

The Hon Julia Gillard MP
Prime Minister
Parliament House
Canberra ACT 2600
AUSTRALIA

Basel/London/Kuching, 1st September 2011

Suspected unlawful activities of Malaysian potentate Abdul Taib Mahmud and his family members in Australia

Dear Prime Minister:

For twenty years, the Bruno Manser Fund has worked together with indigenous communities in Sarawak, Malaysia, in order to preserve the rainforests of Borneo, one of the world's most precious natural environments, for future generations. In order to address the underlying causes of tropical deforestation, we have last year decided to launch a campaign on corruption and its consequences for the people and the natural environment of Sarawak.¹

In Sarawak, corruption is particularly rampant, even by South East Asian standards. The state, which for long used to be the world's leading exporter of tropical timbers, has for three decades been politically controlled by one person, Abdul Taib Mahmud („Taib“). Since 1981, Taib has held the offices of Chief Minister, Finance Minister as well as State Planning and Resources Minister. As such, he has been enjoying almost absolute power over the state's valuable timber and land resources without any functioning checks and balances.

Taib has abused his office in a spectacular way and most observers agree that he and his family members have acquired assets worth hundreds of millions, if not billions, of Australian dollars, thanks to corruption and abuse of power. All this while, Taib's personal enrichment has been funded by the destructive logging of the Sarawak rainforest, which has recently been described by former British Prime Minister Gordon Brown as „probably the biggest environmental crime of our times“.²

In June 2011, the Malaysian Anti Corruption Commission, MACC, publicly confirmed that Abdul Taib Mahmud is under investigation for corruption.³ Prior to that, the Swiss Financial Market Supervisory Authority, FINMA, announced it would look into possible

¹ See the Bruno Manser Fund's campaign page, www.stop-timber-corruption.org.

² Gordon Brown: Fight for the Borneo rainforest, *The Independent*, 10 March 2011.

³ Bernama (Malaysian National News Agency): MACC investigates Taib Mahmud over timber corruption allegations, 9 June 2011.

Taib assets in Swiss banks after Swiss president Micheline Calmy-Rey had alerted FINMA on this issue.⁴

We are very concerned that the Taib family might have laundered and reinvested large corruption proceeds in Australia, namely through Taib's brother, Onn Mahmud, his Australian-born brother-in-law, Robert Geneid, and his cousin, Abdul Hamed Sepawi, who is married to an Australian national and is living in Australia.

Research by the Bruno Manser Fund, by Sarawak Report and by Parti Keadilan Rakyat (PKR), the People's Justice Party, has shown that the above-mentioned politically exposed persons, and a number of other persons associated with the Taib family, are holding significant interests in Australian companies, particularly in the property sector. Please consult the attached list of Australian companies with links to the Taib family for further information.

Furthermore, we would like to highlight the case of Mohd Farok Abdul Majeed, a former Taib aide, who sued Taib's brother Onn Mahmud at a New South Wales court in 2006 and disappeared in 2007 after the court had awarded him 2.2 million AUS \$ in damages against Onn Mahmud for unpaid work by Majeed's construction company Australasia Pacific Management Pty Ltd.⁵ Despite significant research and a public appeal, we have not been able to locate Mr. Majeed and are fearing the worst for him.⁶

Mr. Majeed's case appears to bear a striking resemblance with the case of the late Ross Boyert, a former Taib US aide who was found dead in a Los Angeles hotel in September 2010 in an unusual case of suspected suicide. Prior to his death, Mr. Boyert said he and his family had been systematically harrassed ever since he had filed a civil case against his former employers, two Taib family-controlled property companies.⁷

Honourable Prime Minister, we are seriously worried that the Taib family might have used Australia for a number of activities, which we deem to be of unlawful and criminal nature.

We are thus formally asking the Australian government to launch an investigation on the activities of Malaysian potentate Abdul Taib Mahmud, as well as his family members and associates, in Australia and to freeze all Taib assets in Australia for later restitution to the people of Sarawak.

We believe that, as a party to the UN convention against corruption, Australia has a strong interest and an important responsibility to fight international corruption and organized crime with its many detrimental impacts on the well-being of society, and we are trusting you to treat this matter with the necessary courage and decisiveness.

⁴ Letters by Swiss President Micheline Calmy Rey and FINMA to the Bruno Manser Fund, 8 April 2011 and 10 May 2011.

⁵ Mohd Farok Abdul Majeed v Dato Onn Mahmud, Judgement Brereton J, Supreme Court NSW Equity Division, www.nadr.co.uk/articles/published/AdjlrAunzIndex/Majeed%20v%20Mahud%202007.pdf and www.nadr.co.uk/articles/published/AdjlrAunzIndex/Majeed%20v%20Mahoud%202008.pdf

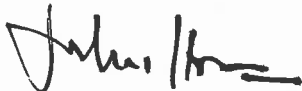
⁶ www.sarawakreport.org/2011/03/where-is-farok-majeed-and-how-wealthy-is-onn-mahmud

⁷ www.sarawakreport.org/2010/10/taibs-former-us-aid-found-dead

Any public statement from you or your government's side on these issues would be most welcome and would certainly help promote democracy and good governance in Sarawak, Malaysia.

Thank you very much for your attention and support for this matter, which will hopefully help to bring about long-awaited justice to the indigenous people of Sarawak in Malaysian Borneo.

Yours sincerely,



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CC:

- The Hon Wayne Swan, Treasurer
- The Hon Robert McClelland, Attorney-General
- The Hon Kevin Rudd, Minister for Foreign Affairs
- Senator Bob Brown, Australian Greens Leader
- John L Schmidt, Chief Executive Officer, AUSTRAC
- Tony Negus, Commissioner of the Australian Federal Police
- Michael Ahrens, CEO, Transparency International Australia
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