

Translated excerpts of the PAC proceedings

On the number of cameras taken over and the valuation:

On Feb 23, 2015, LTAT, via Irat Properties Sdn Bhd, took over AES for RM555 million, which is RM295 million for ATES and RM260 million for Beta Tegap. Based on a due diligence that was conducted, LTAT has overpaid what was recommended by KPMG.

(PAC Deputy Chairperson) Datuk Azizah Mohd Dun: They are not basing on their [valuation] that was provided by KPMG [and paid a higher price].

(JKSTUPKK Deputy Chief Secretariat) Dato Ir Mohd Salim Ali: Yes.

(PAC member) Datuk Dr Mohd Hatta Md Ramli: Chairman can ask from RM555 million how much did Beta Tegap get, how much did ATES get?

Mohd Salim: ATES got RM295 million, Beta [Tegap] got RM260 million.

Azizah: This is based on 14 cameras only ya?

Mohd Salim: Yes.

On avoiding the perception of bailout:

(PAC member) Mohd Hatta: Chairman. Regarding repayment or payment to LTAT from the government. Actually in the early stages we have heard that among the reasons we gave to LTAT and not to a company under MOF if not mistaken, was to avoid it being described as...

Several PAC members: [Speak without using microphone] Bailout.

Mohd Hatta: Bailout. But it seems the element happened later.

On the original size of the AES project:

(MOT Sec-Gen) Datuk Isham Ishak: ...The amount, based on facts provided by KPMG, did not include the liabilities by the two companies assumed by the government.

So, this due diligence has shown that the overall cost to be borne by the government was RM888.4 million which was RM495.6 million for ATES and RM392.8 million for Beta Tegap. The costs include liabilities borne by the government as well as other issues involving finances.

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(PAC member) Ahmad Hassan: I have a few, Datuk. At the pilot stage we had 14 cameras, where four were mobile. So from Sept 2012 to 4 Feb 2013, we had five months.

Isham Ishak: Yes.

Ahmad Hassan: So in the five months suddenly [the project] was put on hold. Were the 1,079 units already procured? The cameras.

Isham Ishak: Okay. At that stage they were supposed to deliver 1,079 but [we were] given only 14.

Ahmad Hassan: Okay.

Isham Ishak: Okay, so at that time ATES and Beta Tegap have not delivered. So if we pay, we would base on progress payment lah.

On kickbacks and MACC investigation

Mohd Salim: The committee is of the view that there may be kickback, so we requested Bank Negara Malaysia to conduct a money trail [identification].... and we were called in to conduct a briefing. After the briefing, all documents were submitted to two MACC officers to continue the investigation, and we did not receive any information until now, lah.

(PAC member) Nurul Izzah Anwar: No [update] received?

Mohd Salim: No update on new developments.

(PAC chairperson) Wong Kah Woh: MACC, any update, comment?

(MACC Assistant Commissioner) Nur Hayati Abd Hamin: Chairperson, I will update, still under investigation.

Wong: Okay, thank you. Must put pressure a bit, yeah [laughs].

(PAC member) Ramli Mohd Nor: With permission, MACC how long has it been? For years, months [it is still] under investigation, under investigation. Can you explain how long [has it been] from

the first date of the report to MACC, until today, what is the update? If you are going to give me [the answer is] under investigation, I am very familiar with that. I want to know details, why [still] under investigation... I think the PAC has the responsibility to know. Firstly, how long has it been?

Nur Hayati: First report was issued in 2018, still under investigation.

Ramli: Until now?

Nur Hayati: Yes sir.

Ramli: That is your answer?

Nur Hayati: Yes.

Ramli: I think we need to call them, lah, what is [the problem], explain what is still under investigation, what has not [yet been investigated]?

Nur Hayati: Noted, Yang Berhormat.

Ramli: Please get your commissioner to do it.

On who gets the short end of the stick in the AES project

(JKSTUPKK chairperson) Tan Sri Ambrin Buang: "... Even from a cost perspective. As I mentioned, if the total investment was around RM45 million, the government would need to give directly to JPJ, they could install the cameras. What was the restriction? There was none. For me, lah. My thoughts."

(JKSTUPKK member) Datuk Dr Mohd Tap Salleh: Chairman, I totally agree that is why since 2008, it was decided by the KSN committee (Chief Secretary of the Government), special committee, that it should be JPJ and MOT but then when you fast forward, you know that there is going to be a lot of money to be made – I do not believe in conspiracy theory, but this is to conspire to cheat Malaysia, actually.

To read the complete transcript of the hearing, visit the Parliament's official website to download the 14th PAC full report on the AES project.