

PROCEEDINGS RESUME ON 23 MAY 2002

CHAIRPERSON: ... we will adjourn after Ms Beck's evidence again but just so that she can come and go as soon as possible. Ms Beck, your full names please?

ALISON ELIZABETH MARGARET BECK: d.s.s.

- 5 CHAIRPERSON: You may be seated. Ms Beck, you have come back at the request of the commission because you want to substitute tables 4 and 5 of your report and you have prepared a document which we have marked pages 52 and 53 of your report. Is that correct? --- That is correct.

- 10 And could you please just explain to us why the figures have changed? --- In giving this evidence on 3 May 2002 and the report, investigation and statistical and other data, we have figures on the dividend inflow and outflow. We have a total net outflow dividends to the outflow arising from recently listed offshore companies. This is in tables 4 and 5 of paragraph 6, 9, and 70 of the original report. SARB contacted me on 10 May 2002 to enquire where we had obtained the amounts shown in our report on dividend flows. The
- 15 data relating to the total inflow and outflow was taken from a SARB Quarterly Bulletin of March 2002. The inflow and outflow figures which were shown by quarter for the 2000 year. These figures in the Bulletin had been seasonally adjusted at an annual rate. (indistinct) misunderstanding of what seasonally adjusted at an annual rate meant. We were unaware that each of the quarterly rates had been analysed which were resulting in our figures being
- 20 substantially overstated. We have amended the figures and confirmed with the South African Reserve Bank. Our reviews do not affect our conclusions made in the report on dividend flows. The amended sections of the report are shown below in the document which you have before you.

So we can now accept these as the correct figures? --- As the correct figures.

- 25 And you are asking us to substitute these new table 4 and 5 for those in your report? --- In my original report, yes.

Good. Are there any questions? Questions from the Commission?

NO QUESTIONS POSED TO WITNESS

CHAIRPERSON: Thank you, Ms Beck. You are excused.

- 30 NO FURTHER QUESTIONS

CHAIRPERSON: The Commission will adjourn for a few minutes. Thank you.

PROCEEDINGS ADJOURN

PROCEEDINGS RESUME:

CHAIRPERSON: Morning ladies and gentlemen. Let us resume this session of the Commission today. We have with us two witnesses who have kindly come from Malaysia to give evidence, Mr Bakarudin and Ms Viyalalechumy of Bank Nagaro, Malaysia, which is the central bank of Malaysia. Welcome and thank you for coming to South Africa. Mr Mukwevho, you are going to lead the evidence? Are you?

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10 MR MUKWEVHO: Yes, I will Mr Chairman. Mr Chairman, I would like to place on record that only Mr Bakarudin Ishak will give the evidence but they have actually requested that I should make an application on their behalf that their evidence should be held at closed doors. Whatever they will be saying, they represent the central bank in Malaysia and as a result they said that there are some confidential issues and on that score they do apply that their evidence should be held *in camera* and that is the application that I am making on their behalf.

15 CHAIRPERSON: So it is on the basis that everything they say, they want to be kept confidential?

MR MUKWEVHO: Yes, it will be kept confidential. In other words it will not be released to the public and in fact they did indicate that the confidentiality should also include a non-disclosure in the final report itself.

CHAIRPERSON: Yes.

20 MR MUKWEVHO: In other words that condition will bind everybody in the highest levels in the country.

MS QUNTA: In other words is it a request that whatever evidence they give, should not be included in the final report?

25 MR MUKWEVHO: Not necessarily. To make sure that it should be included but in such a nature that the public will not have access.

MS QUNTA: Okay.

CHAIRPERSON: So it is included but not published?

MR MUKWEVHO: Yes.

30 CHAIRPERSON: And is my understanding correct that Mr Bakarudin is an official of the central bank of Malaysia and that he has come with the permission of the governor but only on the basis that he does not give evidence in public?

MR MUKWEVHO: Yes, the correct situation is that he is the former head of the exchange control department of the central bank there. At the moment he is a director in one of the departments in government but he comes here with the blessing of the governor of the central bank.

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40 CHAIRPERSON: In terms of the Commission's Act, these proceedings are to be held in public on our interpretation of that Act. We have a discretion as to whether evidence can be heard *in camera*. One of the basis on which one would hear evidence *in camera*, is if a witness wishes to give evidence which is confidential. We have in the past heard evidence in confidence in a particular way in this Commission and our ruling is that in view of the fact that the evidence that will be given is confidential in the hands of the central bank of Malaysia, the proceedings will now be heard *in camera* and we ask everybody to leave the room.