

Spanish king's son-in-law charged in fraud case
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MADRID, Dec 29 — The Spanish king's son-in-law was charged today in a fraud and embezzlement case that has damaged the royal family, which this week took the unprecedented step of disclosing its income.

The Palma de Mallorca court did not specify the charges against Inaki Urdangarin, the Duke of Palma, a retired Olympic handball player married to King Juan Carlos's younger daughter, the Infanta Cristina.

(From left) Spain's Crown Prince Felipe, his wife Princess Letizia, Inaki Urdangarin, his wife Infanta Cristina and Infanta Elena. — Reuters file pic

It ordered him to testify in an investigation into alleged misuse of millions of euros in public funds at his non-profit Noos Institute, which he ran from 2004 to 2006.

Urdangarin has denied wrongdoing, but he apologised publicly this month for the embarrassment his legal problems were causing the royal family, which he said had nothing to do with his business affairs.

The investigation found evidence of misuse of public funds, forgery and fraud in 2003 to 2006, a period when Noos had income of €15 million (RM61.3 million), according to local press reports.

They said Noos organised two tourism conferences for the Balearic Islands, charging €2.3 million, and channelled more than half of that money to for-profit companies owned by Urdangarin or his business partners, for items such as logistical support.

The same pattern was detected in sports summits staged in Valencia. The probe also found that Urdangarin's companies were not able to justify the payments, the press reports said.

The royal family has "absolute respect" for court decisions, a spokesman said.

The case against the duke is one of several big fraud scandals in Spanish courts, most of them dating to the real estate and urban development boom before the global financial crisis when local governments went on spending sprees.

Spain's royals have distanced the duke from official events. He and his wife and four children moved in 2009 to Washington, where he represents Spanish telecoms group Telefonica.

In a display of transparency apparently prompted by the case, the royal family disclosed income details yesterday for the first time, showing that the king and his immediate family received €814,128 last year for personal expenses.

Most of their living expenses, including housing, official travel, security, state dinners, utility bills, palace staff and transportation, are covered under other budgets, such as the foreign ministry, the interior ministry and the presidency.

A monthly opinion poll by the Social Research Centre, or CIS, shows that the historically high approval ratings for the royal family have fallen this year.

King Juan Carlos, 73, is well liked and widely respected for overseeing the country's tense transition to democracy following Francisco Franco's nearly four-decade-long dictatorship. His son, Prince Felipe, is heir to the throne. — Reuters

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