public scrutiny mainly because of the whopping RM42 billion debts that it has racked up in the past five years.

1MDB has not been able to generate enough earnings to service its debts. This raises public concerns over some of its debt papers issued with the government's letter of support – meaning the government is responsible for the fund's debt repayment should the firm default.

Consequently, the investment firm is currently stepping up efforts to hive off its assets, namely power generation plants and land, to ease its extremely tight cash flow. – July 28, 2015.

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