

Balance of 1MDB's Caymans funds in Singapore, says Najib
The Malaysian Insider
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By Eileen Ng

The balance of 1Malaysia Development Bhd's (1MDB) US\$1.103 billion in the Cayman Islands is now parked at BSI Bank Limited Singapore (BSI Singapore), Putrajaya said today, as questions over the whereabouts of the money continue to hog the headlines.

In a written reply to Tony Pua Kiam Wee (DAP-Petaling Jaya Utara), Finance Minister Datuk Seri Najib Razak said the funds had been redeemed and were currently kept in the Swiss bank branch in the island republic in US dollars.

"The decision to use BSI Singapore (is) to facilitate easier withdrawals since regulations set by Bank Negara Malaysia needed its approval for transactions over RM50 million," he said.

At the Parliament lobby later, Pua said there was "something very fishy" about the money kept in BSI Singapore, and questioned why it could not be used to pay the interest on 1MDB's loans.

Instead, 1MDB had turned to the government for a fund injection of RM970 million as reported by Singapore Business Times.

Citing an unnamed source, the paper said in its report today that RM970 million was issued to 1MDB after the Cabinet met two weeks ago on the proposed cash injection.

It said Putrajaya had set certain conditions before the funds were disbursed to 1MDB.

An 1MDB spokesperson declined comment when contacted by the business daily.

"There is something very fishy about the money in BSI Singapore. Is it encumbered, tied down, got cash but cannot take, (because it's tied) to a particular issue that we don't know about," Pua asked.

He also said the written reply by the finance minister clearly showed that 1MDB intentionally wanted to avoid regulations set by Bank Negara, which explained why the money was kept offshore.

"The written reply raises more questions. I do not understand the need to keep the money away. Bank Negara will surely approve if the money is going to be used to service 1MDB's debts."

Criticism is mounting against the wholly owned Finance Ministry investment vehicle, established in 2009 and which has chalked up debts of up to RM42 billion.

Scrutiny has grown more intense recently following whistleblower site Sarawak

Report's exposes last week, piling more pressure on Najib and prompting opposition politicians, former Umno leaders and anti-graft bodies to demand a thorough investigation into the fund.

Last Wednesday, Najib ordered the country's auditor-general to "independently verify 1MDB's accounts", with the findings to be passed to a bipartisan parliamentary committee on public accounts.

Auditor-General Tan Sri Ambrin Buang yesterday told the media that the national auditor's inspection of 1MDB's account had started, but did not set a time frame to complete the audit. – March 11, 2015.

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