

AUSTRIAN WATCHDOG INVESTIGATES TWO BANKS AFTER PANAMA PAPERS LEAK

VIENNA: Austria's financial markets regulator FMA is investigating whether lenders Raiffeisen Bank International and Hypo Landesbank Vorarlberg followed rules against money laundering after they were named in a massive international data leak. The leaked "Panama Papers" cover a period over almost

40 years, from 1977 until last December, and allegedly show that some companies domiciled in tax havens were being used for suspected money laundering, arms and drug deals and tax evasion.

Two Austrian media that were among the more than 100 news organizations that jointly

investigated the documents' contents reported a connection between Raiffeisen and a confectionery company owned by Ukrainian President Petro Poroshenko. The bank had made a loan of \$115 million to sweets firm Roshen secured against the holdings of a company based in the British Virgin Islands,

Liquist Holdings Limited, broadcaster ORF and weekly newspaper Falter reported on Sunday. A spokesman for the FMA said yesterday that it was examining whether procedures such as checks on the nature of transactions and those involved in them were adhered to. If necessary, it can report cases to

the criminal authorities, he added.

Raiffeisen said in a statement it had complied with legal provisions on the prevention of money laundering but could not comment on specific cases because of banking secrecy rules. Hypo Landesbank Vorarlberg had no immediate comment. — Reuters



WASHINGTON, DISTRICT OF COLUMBIA: Matteo Renzi, Prime Minister of Italy, arrives for a working dinner at the White House on March 31, 2016. — AFP

ITALY PM MATTEO RENZI TO VISIT IRAN NEXT WEEK

ROME: Italian Prime Minister Matteo Renzi will travel to Iran next week for a two-day trip that will make him the first major international figure to visit since the lifting of sanctions against Tehran. Renzi's office said in a statement yesterday that the centre-left leader would visit the Islamic Republic on April 12-13, without giving further details of his itinerary.

Italy has led the way amongst European countries in re-establishing economic ties to Iran following the lifting of international sanctions imposed over concerns the country was seeking to develop a nuclear weapons capacity. An accord to lift the sanctions was agreed last year and came into force in January.

Renzi's trip follows Iranian President Hassan Rouhani's visit to Italy and France at

the end of January—a trip which resulted in a string of major trade and investment deals being signed between Tehran and the two European countries.

Contracts worth an estimated 17 billion Euros (\$18 billion) were signed in Rome and Rouhani said he hoped that would represent only a start, as he pitched Iran as a safe base for investors looking to get into a regional market of 300 million consumers.

Iran has said it wants European help to modernize and expand its rail, road and air networks as well as seeking investment to boost its manufacturing base, notably in the automobile sector. Italy was Iran's largest European trade partner before the impact of sanctions caused exchanges between the two countries to collapse. — AFP

GREECE SHIPS FIRST MIGRANTS BACK TO TURKEY UNDER EU DEAL
EXPULSIONS PASS OFF SMOOTHLY

LESBOS/DIKILI: Greece shipped over 200 migrants back to Turkey yesterday, the first wave of deportations under a hugely controversial deal aimed at easing Europe's worst postwar migration crisis.

Some 200 migrants—mainly from Pakistan and Bangladesh—sailed on three chartered Turkish ferries from the Greek islands of Lesbos and Chios back across the Aegean Sea, retracing the perilous journey they took on unseaworthy boats in their quest to reach Europe.

EU leaders hope the last-ditch deal with Ankara will discourage migrants from risking the crossing that has claimed 366 lives this year alone and break up the lucrative racket that smuggled about one million migrants into Europe last year.

The surge of migrants has sparked an existential crisis for the 28-nation EU bloc, as members flung up long-shut borders and barbed wire in a bid to push back migrants fleeing war and poverty in Syria, the Middle East, North Africa and the Indian sub-continent. And despite the controversy surrounding the deal, it appears to be reducing the flow. Turkey's Interior Minister Ekan Ala said at the weekend that the numbers crossing had already fallen substantially in the last 10 days to just 300 people a day. But some decided to chance it despite the risk of being sent back, and the Turkish coastguard yesterday blocked a boatload of about 60 mostly Afghan migrants, an AFP correspondent said.

'Stop the dirty deal'

The first wave of expulsions passed off smoothly under a visible police presence, as two boats left Lesbos carrying 136 migrants and one from the island of Chios carrying 66, said Yorgos Kyritsis, the Greek government's migration spokesman.

