



**Friday September 8, 2006**  
**Speed up trials on financial crimes**

BANK Negara should ensure that prosecution of illegal moneychangers and court judgments are not delayed. The Auditor General's Report 2005 said three cases investigated from 2001 to 2003 had yet to be tried and that there were six judgments pending from 2001 (three cases) and 2004.

He said the central bank had acted tough to stem the illegal money changing trade but needed to improve on the prosecution stage as well. He added the central bank had raised the issue with the Attorney General's Chambers and they had agreed to speed up the trials. From 2003 to August 2005, there were 38 investigations involving unlicensed money changing under Section 4(1) of the Money Changing Act, 23 investigations involving advertising "Bureau de Change", "Foreign Exchange" and others without written approval from Bank Negara under Section 24(1); 15 cases involving holding foreign currency worth more than RM250,000 on the premises under Section 29; and 14 cases involving the transfer of funds out of Malaysia either for a third party or for the moneychanger himself under Section 30.

The Auditor General said that more than RM1.6mil had been seized in 21 cases, in the same period, and that RM75,000 had been collected in compounds. He added that in nine trials under Sections 4(1) and 24(1) the court had fined the "moneychangers" a total of RM221,000.

The AG suggested that there be regular inspections to moneychangers' premises. He noted, however, that the Act did not empower the central bank to enter the premises without a warrant. Bank Negara had said that the Act was being reviewed under the *Blueprint for the Money Changing Business* project, he added.

With the exception of monthly business reports (92.1%), he said, the audit had shown that the submission of documents related to the business was poor (8.8% for information related to shareholders and director, and 24% on employee information).

The AG said it found that Bank Negara had not fined any moneychanger who had not complied with requirements for submission of documents.