

## **Bandar Malaysia dispute: 1MDB crisis will relapse, says Rafizi**

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**By Nawar Firdaws**

### **The PKR MP says Bandar Malaysia's share sale agreement lapse brings into question Najib Razak's supposedly close ties with China.**

KUALA LUMPUR: The 1MDB crisis looks set to haunt Prime Minister Najib Razak following the lapse in his pet project Bandar Malaysia's share sale agreement (SSA), a deal which the government claimed was needed to restructure the state firm's debts.

The Pandan MP said the dispute between IWH CREC Sdn Bhd, a joint venture between Iskandar Waterfront Holdings and China Railway Engineering Corp, and the finance ministry-owned TRX City Sdn Bhd, has brought into question claims that the troubled state firm had succeeded in restructuring its debts.

"It confirms that Najib's administration still has no solution to the 1MDB crisis and its debts, that the public are now burdened with," the PKR vice-president said at a press conference today.

Yesterday, TRX City said the SSA for the sale of 60% of the issued and paid-up capital of Bandar Malaysia, a grand development project in the heart of Kuala Lumpur, had lapsed due to the "failure of the purchasing parties to fulfil payment obligations".

Following this, the firm said it would immediately invite parties interested to become the main developer of the project, while preserving full ownership with the Ministry of Finance.

Rafizi said the government had previously defended the sale of the 60% stake in Bandar Malaysia to IWH CREC as part of the plan to restructure 1MDB's debts.

"However, as the sale agreement is now void, it means the debts that 1MDB subsidiary Bandar Malaysia and 1MDB have to shoulder will remain unresolved."

Rafizi said the latest development also brought into question Najib's supposedly close ties with China.

"I believe this is a sign that the relationship between Najib's administration and the government of China is not as good as what was portrayed.

“And if there are massive differences in the sale and purchase of Bandar Malaysia’s shares, to the point that it caused an open dispute between the Chinese company and the Malaysian government, it may affect other big projects,” he said, and cited the RM55 billion East Coast Railway Link to be financed by a Chinese state-owned company.

Bandar Malaysia is the Najib administration’s biggest project to date, which among others will also house a major station in the Kuala Lumpur-Singapore high-speed rail system.

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