In the boats the grim-faced deportees sat in rows accompanied by security guards from the EU's Frontex border agency, according to images on Turkish state media who were allowed on board the vessels. They arrived at the Turkish



SCHISTO: A migrant child looks out behind a wire fence of a refugee camp on Monday. — AFP
Aegean resort of Dikili to a heavy security presence on the harbor side and media kept at a distance by metal barriers, according to AFP reporters at the scene. A police helicopter buzzed overhead as officials guided the migrants to tents pitched along the harbor for registration and health checks.

Turkish state media reported that migrants from Sri Lanka, Lebanon, Iran, Egypt, the Democratic Republic of Congo and Afghanistan were among the first wave. Only two were from Syria and they had requested to return for personal reasons, Kyritsis said.

Some activists have branded the deal inhumane and a few dozen demonstrated gathered on Chios to protest against the deportations, chanting "Freedom," according to an AFP pho-

tographer. "Stop the dirty deal," "stop deportations" and "wake up Europe" were among the banners brandished in Lesbos against the disputed deal. One German protester, Henrike, said: "I feel sorry for them. I have no idea what will happen to them. It's frustrating and it's sad."

Turkish EU Affairs Minister Volkan Bozkir told HaberTurk television that the non-Syrian migrants would be sent to Kırklareli on the Bulgarian border for checks ahead of deportation to their own countries.

"People who have migrated for purely economic reasons are to be sent back according to the rules," he said. "We will apply to the countries of the illegal migrants. They can be our guests for a while and then bit by bit we will send them back." — AFP

GERMANWINGS VICTIMS' KIN ANGERED BY TRIBUTE TO SUICIDAL CO-PILOT

BERLIN: Families of the victims of last year's Germanwings crash deliberately caused by a suicidal co-pilot expressed outrage yesterday after his parents placed a heartfelt newspaper announcement in his memory.

The parents of Andreas Lubitz, who brought down the A320 flight in the French Alps with 149 other people on board in March 2015, ran the announcement in a local paper thanking friends and neighbors for their support over the loss of their son. Entitled simply "Andreas" and featuring a smiling photograph of the co-pilot, the brief text ends with a message to their son in bold letters: "For you: We miss you very much but you are and will remain in our hearts". They speak of a year "filled with horror and fear" but do not explicitly mention the 149 other people killed in the crash.

Juergen Fischenich, whose son was on board the doomed plane, told the Bild daily that he could understand the Lubitz family's lasting grief. "But to say thank you in public and not mention the other 149

people this person murdered—I cannot express how ignorant and disrespectful that is," he said.

The parents of 24-year-old victim Sebastian S. released an angry statement about the announcement via their lawyer and quoted by Bild. "We can only visit our murdered son at his grave. In the Lubitz family's expression of gratitude they describe their son as a cherished person," they wrote. "One couldn't express our rage in words." Investigators found that Lubitz, 27, had a history of depression and suicidal tendencies and the case has raised questions about medical checks faced by pilots as well as doctor-patient confidentiality.

Lubitz was allowed to continue flying despite having been seen by doctors dozens of times in the years preceding the crash. Several victims' relatives have banded together with plans to take the airline's parent company Lufthansa to court in the United States, arguing that the depressive Lubitz should never have been allowed to fly. — AFP

UKRAINE POPULIST SEEKS PRESIDENT'S OUSTER OVER LEAKED SECRET ACCOUNTS

KIEV: A populist Ukrainian party leader said yesterday that he would launch impeachment proceedings against President Petro Poroshenko over his use of offshore accounts revealed by the "Panama Papers" leak. The action by Radical Party leader Oleg Lyashko is unlikely to succeed but is certain to add even further pressure on Poroshenko as he struggles to resolve a months-long political crisis that has paralysed the cash-strapped govern-

ment. A year-long worldwide media investigation into a trove of 11.5 million documents found that the former Soviet state's pro-Western leader had registered a company in the British Virgin Islands that he never disclosed in his income forms.



KIEV: Ukrainian President Petro Poroshenko arriving to give a press conference on January 14, 2016. — AFP

ment. A year-long worldwide media investigation into a trove of 11.5 million documents found that the former Soviet state's pro-Western leader had registered a company in the British Virgin Islands that he never disclosed in his income forms.

