

**Reports against Sarawak CM lodged**  
**Malaysiakini.com**  
**April 14, 2007**  
**Tony Thien**

Reports against Sarawak Chief Minister Abdul Taib Mahmud over an alleged RM32 million corruption scandal were lodged yesterday.

A group of opposition leaders lodged the reports yesterday at the central police station in Kuching and the state ACA headquarters today.

In the reports, state PKR chief Wan Zainal Abidin Wan Senusi urged the authorities to investigate the claims, which was first made in the Japan Times two weeks ago.

The daily had reported that the multi-million ringgit 'bribe' paid by a Japanese shipping cartel was made over a period of seven years to a Hong Kong-based company said to be linked to Taib and his family.

This was uncovered by Japanese tax authorities who deemed the payments 'illegitimate expenses' as the Hong Kong agency, believed to be a paper company, did very little 'substantive work' to justify the payments.

According to tax authorities, the shipping companies had tried to disguise the payments as 'business expenses' and thus was not taxed.

Japan Times reported that the shipping firms were likely to be slapped with well over 400 million yen (RM11.6 million) in back taxes along heavy penalties for 'hiding' the funds from tax authorities.

Sarawak's lumber export is controlled by the state government through Dewaniaga Sarawak - a state-affiliated organ in charge of timber export control which is headed by the Sarawak chief minister's younger brother.

**At PM's request**

In making the report, Wan Zainal Abidin told reporters that the report was lodged following Prime Minister Abdullah Ahmad Badawi's reaction to the allegation.

"We are acting on the public statement by the prime minister that a report should be made to allow the authorities to carry out investigations," he said.

On April 12, Abdullah said he had yet to receive any reports on the matter and also hinted that he has doubts over the credibility of the Japan Times report.

"We are not sure of the facts. If there is something serious, then those people who made the report can inform us. We cannot go on the basis of what the newspaper says," Abdullah was quoted saying by the Star.

In another development, Bandar Kuching MP Chong Chieng Jen said he had written to Taib for an explanation on the allegations raised by the report.

"The matter has been reported worldwide. Thus, the integrity of the state government depends on a satisfactory explanation from Taib," said Chong, who is also state assemblyperson for Kota Sentosa.

### **Taib may sue**

Meanwhile, Taib has warned that he may sue both foreign and local media organisations over the reports to 'clear his name'.

According to Taib's press secretary, Amin Sahmat, the chief minister had been in touch with his lawyers over the reports.

"We just want to say that he instructed his solicitors to take any appropriate legal action to clear his name," said Amin yesterday.

He added that the chief minister's lawyers would be examining reports to determine if they were defamatory.

Taib is the country's longest-serving chief minister and is believed to be one of the state's richest politicians - his family owns wide-ranging business interest in resource-rich Sarawak since he came to power 26 years ago.

Among them are public-listed conglomerate Cahaya Mata Sarawak - involved in banking, financial services and construction - and a multitude of subsidiaries, which Taib's wife, Laila, has substantial stakes.

Copyright © 1999-2007 Mkini Dotcom Sdn. Bhd.  
Source : <http://www.malaysiakini.com/news/65936>