

# Philippines to probe links to German Wirecard scandal

June 24 2020

---



The Philippines says it will investigate any links to the massive German Wirecard fraud

The Philippines said Wednesday it will investigate links to the 1.9 billion-euro (\$2.1-billion) Wirecard scandal, adding the European payment

provider's ex-chief operating officer may be in the country.

The announcement follows the arrest in Germany on Monday of Wirecard's ex-chief executive Markus Braun on suspicion of fraud.

Prosecutors accuse him of false accounting and market manipulation in connection with the scandal, which is fast turning into one of Germany's biggest financial frauds.

They believe Braun artificially "inflated" the company's assets and revenues through fake transactions in order to make the company seem financially stronger and more attractive to investors and customers.

The assets were supposedly held in trust accounts at two Philippine banks to cover risks in trading carried out by third parties on Wirecard's behalf.

Philippine Justice Secretary Menardo Guevarra said Wednesday it wasn't certain Wirecard actually operated in the country.

Still, the country's National Bureau of Investigation and the Anti-Money Laundering Council would investigate individuals allegedly involved in the case, he said.

The two agencies would also look into possible violations of the country's anti-money laundering law, Guevarra said.

The two Philippine banks allegedly involved—BDO and BPI—have denied having a relationship with Wirecard, while the [central bank](#) says the money never entered the country's financial system.

On Monday Wirecard admitted the money in the supposed accounts likely does not exist.

Asked if Wirecard's former chief operating officer Jan Marsalek would be among those to be investigated, Guevarra told AFP: "Yes, if we find him here."

Austria-born Marsalek visited the Philippines on March 3-5, Guevarra said, adding "there are some indications that he may have returned recently and may still be here".

Wirecard dismissed Marsalek on Monday.

"No arrest warrant has been issued against anyone. We've just commenced the fact-finding stage," Guevarra said.

© 2020 AFP

Citation: Philippines to probe links to German Wirecard scandal (2020, June 24) retrieved 27 September 2023 from <https://techxplore.com/news/2020-06-philippines-probe-links-german-wirecard.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.