

TI-Malaysia urges 1MDB to stop its abuse of power

MalaysiaKini.com

Oct 12th, 2015

With the litany of abuses concerning 1MDB, global anti-corruption watchdog Transparency International (TI) today called for the continued protection of the sovereign fund to stop.

In a statement, its Malaysian wing, TI-Malaysia, said it viewed with grave concern the arrest of former Umno Batu Kawan division deputy chief Khairuddin Abu Hassan and his lawyer Matthias Chang.

It is also very concerned that the newly-appointed attorney-general has refused to press charges against 1MDB officials despite two appeals from Bank Negara, and the decree issued by the Conference of Rulers on 1MDB.

In a statement today, TI-M president Akhbar Satar noted that Khairuddin and Chang, who were due to leave for New York, are now being detained under the Security Offences (Special Measures) Act 2012.

“TI-M strongly condemns the use of this law to detain whistleblowers without trial. “If the police have strong reasons to believe the duo are a threat to national security, they should be charged and tried accordingly.

“Detaining them (Chang and Khairuddin, photo) for 28 days without trial is an abuse of power by the authorities. What has happened to all the government's promises of non-abuse when Sosma was first introduced?” Akhbar asked.

He said Sosma was enacted to provide for special measures relating to security offences for the purpose of maintaining public order and security, and TI-M does not see the nexus between the objectives of the Act and the detention of Khairuddin and Chang.

The two are expected to be produced and charged at the Jalan Duta Court Complex in Kuala Lumpur today.

Last week, TI-M added, the nation was shocked to learn that attorney-general Mohamad Apandi Ali rejected the request from Bank Negara, twice, to initiate criminal prosecution against 1MDB officials for breaches of law under the Exchange Control Act 1953 (ECA).

AG should come clean

“The AG has yet to explain why the request from Bank Negara was rejected, and despite it making an appeal as well. The AG's Chambers seem to be of the view that there is no wrongdoing found or committed by any of 1MDB's officials.

“Given the circumstances of Apandi's (photo) appointment and his links with the ruling party (Umno), he should come clean and be transparent to explain why and what are the

justifications for not proceeding to press charges against the 1MDB officials when the main regulator, Bank Negara, has given its view that such charges are appropriate,” Akhbar said.

TI-M also applauded the “stunning action” taken by Bank Negara in revoking three permissions granted to 1MDB under the Exchange Control Act 1953 for investments abroad, totalling US\$1.83 billion, and in also issuing a directive to 1MDB, under the Financial Services Act 2013, to repatriate the US\$1.83 billion to Malaysia and submit a plan to the central bank for this purpose.

However, it noted that 1MDB issued a statement in response stating that it would not be able to repatriate the US\$1.83 billion as the funds were either spent or were going to be used for debt transfer.

TI-M also wants the 1MDB officials to immediately comply with Bank Negara’s instruction.

“This is not a query from Bank Negara for 1MDB to explain, but it is a directive and 1MDB must comply.

“TI-M also urges the police and the Malaysian Anti-Corruption Commission to act professionally and work without fear or favour and cooperate with Bank Negara to bring the culprits, if any, to face justice,” Akhbar added.

1MDB setting dangerous precedent

He noted that if 1MDB does not comply with Bank Negara's directives, it would be a very dangerous precedent where parties at fault are able to give excuses and justifications to avoid compliance.

This, Akhbar (photo) added, seemed to prove the perception that government departments and agencies working in silos is somewhat true, for such clear disagreement is farcical and exhibits how disjointed our government agencies are.

“Is this how we want to portray Malaysia to the world and also to attract foreign investments? The efforts of Datuk Seri Najib in the United States last week will come to naught.”

Last week, TI-M said, the nation witnessed a rare, yet valuable statement issued by the Conference of Rulers on 1MDB, where it decreed all investigations on 1MDB must be wrapped up soon and the wrongdoers, if any, are to be charged and to make the findings public, in full and transparent manner.

“TI-M supports the decree of the Conference of Rulers as there is wisdom in what the rulers have decreed for the best interest of Malaysia.

“Thus, this latest development from another institution under our Constitution (at a time where one by one of our institutions are being compromised), together with last Friday’s

instruction by Bank Negara to 1MDB, it is a clear message to 1MDB and the government to end this saga, which has taken a heavy toll on the people of Malaysia and its worldwide reputation abroad," Akhbar said.

TI-M also viewed very seriously the lackadaisical response of Deputy Prime Minister Ahmad Zahid Hamidi (photo) on the statement from the Malay Rulers, where he said nobody should ask to hasten the 1MDB probe.

"TI-M's stand has been consistent that the 1MDB saga must be fully investigated, any wrongdoings or corrupt practices should be fully disclosed and the wrongdoers should be brought to justice without fear or favour.

"This has taken far too long, such that the trust deficit the current government faces in the minds of the people is such that the people no longer take seriously any statement it issued that the wrongdoings in 1MDB being probed and investigated will actually be resolved.

"There is a real difference between helping 1MDB to get out of its current financial mess (which seems to be the focus of the executive) and bringing to justice those (no matter how high up the government hierarchy they are) who have abused their power to use the finances of 1MDB for their own ulterior motives," Akhtar said, adding that the people are not fooled.

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd

Source: <http://www.malaysiakini.com/news/315408>