

Najib Further Linked to Sub Scandal
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New documents appear to tie him to demands for kickbacks

A flood of new documents relating to the US\$1 billion purchase of French submarines has turned up additional, damning connections to Prime Minister Najib Tun Razak, the Malaysian rights group Suaram said Thursday.

Frustrated by lack of progress in Malaysia about allegations of kickbacks and bribery surrounding the purchase of the two Armaris-class submarines through an offshoot of the French defense giant DCNS, Suaram in 2009 asked French lawyers for the firm Avocat a la Cour to pursue the case in France.

Although the mainstream media in Malaysia has kept a tight lid on the scandal, it is increasingly breaking open overseas. Lawyers William Bourdon and Joseph Breham of Avocat a la Cour succeeded in winning the appointment of investigating magistrates Roger Le Loire and Serge Tournaire at the Paris Tribunal de Grande Instance to examine the evidence.

Cynthia Gabriel, a member of the Suaram secretariat, held a press conference in Kuala Lumpur Thursday to say the organization has gained "full access" to 153 confidential investigation papers on the transactions between the DCNS and the Malaysian Ministry of Defense, which Najib headed when the submarines were purchased in 2002.

The documents, Gabriel told reporters, show the case has "has magnified into a web of lies involving a slew of companies formed to complicate the concealment of the blatant robbery of Malaysian and French taxpayers' money."

One of the documents seized by French police from the office of Henri Gide, an official with Thales, an offshoot of DCNS, indicated Najib had met personally with Gide on July 14, 2001, to demand that DCNI, another offshoot of DCNS, pay US\$1 billion "for the stay in France" of Perimekar Sdn Bhd, a company that was wholly owned at that point by Abdul Razak Baginda, then a close friend of Najib's and the head of a Kuala Lumpur-based security think tank.

The papers do not make it clear what that means. However, Gabriel told reporters: "We were really shocked to find that one of the documents contained Najib's name and (he) had placed a condition in writing in France that DCNS would need to pay a maximum sum of US\$1 billion to Perimekar for their stay in France," Gabriel told reporters.

Razak Baginda was implicated in the murder of Mongolian translator Altantuya Shaaribuu, his jilted girlfriend, in 2006 but was exonerated by a Kuala Lumpur judge without having to put on a defense. Two of Najib's bodyguards were convicted of the crime and sentenced to hang, although the trial carefully skirted the question of who had offered to pay the two RM100,000 to kill her. The two remain in jail on appeal.

French investigators have found at least another €33 million channeled through a Hong

Kong-registered company called Terasasi Hong Kong Ltd, whose directors were Razak Baginda and his father. Still other reports have indicated that the €33 million was part of €146 million that may have been funneled to officials of the United Malays National Organization and Najib, who traveled with Abdul Razak Baginda several times to France as defense minister at the time the Malaysians purchased the submarines from DCNS.

Another document was an invoice faxed by Terasasi Sdn Bhd, the Malaysian predecessor to Terasasi HK, to Bernard Baiocco, then the chief executive officer of Thales, demanding the payment of €359,450.00 as "success fees" to be paid to Alliance Bank Malaysia Bhd in the Malaysian suburb of Petaling Jaya, along with a handwritten note in French as follows:

"Razak demande si ce SF peut etre pris en compte assez vite. Le Support Fee suit avec un rapport," translated as "Razak requests if that SF can be taken into account quite urgently. The support fee follows with a report." Although the prime minister is known by his name Najib in Malaysia, it is unclear if Thales officials were referring to him, or to Razak Baginda.

Since the purchase of the submarines became public, a plethora of reports have detailed the distribution of millions of dollars through companies controlled by Razak Baginda. Perimekar received €114.9 million in direct commissions on the purchase, according to questions on the floor of Parliament in 2006.

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A fax from Thales dated June 1, 2001 from by Francois Dupont, a Thales official, to his bosses and titled "Malaysia/Submarine Project" detailed the chronology of visits and future actions during journeys to Malaysia for meetings with the Ministry of Defense and Peremikar, during which two contract proposals were mentioned.

According to Suaram, Dupont " finally indicated a meeting with Dato' Sri Najib in France on 14 July 2001 with the condition that DCNI offers a maximum sum of US\$1 billion for Perimekar's stay (in France).

While Suaram weren't able to obtain hard copies and distribute them, Gabriel said, "we are however entitled to full view of the documents and are able to quote them to the media and to the public. It is also to be noted that the complaint lodged by Suaram has led to the evolution of a criminal investigation which has just commenced which will result in the criminal prosecution of those involved in this corruption scandal. The French, Malaysian officials and the companies involved in the corruption scandal may be put on the suspect list as the criminal case proceeds in the French Court.

The French courts are expected to issue subpoenas in writing to the witnesses, which include Najib, Razak Baginda and several other Malaysian figures, obliging the witnesses to appear. If they are unwilling to do so, the court can issue a notice "mandate d'amener", compelling them to appear in the face of an arrest warrant.

The warrant, however, is only good on French soil. Razak Baginda remains in the UK and the ability of France to compel the head of a sovereign government to appear is nonexistent. Nonetheless, a red alert can be sent to Interpol, which would probably shut down jaunts to Europe by Najib and his wife, Rosmah Mansor, who visited Italy last year to meet the Pope.

“It has become apparent that this constitutes one of the Malaysian government’s greatest robberies over its people. It is no longer just the €114.9 million commissions to Perimekar that formed the basis of the complaint to the French courts that is in question,” Gabriel told reporters. “It has magnified into a web of lies involving a slew of companies formed to complicate the concealment of the blatant robbery of Malaysian and French taxpayers’ money. More retro-commissions have surfaced allowing the misuse of such bodies as the pilgrimage funds (Lembaga Tabung Haji) and the military pension funds (Lembaga Tabung Angkatan Tentera).”

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