

Nothing from 1MDB can be believed, says Mahathir
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Despite the many responses sovereign fund 1Malaysia Development Bhd (1MDB) promptly issued on the controversy after controversy that continues to hound it, none of the answers it has given are believable, former Prime Minister Dr Mahathir Mohamad says.

"A lot of questions have been answered by 1MDB. But none of them can be believed," he wrote on his blog yesterday.

Mahathir said this in reference to 1MDB's reply to the statement from International Petroleum Investment Company (IPIC) that the firm Aabar BVI (British Virgin Islands) to which 1MDB paid monies is not its subsidiary Aabar Investment PJS, which was supposed to receive the payments.

He noted that IPIC and Aabar Investment also stressed that they never received any of the payments that went to Aabar BVI and that they have never given any acknowledgement that Aabar BVI is part of the IPIC group, as claimed by 1MDB.

"1MDB answered in its statement that its audited accounts dated March 31, 2014, showed records of payments to Aabar BVI.

"But all the statements by 1MDB were never supported with any documents. This included the repatriation of monies from the Caymans Islands, which is allegedly being kept in BSI Bank in Singapore," Mahathir blogged.

He said BSI too, like IPIC and Aabar Investment, later disputed 1MDB's claims.

BSI, the former prime minister noted, denied that there is any cash from 1MDB in its Singapore branch. However, 1MDB then came up with the explanation that there was no cash in BSI but value held in "investment units".

"Clearly this claim is another lie," he wrote.

Similarly, Mahathir pointed to the so-called donation totalling RM2.6 billion, of which RM2.3 billion was purportedly returned to the Middle Eastern donor, money or "units" which he said was also later claimed to have been frozen.

"If it was frozen, how was it unfrozen and returned to the unidentified donor?" he asked.

The truth of the matter is, Mahathir argued, is that he finds all statements with regard to the 1MDB funds to be less than believable.

Use of doppelganger firms

The use of doppelganger firms like Aabar BVI, which was made to look like Aabar Investment, is not new, he said, noting that Hong Kong-based firm Blackstone Asia Real Estate Partners was also set up to look like the US-based Blackstone Group in what may be another questionable transaction.

Like IPIC, Blackstone Group was also reported to have denied that Blackstone Asia Real Estate Partners has any connection with the firm.

"Entries in 1MDB's (financial) books are not quite believable. If foreign media reports are truly slander and without basis, they can be sued for defamation in their respective countries," Mahathir argued.

The fact that no legal suit has been filed against any foreign media agency, such as *The Wall Street Journal*, *Washington Post* and *Sarawak Report*, for their so-called negative reporting on the prime minister, only showed that their allegations have some basis, which Najib does not have the confidence to legally challenge, he claimed.

He argued that the lack of defamation suits against these foreign media only affirmed that their allegations may be true, and this has put Najib's denials into question as they were not followed with any action.

In concluding his writing, Mahathir also cast doubts on portions of the Public Accounts Committee (PAC) report on 1MDB that noted Najib's lack of involvement and fault in the decisions made by the firm, stating that as finance minister and head of the firm's advisory board the PM clearly has fiduciary responsibility that he cannot just shrug off.

"It is still a serious offence, even though the PAC report singled out (former chief executive) Shahrol Azral Ibrahim Hilmi. While action must be taken against Shahrol, action against the 1MDB adviser who represented the government cannot be put aside," he said.

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