

# 'Those responsible will face the music'

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**ILLEGAL BAUXITE MINES:** The heatwave enveloping the country is not the only thing that those involved in bauxite mining have to worry about. The Malaysian Anti-Corruption Commission is turning up the heat on illegal miners and those who have abused their power, which had allowed the indiscriminate mining to continue for so long. In an interview with the 'New Straits Times' Special Probes Team, MACC investigations chief Datuk Azam Baki tells *Farrah Naz Karim* and *Aliza Shah* that probing into the massively contentious area is no easy task considering the many hurdles they face. The most telling line is, 'We hope the state government will reveal to us the necessary info in the interest of the public'

**Q: Isn't it perplexing to MACC that there are so many illegal mines in Kuantan and that they had been allowed to operate indiscriminately for so long? Surely, it should be obvious to the authorities?**

**A:** MACC at first will look into the corruption elements and issues. But the public came to us with complaints on environmental pollution. Of course, this suggests to us that the enforcement authorities are involved in corrupt activities. But it's an uphill task for us to uncover the people involved in this as corruption obviously involves two parties benefiting greatly from this. On our part, we deployed our officers to the ground to detect them, as well as to figure out their modus operandi.

Then, we discovered that there were so many illegal miners around. We wondered how these illegal miners could operate without being harassed by the authorities.

**Q: You were quoted as saying that you faced problems because nobody wanted to be witnesses. Were the relevant agencies concealing info from you?**

**A:** What we discovered was that the authorities did not cooperate or coordinate with each other for reasons best known to them. Only recently, the Terengganu menteri besar invited us to help them as the part of Terengganu bordering Kuantan was being affected by illegal mining in Kuantan. We welcome the trust given to us by the Terengganu government in preventing any potential problems later. MACC was alone when we began our intelligence operations as only a handful of the people who were affected by the situation cooperated with us. When we discovered that the state's enforcement officers were involved, we had no choice but to use our informers and resources. With the problems in the direction of our in-

vestigation, we were forced to start from an area outside of our jurisdiction — environmental pollution. Only because it was obvious that abuse of power and corruption had allowed this to happen. I could not get anything from the state authorities.

**Q: What about the Pahang government itself, surely it can supply you with the information? For example, if they can tell you how many hectares had been allowed to operate and where exactly they are, shouldn't it be easy to identify the illegal ones?**

**A:** We hope the state government will reveal to us the necessary info in the interest of the public. The audit should be made by comparing the export and the mining areas involved.

**Q: The Pahang MB said last year's collection was RM47 million. The thing is, the state government, in the middle of last year, said the revenue collected from the export of bauxite totalled RM37 million. Does it make sense that in the next half, they only got RM10 million? More so when in the last three months, the export spiked to more than RM10 million? Shouldn't alarm bells be ringing, that somebody somewhere was cheating the system?**

**A:** As the Pahang MB had admitted, the royalties should be more than what they collected. This shows how rampant illegal mining is in the area! It resulted in leakages in the revenue to Pahang as they (the illegal miners) do not pay royalties for the minerals they extracted. I must say, it looked like nobody even cared if royalties were collected! I

think it is pertinent and only natural that, in doing business, due diligence is done, that forecasts are made as to how much royalties would be collected. In this case, the leakages cost the state government at least four times the earnings it registered.

**Q: You have picked up several officers from the state Land and Mines Department (PTG). Are you looking at the whole chain of the bauxite mining sector for possible involvement in corruption and abuse of power?**

**A:** Yes, we are. We have so far picked up five PTG officers for questioning.

We also picked up three runners in the chain of corruption that exists.

We will get to the bottom of it, irrespective of who they are. (The commission is also calling in six more PTG officers to facilitate investigations.)

**Q: Some suggested that the MACC is only going after the small fry and not the sharks in the illicit bauxite mining business. Your comment?**

**A:** We don't treat them as *ikan bilis*, considering the extent of the damage they had caused and the enormity of the damage. We don't care who they are, but those responsible for what happened in Kuantan will have to face the music.

**Q: Surely, there are some big names that could be involved in abuse of power and corruption in the bauxite mining sector?**

**A:** I heard about that when we started our probe but let me keep it close to my chest first.

Rest assured that MACC has no issues with going after the big fish.



MACC investigations chief **Datuk Azam Baki** says the commission will get to the bottom of the **bauxite mining issue**

**Q: These agencies down the bauxite mining and export chain: the state government, PTG, Minerals and Geosciences, and Customs Departments as well as Kuantan Port. Where exactly do you see that corruption and abuse of power could fester?**

**A:** We want to make clear that we have no issues with the state government allowing bauxite mining. But the state government must put in place standard operating procedures where the mining of bauxite is concerned. The bauxite issue has become a serious public issue with the perception that corruption is rampant in the industry. The problem of poor enforcement affects not only the state authorities but some other enforcement agencies as well. The crux of the issue is simply that there are too many illegal miners, so much so that it went out of control. It was clear to everyone how the lorries were allowed to ply the routes, leaving a trail of damage and pollution. Even after one year of this going on, nobody seemed to care enough to do anything to arrest the problem.

**Q: Do you see any difference in the bauxite operations run by the legal and illegal operators? Because at the moment, the processes — from transport to port operations — had caused a lot of problems as well.**

**A:** There was little or no proper procedures or guidelines being followed where the Kuantan mining sector was concerned, period. Let's not even talk about the illegal ones. The recent arrests we made showed that the lack of enforcement was among the main contributing factors to the problem. It is a major

loophole in the system; the illegal miners knew that and seized the opportunity.

**Q: What now? Or rather, how do you expect the situation to be once the moratorium is lifted three months from now?**

**A:** In a way, the state government had allowed this to happen as it had been obvious to everyone that the system was so slapdash as to allow this kind of pollution to happen. The problem should have been nipped the minute it became obvious that something somewhere was clearly wrong.

**Q: Where does MACC come in?**

**A:** There must be a task force with representation by all the relevant agencies and MACC in promoting transparency.

If the state government missed it before, it should immediately do an audit, including those based on information from their own agencies so that they can identify the loopholes and plug them. Otherwise, the problem will persist and the state's revenue will continue to be siphoned off.

The sector deals with a lot of cold hard cash. At any one time, there are some 300 lorries that come from all over the country, on standby in Kuantan to ferry bauxite. Companies in the business must be held responsible in ensuring that there is no pollution.

As the state government increases the royalty rate, the money must also go into preservation efforts. MACC is hopeful that all enforcement authorities will combine efforts to reverse some of the problems and mitigate the damage done. It's not too late.

