Criminal complaint demands immediate freeze of Taib assets in Switzerland

UBS, Pictet and Rothschild should freeze assets of the Malaysian potentate’s clan – attorney Roth accuses banks of neglecting their due diligence duties

Geneva/Basel. Former British Prime Minister Gordon Brown calls it „probably the biggest environmental crime of our times“: The rainforests of the Malaysian state of Sarawak have been destroyed for decades and replaced by oil palm plantations. Sarawak Chief Minister Abdul Taib Mahmud is the largest beneficiary. In power since 1981, the granting of logging concessions and the establishment of industrial monopolies have made him the richest man of Malaysia. According to the Bruno Manser Fund, the Taib clan has amassed 20 billion US dollars.

Part of these funds are likely to be held in Switzerland. During a recent divorce trial in Kuala Lumpur, one of Taib’s former daughters-in-law said under oath that her ex-husband Mahmud Abu Bekir Taib is controlling accounts worth 101 million dollars with the banks Edmond de Rothschild, Pictet and UBS.

Bruno Manser Fund to lodge a second complaint

With a criminal complaint to Switzerland’s Attorney General, Geneva MP Carlo Sommaruga is now demanding the immediate freeze of these accounts. The Bruno Manser Fund is about to lodge another criminal complaint next week. „There is the urgent suspicion that the Taib clan is a criminal organization“, said Lucerne law professor Monika Roth who provides legal advice to the Bruno Manser Fund. The banks should thus forcibly freeze the assets.

For Roth, the Taib case is another example of Swiss banks’ and authorities’ lax handling of potentates’ assets. After the Arab spring, the Swiss federal government blocked accounts with over one billion Swiss francs held by the toppled rulers. Credit Suisse alone is holding 300 millions of the Mubarak clan. „Where should these funds be from if not from public coffers or from corruption?“, Monika Roth said last week to the Tagesanzeiger (a Swiss daily). Also in the Taib case, she accuses the banks and authorities of failing to act. „It is very well documented that the Taib family assets are at least in part of criminal origin“. Despite that, there are no indications that the banks reported suspicions of money-laundering. „In the Taib case, I think that neither the concerned banks nor the Financial Markets Regulatory Authority (Finma) are fulfilling their duties and are not implementing the Swiss laws“, Roth criticizes.
Switzerland will have to face unpleasant questions at the latest when power relations in Malaysia will change and Taib will lose absolute power in Sarawak. Elections are to be held by April and a regime change appears more likely than ever before.

Lukas Straumann, director of the Bruno Manser Fund, has personally written to the heads of UBS, Pictet and Rothschild and has asked them to freeze the Taib accounts. "The banks can now definitely no longer say they didn’t know", Straumann said. A letter has also been sent to Deutsche Bank that sustains close business relations with the Taib family and operates a joint venture in Malaysia.

When contacted, the banks rejected the allegations. They refused to comment on the present case because of the banking secrecy. Bank regulator Finma said it had filed 76 criminal complaints during the last year. However, it would not discuss individual cases, Finma spokesperson Tobias Lux said.

((Translation: Bruno Manser Fund))