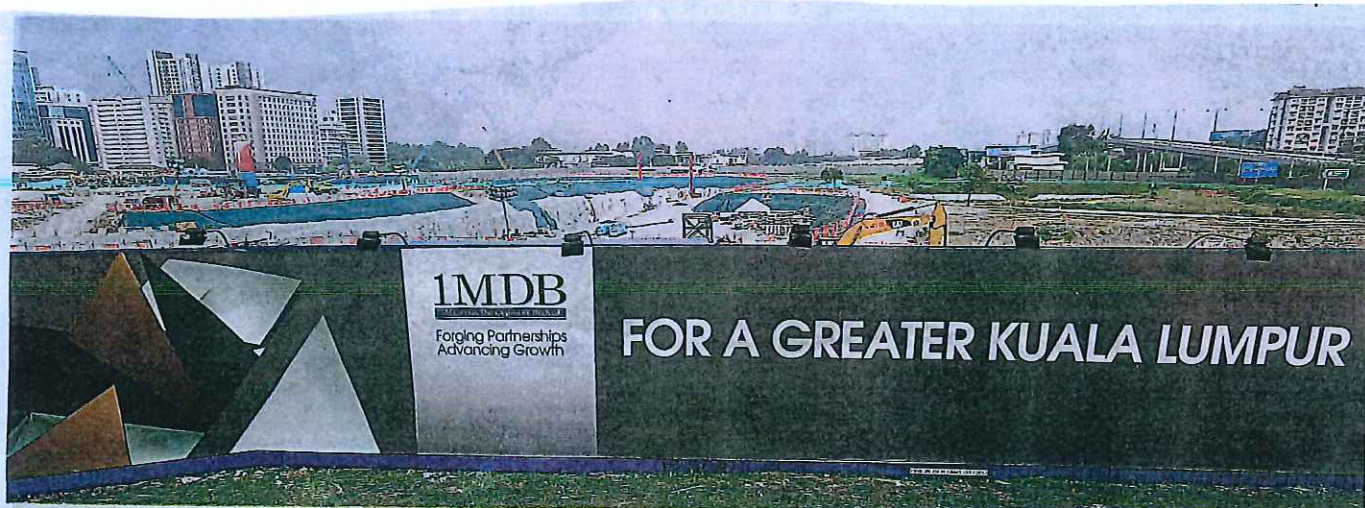


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The Tun Razak Exchange, planned as a 70-acre financial centre within the capital, is one of two high-profile property projects in 1MDB's portfolio. — Picture by Reuters

TI-M supports independent audit of 1MDB

TRANSPARENCY International-Malaysia (TI-M) fully supports and endorses Defence Minister Datuk Seri Hishammuddin Hussein's view to appoint an independent international auditor to "check, verify and reveal to the public the value of assets and liabilities of the company, as well as the status of 1MDB investment portfolio and its cash flow".

TI-M also agrees with the minister "the audit firm should also conduct a forensic audit of all 1MDB transactions since its inception, to help 1MDB answer all issues being raised" and "we should not just wait for the outcome of the auditor-general's investigation".

On March 3, TI-M issued a similar press statement urging our government to set up a special high-level task force to conduct a full investigation into the numerous allegations of a massive billion ringgit financial and commercial crime fiasco in-

volving 1MDB.

Given that the auditor-general (A-G)'s office is hard pressed to undertake even its core business of auditing the accounts of government ministries and agencies, it would be an additional heavy burden indeed for the A-G's office to now be tasked with unravelling the truth of the goings-on in 1MDB.

With due respect to the officers of the A-G's office, they may not have enough expertise or necessary resources to conduct a diligent forensic audit, bearing in mind the complex web of issues involved and the possible intentional covering of tracks.

With time running out and pressure from all quarters on the A-G's office to deliver its report as soon as possible, it has become an onerous task for the AG's office to do a good job. It is indeed a tall order to do so, given that the officers have

their normal duties to perform. Certainly we don't want the A-G's office to rush and come up with a report just for the sake of doing so. The public wants to know the truth and nothing but the truth about 1MDB's accounts.

Therefore, in this regard, the A-G's office certainly needs assistance to expedite the completion of the report. Hishammuddin's call for an independent international auditor to be appointed to complete the task would be very apt.

TI-M also agrees with Umno Youth chief Khairy Jamaluddin's call that 1MDB should be transparent in terms of where the cash proceeds of the land sale (RM188.5 million) to Tabung Haji have been utilised. Can 1MDB confirm that the said money has not been spent on servicing outstanding interest commitments?

Based on media reports, it appears that Lembaga Tabung Haji had paid RM188.5

million for 1.56 acres of the 70-acre Tun Razak Exchange land owned by 1MDB — which it paid a measly RM194.1 million. Why did the government give Tabung Haji the 'stepchild' treatment' and 1MDB the preferential treatment?

Yes, of course we are now told the land will be sold to a third party; but what if there was no 'hue and cry' from depositors; would Tabung Haji have borne the burden of owning this overpriced asset?

The government has no choice but to take the "bull by the horns" and expeditiously address the negative perception and suspicion of the rakyat over 1MDB, which unfortunately is growing day by day.

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