

1MDB 'alternative facts' can fool some but not all, says Pua
Free Malaysia Today
March 31, 2017

DAP leader takes to task Prime Minister Najib Razak for omitting 1MDB's RM39 billion worth of debt, mentioning only RM3.8 billion repayments in Dewan Rakyat reply.

PETALING JAYA: Tony Pua has criticised Prime Minister Najib Razak for a less than truthful answer in the Dewan Rakyat yesterday on 1MDB's debts.

Referring to the written reply from Najib to a question by his DAP colleague Er Teck Hwa (DAP-Bakri), Pua said the finance minister had "deliberately omitted crucial details, calculated to present an alternate reality for the media and the rakyat".

"After reading the headlines from The Star and The New Straits Times (NST) that 1MDB was 'debt free', I immediately sought out my colleague, Er, for a copy of Najib's parliamentary reply to his question, which was the basis for the news stories.

"Najib said that 1MDB made full settlement amounting to RM229.5 million for a revolving credit facility to Affin Bank in November 2015, and that last year, 1MDB had also successfully repaid RM950 million in a standby credit facility from the federal government, a RM2 billion term-loan facility from Marstan Investments NV and a US\$150 million (RM663 million) term financing facility from Exim Bank," the Petaling Jaya Utara MP said.

The answer to Er's question on the "debts and assets of 1MDB in and out of Malaysia for the years, 2015 and 2016", also stated that RM3.8 billion worth of debts were repaid.

"The finance minister further added that 1MDB no longer had any borrowings with banks, nor any other short-term debts.

"As if on cue, knowingly or unknowingly, The Star and NST fell for it hook, line and sinker by declaring that '1MDB is now debt free', painting a most beautiful alternate reality which the prime minister would like you to believe."

Pua, who is DAP national publicity secretary, said the reality was "exceedingly different", suggesting that the finance minister's reply in the Dewan Rakyat was deliberately designed to obfuscate the truth.

"Najib has conveniently and mischievously failed to disclose the multiple elephants squeezed into the room," Pua said before elaborating on the various debts or guarantees by Putrajaya in relation to the state-owned investment firm.

Pua listed them as follows:

A 30-year RM5 billion bond which is guaranteed by the federal government;

Two 10-year US\$1.75 billion bonds which were guaranteed by Abu Dhabi's International Petroleum Investment Corporation (IPIC) but have since been indemnified by the Ministry of Finance, Incorporated (MoF Inc);

10-year US\$3 billion bond, guaranteed with a "Letter of Support" issued by the finance minister;

US\$1 billion advance by IPIC, indemnified by MOF Inc; and

At least US\$230 million worth of interest payments by IPIC on behalf of 1MDB, indemnified by MOF Inc.

"Hence, the total amount of 1MDB debt still outstanding, and directly or indirectly guaranteed by the federal government are RM5 billion and at least US\$7.73 billion, bringing it to a grand total of more than RM39 billion.

"This is despite the fact that the federal government has already bailed out 1MDB's real estate division by assuming 1MDB's RM2.4 billion worth of sukuk and another RM800 million borrowed from Socso," Pua said, adding that the RM39 billion was still outstanding despite 1MDB having already disposed of its power plant assets for a total of RM9.83 billion.

Pua took Najib to task for omitting the RM39 billion worth of debt, and instead mentioning only 1MDB's RM3.8 billion repayments in his reply in the Dewan Rakyat.

"He even carefully worded his happy conclusion, that 1MDB no longer owes any bank any money or any other short term debts, to skew the impression and perception of those who are not alert or informed."

Copyright (C) 2009-2016 MToday News Sdn. Bhd. All Rights Reserved.

Source: <http://www.freemalaysiatoday.com/category/nation/2017/03/31/1mdb-alternative-facts-can-fool-some-but-not-all-says-pua/>