

Putrajaya Expects To Recover Up To US\$3.5b Of 1MDB Funds, Finance Minister Says

MALAYSIA TODAY

Jul 20, 2018

By MT Webmaster

(Bloomberg) – Malaysia expects to recover as much as US\$3.5 billion (RM14.4 billion) of funds potentially lost through 1MDB, said Finance Minister Lim Guan Eng.

The government may be able to regain at least 10 per cent of the 50 billion ringgit (US\$12.3 billion) of funds that Lim estimated were siphoned from the troubled state fund, and up to 30 per cent of the amount, “if we are lucky,” he said in an interview.

Prime Minister Tun Dr Mahathir Mohamad previously said he’s seeking to recoup US\$4.5 billion.

Lim’s admission puts into perspective the difficulty in tracing the numerous complex transactions spanning the globe that Swiss Attorney-General Michael Lauber called a “Ponzi scheme.”

The scandal surrounding the fund, which was set up under former prime minister Datuk Seri Najib Razak to attract investment into Malaysia, has spawned worldwide investigations in at least 10 countries, including Singapore and the US

“We couldn’t locate, we couldn’t trace where the money went and what they purchased,” Lim, 57, said to Bloomberg Television’s Haslinda Amin in Putrajaya. “Those that we can trace, there’s also the question of ownership, due process as well as different national jurisdiction.”

Malaysia hired Singapore-based law firm Tan Rajah & Cheah to help it recover the funds, while Swiss prosecutors pledged to return any stolen money to the nation.

The US Justice Department is seeking to seize about US\$1.7 billion in assets it says were illegally acquired through money diverted from 1MDB, including super yacht “Equanimity” seized by Indonesian police in July.

Billion-dollar scandals

The domestic probe into the fund, whose full name is 1Malaysia Development Bhd., has led to Najib being charged with several counts of criminal breach of trust and corruption. He has pleaded not guilty.

The Malaysian Anti-Corruption Commission has issued arrest warrants for former 1MDB executives Jasmine Loo Ai Swan and Casey Tang Keng Chee, as well as financier Low Taek Jho, who was described by US investigators as a central figure in the scandal.

Lim has parsed through other large deals signed by the previous administration for suspicious activities.

He spoke out about 1MDB-linked ministry documents that were labeled as “red files” and kept hidden from state auditors, and called into question 9.4 billion-ringgit of pipeline projects involving a local company he dubbed a “offshoot” of 1MDB and a unit of China National Petroleum Corp

He expects to reveal more scandals “in the billion-dollar range” during his tenure, with at least one more announced within the government’s first 100 days in power.

“We will explain and we will review and disclose everything within 100 days, so that we can move on,” he said. “Because we cannot be existing on one expose after another. Scandal after scandal. No. We want to move on after that.”

Copyright (C) 2004 - 2018 Colourworks Design Limited. All Rights Reserved.

Sources: <http://www.malaysia-today.net/2018/07/20/putrajaya-expects-to-recover-up-to-us3-5b-of-1mdb-funds-finance-minister-says/>