

'PM shifts to kangkung economic model'

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A DAP MP takes Prime Minister Najib Abdul Razak to task, claiming that the open tender system under his administration is only for show as it is manipulated to serve the interest of cronies.

On a sarcastic note, Tony Pua quipped that Najib's New Economic Model and Economic Transformation model are now turning into the "kangkung" economic model.

The Petaling Jaya Utara MP was referring to the recent awarding of a new independent power producer (IPP) power plant concession project to 1Malaysia Development Bhd (1MDB), even though YTL Power had put in a cheaper and more qualified bid.

"YTL Power has submitted a qualified and cheaper competing bid at a levelised tariff of 25.23 sen/kWh to supply electricity to TNB," Pua said, adding that 1MDB, a brainchild of Najib to drive long-term investment strategies, offered a levelised tariff of 25.65 sen/kWh.

1MDB, which is also wholly owned by the Malaysian government, was given the RM11 billion project by the Energy Commission (EC).

"Worse, the EC's own technical evaluation committee had recommended YTL Power as the preferred bidder to the Board," Pua said, citing a report from The Edge financial daily.

"The government hence cannot blame the rakyat for thinking that this is a clear-cut desperate attempt to prop up 1MDB, which is labouring under a mountain of debt estimated in excess of RM30 billion," he added in a statement.

Pua also pointed out that this was not the first time high-profile projects were not awarded to the lowest and most qualified bidder, referring to the Ampang LRT extension project being awarded to George Kent Bhd in 2012 even though the company offered a bid priced at RM 167 million higher than the originally recommended bid.

"Worse, George Kent was awarded the contract despite failing the technical criteria which has caused the company to be initially rejected by the professional evaluation consultants," he said.

"What gave away the manipulation at the highest level was the fact that George Kent won the bid over other established rail players such as Siemens, Balfour Beatty, Bombardier, Posco and Colas despite having zero experience in rail projects," he said further.

Pua said that he was "aghast" at how Najib is still promoting his New Economic Model and Economic Transformation models even though cronies still win lucrative contracts via "rent seeking and patronage".

"Najib has not only set aside the interest of the rakyat, who would have to bear higher costs – in these cases for electricity and for public transport – he has also decided to bury his own 'New Economic Model' launched with great fanfare at the start of his premiership.

"Instead what we are witnessing is a 'transformation' into his 'Kangkung' Economic Model, leading to vicious cycle of price hikes and higher costs of living for Malaysians," he added.

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