

Public confidence hit after A-G ignored Bank Negara's call to act against 1MDB, says DAP

Malaysian Insider

Oct 10, 2015

By Looi Sue-Chern

Public and investor confidence has taken another hit after Bank Negara's revelation that it had recommended the attorney-general initiate criminal prosecution of troubled state investment firm 1Malaysia Development Berhad (1MDB), says DAP.

Party secretary-general Lim Guan Eng said it now appeared that the central bank and the Attorney-General's Chambers were at loggerheads over the firm, which is mired in controversy over its RM42 billion debt.

The AGC on Thursday declared that 1MDB had committed no offence related to false disclosures despite BNM's appeal to review the case, two days after the Malay rulers called for a detailed probe into 1MDB and action to be taken against those responsible for any wrongdoing.

"The central bank says one thing, the AGC says another. What is going on? How do you restore the confidence of the public and of investors here and abroad?" asked Lim.

"If BNM had recommended action, but none is taken, do you think foreign investors will be confident? Unlikely.

"This also clearly shows that the statement issued by the Malay rulers is not being complied with," he told reporters in Penang today.

Yesterday the central bank said 1MDB had secured permits for investment abroad based on inaccurate or incomplete disclosure of information, breaching domestic regulations.

BNM also said it had revoked three permits granted to 1MDB for investments abroad totalling RM7.53 billion and ordered the money to be repatriated.

1MDB confirmed the order last night, saying it had already used the money to reduce its debts.

Lim said the AGC must explain what was going on to the rulers and Malaysians, as it was a serious matter involving billions of ringgit.

"A mere statement by the AGC will not be enough to satisfy the concerns and scepticism of the rulers and Malaysians, and restore confidence.

"This failure will affect their credibility again. They must explain why they refused to file charges when BNM had recommended it."

Lim, who is Penang chief minister, said the future prospects of the ringgit would also be murky and there would be optimism as long as fundamental issues remained unresolved. – October 10, 2015.

Copyright © 2015 Edge Insider Sdn Bhd

Source:

<http://www.themalaysianinsider.com/malaysia/article/public-confidence-hit-after-a-g-ignored-bank-negaras-call-to-act-against-1m>