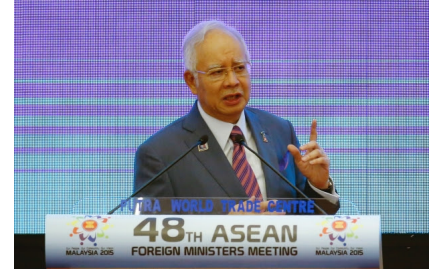


By Vaughn Palmer:

Scandal broke just as Finance Minister Mike de Jong landed for a six-day LNG trip to the country
By Vaughn Palmer, Vancouver Sun columnist August 4, 2015



Malaysian Prime Minister Najib Razak delivers his opening speech at the 48th ASEAN Foreign Ministers meeting in Kuala Lumpur, Malaysia Tuesday. A corruption scandal over \$700 million US in Razak's personal bank account was hitting just as B.C. Finance Minister Mike de Jong landed in the country on an LNG-related trip.

Photograph by: Vincent Thian , AP

VICTORIA — The early start on the federal election campaign has ended B.C. Liberal hopes for getting an early start on a proposed liquefied natural gas terminal on the northwest coast.

The Liberals recalled the legislature for a rare summer session last month to deliver final approval for the provincial side of an LNG agreement with a consortium led by Malaysian-government owned Petronas.

That still left the multibillion-dollar project needing federal environmental approval, with the Canadian Environmental Assessment Agency nearing completion of a review of a proposal to locate the Pacific NorthWest LNG terminal at a site near Prince Rupert.

The current federal government has been generally supportive of LNG development. But even if the agency manages to recommend that the federal cabinet approve the project, it would not be acted on with Parliament dissolved and the government on a campaign footing since Sunday.

A \$700-million corruption cloud engulfs Malaysian prime minister

Posted by Joan Russow

Wednesday, 05 August 2015 19:28 -

Though Environment Minister Leona Aglukkaq and her colleagues will continue to hold their posts until Oct. 19 — and maybe beyond that, depending on the will of the voters — in practice governments steer clear of such momentous decisions during the official campaign period.

A change of government could mean additional delays, as the new cabinet decided whether to support the project and on what conditions.

The project also needs the go-ahead from the Lax Kw'alaams First Nation, as the proposed terminal site is within their traditional territory. Adding to the potential holdups, the Lax Kw'alaams are headed for an internal leadership election of their own this fall and may hold off approval until after that.

All of which makes it likely that the Liberals are looking at late this year or even early next for the much-sought-after “shovels in the ground” start on the Petronas project, presuming all of the other remaining obstacles can be cleared.

Still, there was Finance Minister Mike de Jong late last month, headed for Malaysia to trumpet B.C.'s “significant progress toward making the first LNG project a reality.”

Fresh from defending the project to skeptics in and out of the legislature, de Jong, accompanied by his chief of staff, was slated to spend six days meeting with government officials and investors.

The trip kicked off July 25, just as news reports were circulating about the Malaysian government's hardball approach to dealing with homegrown critics.

“Malaysia suspends publications over reports on scandal,” read that day's headline in the Wall Street Journal. “Malaysia suspends two newspapers covering scandal at state-owned fund,” the New York Times reported.

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Targeted by the three-month-long suspension orders from the country's ministry of home affairs were the Edge Weekly and the Edge Financial Daily, two small-circulation but influential publications owned by the Edge Media Group.

They'd been reporting extensively on a deeply indebted investment fund with close ties to the country's prime minister Najib Razak. Edge Media is appealing the suspension orders and is meanwhile continuing to report online.

Also facing the threat of legal action was the Wall Street Journal, which recently reported that investigators at the Malaysian Anti-Corruption Commission were looking into how the tidy sum of \$700 million US (!) had ended up in the personal bank account of a prime minister whose official salary is on the order of \$70,000 a year.

That report had Malaysian authorities grilling folks at the commission over who leaked the eyebrow-raising detail about the PM's bank account.

Plus, the Malaysian authorities this week issued an international warrant for the arrest of the editor of the Sarawak Report, a U.K.-based whistleblower website that has also reported extensively on the scandal.

"Well, this insane action claims to be enabling me to be arrested all over the world," editor Clare Rewcastle-Brown told Malay Mail Online Tuesday. "Malaysia has just advertised internationally that it has become a basket case and the international media are currently beating a path to my door to hear my comments."

Also on Tuesday, the anti-corruption commission put aside the witch hunt long enough to issue an important clarification regarding the PM's bank balance: the \$700 million was not, as some suspected, siphoned from the accounts of the troubled investment fund.

Rather, it represented pre-election contributions from unspecified "donors." While the commission neglected to name any of the folks willing to put up that kind of cash, the government communications minister thought the news was cause for celebration, not least

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among the prime minister's critics.

"Should they not be happy that the money was not stolen from (the fund) as alleged?" the Mail Online reported him saying. Damn critics. There's just no pleasing them.

So, to recap, it would appear that the Malaysian PM does have something like 10,000 years' pay tucked away in his bank account. But folks donated it to him. No strings attached, of course. And closer to home, one can only hope these shenanigans don't give the B.C. Liberals any ideas.

Joking aside, the cloud over Malaysia's 700-million-dollar man could have implications for B.C. There's speculation that he or his government or both could be ousted over this scandal. In that event, I suppose the fallout could affect the timing or direction of plans by government-owned Petronas as well.

vpalmer@vancouver.sun.com

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