

BANK 'NOT FORTHCOMING'

WE MAY SUE GOLDMAN OVER 1MDB, SAYS PM

**Among steps that
may be taken by
govt to recoup
embezzled funds
linked to scandal**

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MALAYSIA is looking at several routes, including a lawsuit against Goldman

Sachs Group Inc, to recoup funds lost in the 1Malaysia Development Bhd (1MDB) multi-billion dollar scandal.

Prime Minister Datuk Seri Anwar Ibrahim, in an exclusive interview with CNBC, said the investment bank had not been forthcoming in its efforts to negotiate a deal.

He praised several organisations for their efforts to recover up to 68 per cent of the embezzled funds, but promised that he would not stop there.

“I have said before that we have to open this negotiation with Goldman Sachs because they were complicit in the crime.

“Unfortunately, they have not been too forthcoming. And we will therefore have no choice but to pursue this.”

Asked if this meant Malaysia was considering suing Goldman Sachs, Anwar said the process was difficult and expensive, but he did not rule out going down that route.

“We have done so, but it is a bit complex because a lawsuit in the United States will also cost us a fortune.

“There are, of course, discussions on that score, the other routes to be taken and I am even not discounting the possibility of proceeding on the lawsuits,” he said, adding that he would not stop until he secured the money stolen from the people.

Anwar demanded that Goldman Sachs honour its settlement with the government over its role in the 1MDB scandal, saying the bank should not use its financial strength to dictate terms.

“No one can deny the fact that Goldman Sachs was used and partly used the authorities.

“So, it’s only fair we talk about governance and these western countries — United States, talking about democratic accountability, rule of law — to be supportive of our efforts to regain (the money).

“As I’ve always said, you assaulted me, I can forgive you. You put me in jail, I forgive you. But you steal from the people, I will have to get it back,” Anwar said in the interview.

Goldman Sachs was accused of helping fugitive financier Low Taek Jho, better known as Jho Low, plunder billions of dollars from the sovereign wealth fund.

In exchange for dropping criminal charges and future charges, the bank had in 2020 agreed to pay US\$3.9 billion to Malaysia to settle outstanding charges and claims related to the three bond transactions it arranged for 1MDB.

The Finance Ministry had said that under the settlement, more than US\$4.5 billion would be returned to Malaysia.

The settlement included a cash payment of US\$2.5 billion and a guarantee for full repayment of at least US\$1.4 billion in terms of assets related to the revenue that was misappropriated through

three bond transactions.

CNBC, in the same report, quoted a response from Goldman, which said in connection with the guarantee that the firm was also required to make a one-time interim payment of US\$250 million to the US\$1.4 billion if Malaysia has not received at least US\$500 million in assets and proceeds by August last year.

It remains unknown whether the government has recovered the US\$500 million up to August last year and whether an interim payment was due.

“If the parties are unable to resolve this dispute, it will be settled by arbitration,” Goldman was quoted as saying.

According to the report, Goldman is obliged to return at least US\$1.4 billion in recovered assets to Malaysia by August 2025. The amount, brokered by the previous administration under Tan Sri Muhyiddin Yassin, had been criticised as being too small.

Titivangsa member of parliament Datuk Seri Johari Abdul Ghani, appointed by the prime minister to lead the task force to recover the assets, had in March said Goldman Sachs took advantage of inadequate negotiations by Muhyiddin’s administration to dispute the US\$1.4 billion repayment.

Johari, in an interview with the *New Straits Times*, said Malaysia had settled for “a measly sum of US\$2.5 billion” from the firm which had played a central role in defrauding the government.

“This is basic. When you seek damages, you go all out to recover what was lost, plus more. We failed miserably in doing that with Goldman Sachs.

“What is strange is that we know they are guilty, yet we settled for so little.”