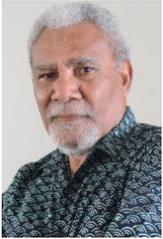


**Public Statement by Rt Hon Sir Mekere Morauta
Former Prime Minister and Member for Moresby North-West
Port Moresby, 16 October 2018**

PM, Tkatchenko should start telling the truth on APEC scams



It is time for the Prime Minister and APEC Minister to start telling the truth about the APEC luxury cars scam and other APEC spending, the Member for Moresby North-West, Sir Mekere Morauta, said this morning.

“What we have got so far is half-truths, distortions and contradictions that amount to a cover up of their use of APEC as a money rain scheme and vehicle to divert money for other purposes,” he said. “Two half-truths don’t make a fact.”

“I am now hearing that the illegal purchase of 40 luxury Maserati cars is not the end of the story. Peter O’Neill, Justin Tkatchenko and Christopher Hawkins have a lot more explaining to do.”

Sir Mekere said he had been told that even more luxurious cars are on the way to Port Moresby, and documentation has been provided to him that appears to confirm the allegations.

Papua New Guineans have a right to know whether the following allegations are correct:

- Three super-luxury Flying Spur V8 Bentleys, possibly more, are on their way to Port Moresby for Mr O’Neill, Mr Tkatchenko and others including Chinese cronies, to ride around in. According to official documents, the price for three is \$US695,238.30 (K2,363,810.22), duty- and excise-free.

The outright purchase by the State is said to have been approved by NEC. Have they been procured by competitive public tender as required by Section 21 of the APEC Authority Act? Has the arrangement been approved by the APEC Probity Auditor? Does the APEC Probity Auditor even exist, and if so who is it?

- 80 luxury Mahindra XUV500 vehicles bought outright at a cost of \$US2,442,000 (K8,302,800.00). Are these cars going to be sold after APEC or are they being retained by the Government? Was this purchase conducted by public competitive tender and was it subject to the scrutiny of the APEC Probity Auditor?
- Can the Prime Minister, Mr Tkatchenko or their outrigger Mr Hawkins confirm that the Mahindra XUVs were also purchased through a car dealer in Colombo, Sri Lanka? What were the arrangements for the purchase of the Bentleys?
- There is also a rumor of Lamborghinis being bought. Is this so?
- Information I have been provided indicates that all the APEC cars have been brought into PNG free of duty and excise, and that this very valuable benefit is to be passed on to private sector buyers.

What is the total value of the excise and duty forgone? Why are the nation’s wealthiest businesses and individuals receiving benefits that ordinary Papua New Guineans can only dream of? Why is government revenue being deprived of millions of kina at a time when the nation is strangled by waste, mismanagement and corrupt activities?

“The Prime Minister and Mr Tkatchenko should explain to the people of Papua New Guinea why more than K3 billion has been spent on APEC, including many wasteful, extravagant items such as luxury cars, at this time of suffering and hardship,” Sir Mekere said.

“More and more people are dying of preventable diseases such as polio, tuberculosis and malaria. Hospitals and clinics are closing, and essential drugs and other medical supplies are unavailable.

“Schools are closing all over the country, and teachers and other loyal, hardworking public servants are not being paid.

“Virtually every government activity is being starved of funds, the private sector is being crippled by a shortage of foreign exchange and the failure of the government to pay its debts, and the nation is slowly grinding to a halt.

“What sort of cruel, twisted mind would, in the face of these irrefutable facts, devote K3 billion-plus to a party for foreigners, PNC members and their cronies?”

“I urge people to show their disgust by joining the Nationwide Boycott next Thursday 25 October. Your contribution is a day’s pay to ‘join the fight to save your children’s future.’

“I also urge conscientious Members of Parliament on the Government benches to join the people and the Opposition, put the nation first, and change this octopus of a Government.”