

Chen charged over diplomatic funds

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Prosecutors yesterday issued another wave of indictments against former president Chen Shui-bian (陳水扁), charging him and four others with embezzlement in a case involving classified diplomatic projects.

The Supreme Prosecutors' Office's Special Investigation Panel (SIP), in charge of probing the former president's corruption and money laundering cases, said it had completed its investigations.

Prosecutors allege that public funds earmarked for diplomatic relations were embezzled by Chen, former National Security Council secretary-general Chiou I-jen (邱毅) and former deputy foreign minister Michael Kau (高志彬), as well as two others whose bank accounts were used in the process.

They allege that during Chen's term as president, he deliberately failed to return the remaining balance of government funds dedicated to improving foreign relations.

Chen, Chiou and Kau are accused of violating the Punishment for Corruption Act (貪污治罪條例).

Chiou has been listed as a defendant since last October, when SIP prosecutors and investigators obtained a warrant to search his home and found documents that they believe proved his involvement in the alleged crimes.

Aside from this case, SIP prosecutors are investigating other crimes they suspect the former first family committed during Chen's term of office, including Chen's accepting bribes related to Yuanta Financial Holding's (遠東) merger with Fuhwa Financial Holding Co (富華).

He is also suspected of accepting bribes from former Chinatrust Financial Holding Co (華南) vice chairman Jeffrey Koo Jr (辜仲諒) in connection with Chinatrust's failed takeover bid of Mega Financial Holding Co (兆豐).

Prosecutors said they were probing more counts of money laundering, as well as friends of the former first family who are suspected of helping them hide cash and assets. These include the former president's family physician, Huang Fang-yen (黃芳延), Yuanta Financial Holding Co president Victor Ma (馬安祥) and Yuanta Financial Holding Co chief operating officer Michael Ma (馬安祥), all of whom are accused of helping Wu illegally transfer funds overseas.

Huang has fled the country and is believed to be hiding in the US, where his family lives. He left for the US in November before prosecutors could question him about allegations that he helped Wu launder money.

SIP prosecutors yesterday also questioned former first lady Wu Shu-jen (吳淑珍) about the second phase of financial reform and businesspeople who allegedly gave money to the former

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first family to “receive protection” during the financial reform.

Wu resides in Kaohsiung with her son, Chen Chih-chung (陳智忠).

Yesterday morning, the two paid a visit to Chen Shui-bian at the Taipei Detention Center, where he has been detained since Dec. 30.

Source: [Taipei Times 2009/09/23](#)