

07 JUL 2003

SWISS-PROBE

NO FINANCIAL IRREGULARITIES AFTER PROBE, SAYS SWISS AMBASSADOR

KUALA LUMPUR, July 7 (Bernama) -- Investigations into alleged financial irregularities of "one Malaysian firm" in Switzerland have not found any evidence of wrongdoing.

There is no proof that a Malaysian company had been involved in financial irregularities in Switzerland, its ambassador to Malaysia, Dr Peter A. Schweizer, said today.

"Nothing wrong was found" from investigations into the accounts of "one Malaysian firm," he said when asked by reporters on Switzerland's co-operation with the Malaysian government in providing information about illegal funds allegedly deposited in Swiss banks.

The Swiss ambassador said this at the forum on "Facts and Myths about Swiss Banking" organised by the Institute of Strategic and International Studies (ISIS), where he was the main speaker.

Dr Schweizer, however, declined to name the company despite reporters asking whether he was referring to Perwaja Steel, the state-owned steel company, which had allegedly transferred millions into Swiss bank accounts illegally.

"You all know it, it is in the press," he said.

"You could read in your press that your government is looking in another direction, in another country," he said.

Parliamentary Secretary to the Finance Ministry, Hashim Ismail, had said on April 28, 2003, that investigations into financial irregularities involving Perwaja Steel had been completed by more than half and that the government was trying its best to complete the case as soon as possible.

The government was not delaying the investigation, he had said.

He had said that the delay was because the investigations covered several countries with some of the financial institutions in these countries reluctant to co-operate as they wanted to safeguard the confidentiality of their clients.

However, Hashim had said that a Swiss bank had agreed to relax its ruling following talks between Prime Minister Datuk Seri Dr Mahathir Mohamad and Swiss officials when he visited Switzerland in June last year.

While there, Dr Mahathir had asked the Swiss government to help in the investigations, especially in terms of getting access to information with regard to Perwaja's funds.

Meanwhile, Minister in the Prime Minister's Department Datuk Seri Rais Yatim had told the Dewan Rakyat on March 28, 2003, that the probe in Switzerland had been completed.

Rais had also said that the Anti-Corruption Agency (ACA) was gathering evidence from its counterpart in Japan in its investigations into Perwaja.

He had said that the ACA was trying to obtain information on transactions that were conducted via financial institutions in Japan and Hong Kong.

Dr Schweizer also said that the "Swiss government is willing to co-operate with the Malaysian government on suspicious cases. That is legal assistance."

Nevertheless, he said that Swiss banking secrecy "is by no means absolute."

"It can be waived at any time by the court of law for investigation into suspected criminal activities.

"It is subject to political co-operation between Switzerland and any

other government for crime control and the repatriation of illegally siphoned funds," he said. -- BERNAMA
FAY MR TJK