

Gov't: Bank Negara 1MDB probe strictly on 'financial compliance'
MalaysiaKini.com
Dec 31st, 2015

Bank Negara's probe on 1MDB was strictly on the debt-laden sovereign wealth fund's financial compliance in making foreign investments, the government said.

"Bank Negara's probe was on 1MDB's compliance with the terms of approval given under the Exchange Control Act 1953, which has been replaced with the Financial Services Act 2013, for its overseas investments," the Finance Ministry said in a written parliamentary reply.

The ministry was responding to a written query from Mansor Othman (PKR-Nibong Tebal), who asked for a list of 1MDB subsidiaries that the central bank planned to take action against.

"Bank Negara did not investigate any 1MDB subsidiaries," the Finance Ministry said in reply.

In October it was revealed that the central bank had submitted its completed investigation papers to the Attorney-General's Chambers.

Attorney-general G Mohamad Apandi Ali, however, did not pursue further action, and said 1MDB could not be faulted for any alleged offences if Bank Negara did not seek the clarifications it needed.

Bank Negara governor Zeti Akhtar Aziz followed up, saying the probe into 1MDB was from an "administrative perspective".

She also said the central bank had not erred in its investigations into 1MDB.

Bank Negara insisted that 1MDB provided inaccurate or incomplete information in three transactions amounting to US\$1.83 billion.

It has since revoked 1MDB's permissions to make foreign investments with the sum.