

8 HELD IN 'ALI BABA' RAIDS

MACC, City Hall conduct joint op targeting foreign-run businesses in KL

AUSTIN CAMOENS
AND AMALIA AZMI
KUALA LUMPUR
news@nst.com.my

A CRACKDOWN on foreign-owned "Ali Baba" businesses has begun, with the Malaysian Anti-Corruption Commission (MACC) arresting eight people in an operation conducted with Kuala Lumpur City Hall.

Months of surveillance and intelligence gathering by the anti-graft agency showed that several business caretakers were making monthly "contributions" to law enforcement personnel to turn a blind eye to their illegal operations.

The caretakers were also tipped off about raids.

Dubbed Op Star, yesterday's operation was to identify and detain these caretakers. Six men and two women were detained, of whom five were Malaysians and the others were two foreigners and a permanent resident.



Kuala Lumpur City Hall personnel questioning a man during the joint operation yesterday. PIC BY GENES GULITAH

They were detained on suspicion of bribing law enforcement officers in return for protection for their businesses involving foreigners using "Ali Baba" licences.

Among the premises inspected were sundry shops, clothing shops, telephone accessory shops, restaurants and barbers.

Sources said during the six-month-long surveillance, the MACC found that the suspects had acted as caretakers of these premises.

"They had paid bribes ranging

from RM200 to RM1,000 monthly to enforcement personnel to enable their businesses to continue.

"These businesses also employ undocumented immigrants."

It was learnt that some of these premises were running businesses that differed from the business declared on their licence application forms.

Kuala Lumpur MACC director Datuk Mohamad Fauzi Husin said: "These suspects will be taken to the Sessions Court tomorrow

(today) to be charged."

On Monday, it was reported that "Ali Baba" businesses run by foreigners were popping up nationwide like "mushrooms after rain".

Enforcement efforts had not deterred them, sources said.

The sources added that the enforcement actions were just acts put on by enforcement personnel.

The MACC surveillance revealed that illegal activities in big cities were being protected by these personnel, they said.

The "protection" covered small businesses, including hawkers and shops monopolised by foreigners, the sources said.

MACC Deputy Chief Commissioner (operations) Datuk Seri Ahmad Khusairi Yahaya had said the issue of giving and receiving bribes involving premises owners to law enforcement personnel would be made public through two operations in Kuala Lumpur.

"While the MACC has limited strength and budget to monitor and act on illegal activities, it is hoped that through these operations, the local authorities will take drastic measures to curb operations involving foreign-run businesses."

Khusairi had added that the MACC expected to make dozens of arrests involving foreigners, Malaysian licence holders and enforcement officers.