

Another French firm penalised for graft in M'sia
Malaysiakini.com
November 23 ,2011

Swiss authorities have fined French power and engineering group Alstom US\$42 million (RM134 million) for corporate negligence, after a global bribery probe involving three countries, including Malaysia.

According to Reuters, Alstom said it was fined 2.5 million Swiss francs (US\$2.7 million) for negligence in three cases involving company officials in Latvia, Malaysia and Tunisia.

It must also pay around 36 million francs (US\$39.3 million), corresponding to estimated profit related to the cases.

"In two out of these three cases, Alstom itself would appear to be a victim of the actions of some of its employees, who would have benefited from kickbacks, 'enriching themselves at the expense of the company'," Alstom said.

"In the third one, Alstom was simply a subcontractor of a consortium," Alstom said, adding it would not challenge the decision and that the investigation had been closed.

The probe began in October 2007 and sought to determine whether Alstom and some of its units had violated rules prohibiting the payment of foreign government servants to win commercial contracts.

MACC to investigated

The investigation concluded there was an "absence of any system or so-called slush funds used for bribery of civil servants to illegally obtain contracts", Alstom said.

Apart from Alstom, another foreign company - telecom equipment giant Alcatel-Lucent - was implicated in the bribery of Malaysian government officials.

The Paris-based firm has been accused by US authorities to have bribed government officials in Latin America and Asia - including Malaysia - between December 2001 and June 2006.

Alcatel-Lucent agreed to pay US\$137 million (RM432.4 million) in fines and penalties to settle the charges last year, after reaching an agreement with the US Justice Department and the Securities and Exchange Commission.

The Malaysian Anti-Corruption Commission (MACC) said it would investigate the case.

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