

DATE: 29/10/2008

# Money to be spent on projects for rakyat

NST-29/10/2008

■ By Adrian David and Joseph Sipalan  
news@nst.com.my

**KUALA LUMPUR:** The purchase of 12 Eurocopter helicopters to replace the Nuri has been put off to reduce government expenses.

The postponement of the purchase, which would have cost RM1.67 billion, would allow the government to reallocate the money for projects that would bring direct benefits to the people.

Prime Minister Datuk Seri Abdullah Ahmad Badawi said the decision was also in line with recommendations from the economic executive council to prioritise spending to weather the current global financial crisis.

He, however, acknowledged that the country's ageing fleet of Sikorsky S61-A4 Sea Kings, also known as the Nuri, which had been in service since the 1960s, needed to be replaced.

"The Nuris are old and have been involved in several accidents which have caused the deaths of civilians and soldiers."

Abdullah, who is also the defence minister, pointed out that the postponement was temporary, adding that for now the government was looking at purchasing the helicopters by 2011 at the latest. "We may make a decision sooner as it would take three years for the helicopters to be delivered once the order is made," he said at a press conference after hosting a Hari Raya-Deepavali open house at the Ministry of Defence here yesterday.

"Until then, we must ensure that we service these (existing)



Prime Minister Datuk Seri Abdullah Ahmad Badawi and Deputy Defence Minister Datuk Wira Abu Seman Yusop at the press conference after the ministry's Hari Raya-Deepavali open house yesterday. — NST picture by Sairien Nafis

aircraft as best we can."

Abdullah said the postponement was agreed upon during the economic executive council meeting which he chaired on Oct 13.

"We cannot go on borrowing all the time. If we feel some projects can be postponed, then why not?"

On allegations of a lack of transparency in the deal, he said the interested parties had sufficient access to the relevant information as it was offered via international tender.

The government also did not ask for a RM350 million development package for the Subang Aviation Park, Abdullah said, referring to the offer by Eurocopter to develop Subang Airport as part of

the deal.

"Whatever they want to do, it is up to them. As far as I have been told, they offered it in the tender, we did not ask for it."

Asked about Brazil's purported purchase of an equivalent model at a lower price, Abdullah said the 12 Eurocopter units ordered by Malaysia were more expensive as they had differing specifications.

"Our requirements are more advanced. That obviously would come with a higher price," he said, adding that the Malaysian Eurocopters would be capable of search and rescue missions, combat operations and other duties.

DAP adviser Lim Kit Siang said earlier Brazil had paid the equivalent of RM4.2 billion for 50 units of the same Eurocopter model.

On the scrutiny of the Eurocopter deal by the Public Accounts Committee (PAC), Abdullah said it was a prudent move.

He said Deputy Prime Minister Datuk Seri Najib Razak had already given the go-ahead for the inquiry, which is expected to start in Parliament today.

"This is good. The PAC can filter through the proposal to purchase the helicopters and it is also good because they can then understand the procedures used by Mindef (in working out the deal)," he said.