



## MINISTRY OF PUBLIC ENTERPRISES

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20111123 MVIL board and missing money

### **PUBLIC STATEMENT**

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The Minister for Public Enterprises, Sir Mekere Morauta, said National Executive Council had endorsed changes to the board of MVIL Limited.

The new members are Mr Bonny Igime, Mr Steven Pim, Ms Veronica Waieng, Dr Bangi Kumdim and Mr John Tuka.

In announcing the appointments, Sir Mekere stressed that no Public Enterprise chairman would be an executive chairman.

“Reports that executive chairmen have been appointed are wrong.

“These new appointments are part of the O’Neill-Namah Government’s reforms of IPBC and its Public Enterprises, and I look forward to working with them.

“One of the new board’s first jobs will be to recover about K96 million missing from MVIL.”

Sir Mekere said the money was the proceeds of the sale of 530,105,100 shares in Bank South Pacific which were owned by MVIL. The sale, to an Australian company called Nominees Niugini Limited, is now the subject of a police investigation.

MVIL sold the shares when under the control of the former Minister for Public Enterprises, Arthur Somare, and the former IPBC management.

Proper processes had not been followed, and the sale is in breach of Section 45B of the IPBC Act and Section 110 of the Companies Act.

The sale was not approved by the IPBC board, as required, and there was no shareholders’ resolution approving the sale, as required.

The new IPBC board has instructed MVIL to rescind the sale contract, called an Equity Monetisation Contract Agreement. IPBC has begun legal proceedings against MVIL and Nominees Niugini.

The money is being held in an account owned by a company called Woodlawn Capital, at the Commonwealth Bank in Lismore, New South Wales.

Sir Mekere today called on the former managing director of MVIL, Dr John Mua, to help recover the money.

“Dr Mua would save the nation a lot of money by assisting us in the recovery of the K96 million and its return to IPBC.

“For the nation to recover the money through court proceedings would be expensive and time-consuming. I would like Dr Mua to help us avoid this.”

**Mekere Morauta KCMG MP**  
Minister for Public Enterprises