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Tighter withdrawal procedures

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PUTRAJAYA, Sat. - Tabung Haji has tightened procedures for the withdrawal of deposits by investors, including online verification of identity cards with the National Registration Department.

Chairman Tan Sri Zainol Mahmood said today its employees were also required to use a password to access data as this would record which staff member was involved in specific transactions.

The additional security measures were introduced after fraudulent withdrawals amounting to RM7.725 million were made recently which led to the arrest of three suspects.

The suspects are believed to have exploited weaknesses in the withdrawal system by falsifying identity cards. They are believed to have used the names, finger-prints and identity card numbers of depositors with the co-operation of fund employees.

"We will begin using the NRD's services in January to ensure the authenticity of identity cards. Tabung Haji has received approval of the Home Ministry to use the NRD services and training staff to authenticate ICs."

He said this at a Press conference after handing over Datuk Seri Dr Mahathir Mohamad's Tabung Haji savings account book to the Prime Minister at his office here.

The fund wants to enforce use of the savings book in January because only 51.2 per cent or 1.74 million of the depositors currently used the book which allows a depositor to know the current status of his or her account.

Zainol also said Tabung Haji had appointed an investment panel made up of professionals to study the present procedures and methods of investment, and the ability of officers to manage investments.

"All this has been studied and we found many weaknesses, especially in staff expertise and procedures. The problems arose because Tabung Haji experienced an abrupt increase in savings of RM10 billion in a short period.

"But the Tabung Haji management still followed the old methods and the procedures did not develop. All the findings of the studies will be considered and changes will be implemented next year," he said.

Zainol said the fund had taken various measures which he hoped would return public confidence in Tabung Haji.

"We will protect deposits and should anything happen, we will assure compensation," he said.

Zainol said Dr Mahathir advised pilgrims going on the haj this season not to spend too much while in the holy land as it would have a negative effect on the Malaysian economy.

Dr Mahathir instead urged them to be prudent in their spending as about RM79 million was spent during every haj season.

"The Prime Minister felt we should not spend too much abroad as the same goods were available here. We hope those who go would try to save.

"Maybe goods bought, like souvenirs, are also sold in Wisma Yakin (in Jalan Masjid India here) but much cheaper as they are all imported from China, Taiwan and Indonesia. It is better to spend in Malaysia," Zainol said.

Apart from that, he said Dr Mahathir also directed Tabung Haji to make professional management decisions.

He said the Prime Minister wanted the fund to use professional services to restore confidence in the management of savings and investments of Tabung Haji.

The Prime Minister also said that all decisions should not be made by only one officer but by a committee after an in-depth study, he said.