

03/10/2003

Monitoring body set up (HL)

Abdul Razak Ahmad; Audrey Dermawan

LANGKAWI, Thurs. - All Government financial transactions will be monitored by a body set up within the Finance Ministry to prevent fraud and forgery such as the Treasury cheques scam.

Prime Minister and Finance Minister Datuk Seri Dr Mahathir Mohamad said today the body was focusing on transactions made by agencies and departments, statutory bodies and Government-owned companies.

Dr Mahathir said the body would be placed under the authority and control of the Finance Ministry.

Reports submitted to it by all statutory bodies and Government companies would be standardised to help monitoring, he said.

"I have just launched a body to monitor every Government transaction. It is now focusing on statutory bodies and Government companies, but we will also monitor transactions within the Government.

"We want all reports to be made under a set schedule and format," said Dr Mahathir after lunch at the Awana Porto Malai following a tour of the Lima 03 maritime exhibition.

Dr Mahathir was asked what action the Finance Ministry would take to prevent the forging of Treasury cheques.

Police in Penang yesterday identified the "brains" behind a syndicate which had siphoned RM3.1 million from the Penang State treasury over the past two months.

Police believe the individual also pulled off a similar scam - by cashing cloned State treasury cheques of four or five other State Governments over the past three years.

In Penang, the police said they were reviewing recordings obtained from closed-circuit television at three banks in George Town where some cloned cheques of the State treasury were believed to have been deposited through the automated teller machines.

State Chief Police Officer Deputy Commissioner Datuk Othman Talib said they hoped to trace the people involved from the recordings.

"Our checks showed that more than 600 forged cheques had been deposited using ATMs. None was deposited over the counter," he said.

However, Othman said the viewing of the tapes would take some time as police had to "separate" the genuine depositors from members of the syndicate.

"But we are confident we can identify those who deposited the cheques."

Yesterday, Othman announced that police had identified an unemployed, Syed Ismail Syed Alwi, in his 30s, as the "brains" behind the scam.

The man is said to depend entirely on his underlings to carry out the bank transactions and purchases of gold bars or US dollars to launder his ill-gotten money.

"Even some of the suspects arrested have never met him.

"As such, it is quite difficult to trace him or learn more about his activities," said Othman.

Meanwhile, Universiti Sains Malaysia vice-chancellor Professor Datuk Dzulkifli Abdul Razak said the university had been reimbursed by a bank after it cleared two USM cloned cheques for RM200,000, believed to have been deposited by Syed Alwi and his gang.

Dzulkifli said the cheques belonged to USM's medical faculty in Kelantan and its engineering campus in Nibong Tebal.