

What price to save 1MDB, asks Rafizi
The Malaysian Insider
Sept 10, 2015

What price will Malaysians have to pay to save 1Malaysia Development Berhad (1MDB), Rafizi Ramli asked today after Datuk Seri Najib Razak's statement yesterday that the financial problems faced by the debt-ridden state fund would be solved in five months.

"His statement is consistent with his announcement of a rationalisation plan for 1MDB, announced last month, that will take six months to implement," Rafizi (pic, right) said in a statement today.

"My biggest worry – and this forms the concern of a huge number of the people – is: what price will the people have to pay to save the troubled 1MDB?"

The Pandan MP said although it was easy to settle the company's RM42 billion debt, he was concerned that public funds such as money in the Employees Provident Fund (EPF), Retirement Fund Inc (KWAP) and Lembaga Tabung Angkatan Tentera (LTAT) would be used to rescue the company.

"Barisan Nasional's (BN) administration record in saving companies that have links to the ruling elite since the 1980s have shown how easy it is for them to use public funds to save their interests.

"Before, Petronas was always the victim whenever there was a troubled company. Until now, the people know that public investment bodies like EPF, KWAP and LTAT have been exposed to the 1MDB financial risks, through loans, bonds and shares," said Rafizi, who is PKR secretary-general.

He said in the past, Najib had "easily dragged" in these funds to help 1MDB, asking what guarantee there was that the prime minister would not use more of the funds to save the state investment vehicle.

Expressing his concern over Najib's assurance that all of 1MDB's financial problems would be over by year end, Rafizi said this meant that the government and third parties had inked deals that could be detrimental to the people.

"No country, bank or financial institution in the world would freely give any financial assistance to 1MDB, which is in a critical state.

"Any assistance or cash injection would only be given with tight and strict conditions that would profit the third party as a buffer to the financial risks they were taking."

Rafizi also urged Najib to present details of any deals with third parties in Parliament before they were inked.

"He also needs to ask several questions about each of those deals, such as if the

terms would be at the expense of the government and the people, how much of public funds would it cost and would the deal involve any property or publicly owned land."

Other questions Najib should be asking included whether the third party would be getting any contract or financial assistance for helping 1MDB, the identity of the individuals involved in these deals as well as whether the Malaysian government would guarantee any of the loans and cash injections.

"A detailed presentation of these things is necessary to avoid the repetition of scandals where government property and guarantees are given to 1MDB that it becomes detrimental to the people.

"We also don't want even a cent of public funds to be given to 1MDB anymore following this," he added.

Najib, who is finance minister and chairman of 1MDB's board of advisors, first promised to solve 1MDB's woes by year end in June.

He repeated his promise yesterday, pledging to resolve the problems through the rationalisation plan.

1MDB, which has amassed RM42 billion in debts since its inception six years ago, is also being investigated by authorities for financial impropriety. – September 10, 2015.

Copyright © 2015 Edge Insider Sdn Bhd

Source:

<http://www.themalaysianinsider.com/malaysia/article/what-price-to-save-1mdb-as-ks-rafizi>