

Police, activists laud Anwar's stand

KUALA LUMPUR: The police and social activists have welcomed Prime Minister Datuk Seri Anwar Ibrahim's stand on banks reimbursing victims if they were found negligent in enabling scams.

Federal Commercial Crime Investigation Department director Datuk Seri Ramli Mohamed Yoosuf agreed that banks must be held accountable should they be found negligent in leading to a victim being scammed.

"That said, banks cannot be held liable for all victims who were scammed. That would be unfair.

"But, if our justice system finds evidence that any of these financial institutions played a role in negligently causing victims to be scammed, then they should be held liable," he said.

Ramli said between Jan 1 and Nov 24 this year, 28,377 commercial crime cases were reported with losses amounting to RM2,503,218,841.

"If the bank or its staff members are found to have been responsible for any of these cases, then they should answer for it," he said.

Crime watchdog Dave Avran said reimbursement was an important step in preserving the reputation of banks, assuring customers that their interests would

be protected, and ultimately ensuring their continued business.

"When banks are held accountable for negligence subject to the provisions of the law under the Criminal Procedure Code, the act of compensating victims serves as a deterrent," he said.

He added that by holding banks responsible for failing to protect their customers' money, this would send a clear message for them to implement stringent fraud prevention measures.



Datuk Seri Ramli Mohamed Yoosuf

Avran, who is the founder of Malaysians Against Rape, Assault and Snatch Theft (Marah), said financial institutions were expected to have robust systems in place to identify and block suspicious activities,

such as phishing scams or social engineering attacks.

If a bank's lack of attention to these measures led to victimisation, he said, it should not only be held responsible through repayment, but also face increased regulatory scrutiny.

"This creates an incentive for banks to invest in more secure technologies and improve their training and monitoring of transactions to minimise future occurrences.

"From an ethical standpoint, it is clear that banks, as large and resource-rich institutions, bear a duty of care to their customers.

"Customers place their trust in banks, often unaware of the risks

posed by increasingly sophisticated scams.

"When a bank neglects to implement basic safeguards like properly verifying the identity of those requesting fund transfers or failing to identify fraudulent patterns, it compromises its role as a secure financial steward."

He claimed that financial institutions had the resources to track, investigate and prevent fraud, which made their failure to do so especially appalling.

Avran said when negligence was demonstrated, the right course of action was to compensate victims in a manner that reflected the financial and emotional toll that the scams inflict.

"Bank staff members found to have been acting in collusion with scammers should face the full brunt of the law as a deterrent to others," he said.

Social activist Tan Sri Lee Lam Thye said it was only fair that banks be held responsible if they were found to be negligent.

"It is a matter of principle. If the scam occurs not due to the fault of the individual concerned but due to the fault of the bank, then the bank should reimburse the customer.

"It is only logical and I hope that banks take responsibility when they are found negligent.

"Banks cannot evade their responsibility when it comes to an issue of negligence involving its staff which ultimately resulted in an individual being scammed," he said. **Report by Austin Camoens**