



## A Question of Transparency

While recent events have given Malaysians a reason to cheer where transparency is concerned, the government must walk the talk so that its word doesn't become irrelevant.

SEVERAL MAJOR ANNOUNCEMENTS IN THE LAST FEW WEEKS HAVE ATTRACTED wide publicity and debate.

Among them were the Securities Commission (SC)'s decision to make public its reasons for rejecting corporate proposals, the allocation of RM15 billion for major projects via tenders, the cancellation of the proposed RM490 million High Performance Sports Training Centre in England and the declassification of documents relating to the scenic bridge project.

Proponents of transparency will no doubt welcome these announcements. After all, the current government has been assuring us that there will be more transparency and openness in the way it does things.

And the authorities must walk the talk. Let not these assurances remain mere assurances. Actions speak louder than words. Let us look at these announcements more closely.

The SC must be congratulated for its latest move. Until now, the public hadn't a clue as to why it had acted the way it did. Naturally, all kinds of allegations were hurled at its officials.

But little did the investing public know that the reasons for the rejection had been communicated to the companies and merchant banks concerned. It is just that these companies had chosen to keep mum. Perhaps, they were embarrassed that they had not complied with the rules, or had simply put in a bad proposal to the SC.

It's about time minority shareholders are enlightened on some of the unsavory acts of their directors. It will also end talk that SC officials refuse to approve proposals unless a bribe is paid. It is time companies practised greater transparency.

The Sports Centre debacle also leaves much to be desired where transparency is concerned. When the announcement was made, details were sketchy.

Then, there were the conflicting statements from our leaders. Deputy Prime Minister Datuk Seri Najib Razak said the project would proceed, while Prime Minister Datuk Seri Abdullah Ahmad Badawi said it would not, given that approval would be difficult to obtain from the British authorities. From the statements made by other Malaysian officials, it is quite obvious that a detailed study had not been made. Yet, there are those who say that the contract, or at least

the letter of intent, has been signed.

If you were going to spend nearly half a billion ringgit on a major project, wouldn't you work out the viability, approvals needed, maintenance costs and other details first?

The declassification of documents relating to the scenic bridge is yet another example where transparency is in want. There have been allegations that the more recent documents had not been made public.

For example, missing were the documents on negotiations relating to the sale of sand by Malaysia to Singapore. Was such an offer made by Malaysia recently? We will never know.

Strangely, one Malaysian minister said not all the documents could be made public. We wonder why. Won't that give rise to allegations that there were some other hidden reasons why the project was abruptly called off?

The same goes for the sale of MV Augusta for €1 by Proton recently. While the Proton management has gone to great lengths to repeatedly state why it sold the Italian motorcycle manufacturer, it has failed to shed light on some vital questions.

For example, why wasn't there open bidding? Were there other bids rejected, and why was the credit line to Augusta suddenly cut off, bringing it to its knees?

These are questions of transparency. Proton's minority shareholders have a right to know. Since Proton is a government-linked company (GLC), taxpayers and, for that matter, every Malaysian, has the right to know. We hope the answers will be forthcoming soon.

When he first took office in October 2003, the Prime Minister promised that there would be transparency in awarding government projects. He is finally making good his promise by inviting tenders for major projects.

The transparency, however, does not end there. How fairly will the tender committee select the best bid? We all know that any number of reasons can be given for not selecting the lowest bid, given some bad experiences where projects have been abandoned.

If the lowest bid is not accepted, the reasons must be made public. What is there to hide? After all, it involves taxpayers' money.

Otherwise, this whole tender process will turn out to be nothing but a sham. **mb**

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