Poroshenko was travelling to Japan yesterday and issued no immediate comment on documents originally leaked to a German newspaper from Panama's Mossack Fonseca law firm.

The president's spokesman did not answer

the telephone when contacted by AFP. None of the three accounts associated with Poroshenko's offshore firm held more than 2,000 euros (\$2,270). But the report said they may have been a haven used by the president to avoid paying taxes on his profitable candy empire.

"Poroshenko was busy setting up an offshore tax haven for his business assets as Ukraine was suffering its worst defeat in Russia's war against Ukraine in the summer of 2014," the report said. "Poroshenko's action might be illegal on two counts: he started a new company while president and he did not report the company on his disclosure statements," it added.

Radical Party leader Lyashko—an outspoken populist who holds 21 of the 450 seats in Ukraine's parliament—said he has "initiated the start of impeachment proceedings" against the president. "We demand the creation of a special temporary investigative committee in parliament that would probe (Poroshenko's) secret offshore companies and accounts," Lyashko wrote on Facebook.

Lyashko's efforts are unlikely to get very far because Ukraine still lacks a law spelling out how such impeachment hearings may proceed. They could also only begin after the case is studied by the country's constitutional and supreme courts. Ukraine's prosecutor general's office said it had studied the leaked information and "found no evidence of a crime".

But the accounts' very existence is likely to reflect poorly on Poroshenko's self-proclaimed efforts to erase Ukraine's long history of government graft. Ukraine's 2014 pro-EU revolution was fed in part by deep-rooted frustration with the Russian-backed leadership's alleged use of state funds for self-enrichment and its brazen disregard for the rule of law.

According to the Panama Papers, Poroshenko's financial advisers said the accounts were created to help with the president's sale of his Roshen chocolate business—an asset he had vowed to get rid of when elected in May 2014. — AFP



VATICAN CITY: Pope Francis interacts with faithful as he makes a tour of St. Peter's Square at the end of a Mass for the the Holy Year of Mercy. — AP

HOPES FOR VATICAN PROGRESS WITH SCHISMATIC CATHOLICS

VATICAN CITY: Pope Francis met with the head of a breakaway group of traditionalist Catholics amid new hopes for progress toward ending a quarter-century of schism. The Society of St Pius X said the 40-minute meeting Friday was cordial, and took place at Francis' hotel-residence because the pope wanted a "private and informal meeting" with its superior, Bishop Bernard Fellay, rather than a formal audience.

In a statement yesterday, the society said its legal status in the church wasn't discussed but that lower-level talks would continue "without haste." The Vatican in 2014 resumed reconciliation talks with the Swiss-based society after doctrinal discussions launched under Emeritus Pope Benedict XVI collapsed. Last year, Francis made an extraordinary gesture by allowing priests of the society, which has no legal status in the church, to hear confessions during his Holy Year of Mercy.

The late Archbishop Marcel Lefebvre founded the society in 1969, opposed to the Second Vatican Council's modernizing reforms, introduction of Mass in the vernacular and outreach to Jews and other Christians. In 1988, the Vatican excommunicated Lefebvre, and four other bishops after Lefebvre consecrated them without papal consent.

Benedict had made reconciling a priority, liberalizing the use of the old Latin Mass which the society celebrates, removing the excommunications and enduring heated criticism when one of the rehabilitated bishops was shown to have

denied the Holocaust.

But three years of doctrinal talks collapsed in 2012 after Fellay refused to accept a core set of doctrinal demands required by the Holy See over the society's acceptance of Vatican II. Francis' election initially signaled continued impasse, as the Jesuit pope made clear he cared little for the old Latin Mass, considered traditionalists self-absorbed retrogrades, and was more concerned about spreading the merciful message of the Gospel to society's poor outcasts than resolving thorny theological and canonical disputes.

Paradoxically, Francis emphasis on mercy and inclusion, his concern for "peripheral" Catholics

and disdain for rigid rules may have allowed for progress. In recent comments, Fellay has signaled new optimism that the group's legal status might be resolved. He said Francis had sent bishops to visit the society's seminaries and headquarters to "see us as we are," and that what had been theological stumbling blocks in the past were now up for discussion.

"Are we really moving forward? I think so. I think so, but it is certainly slow going," Fellay was quoted as saying in a March 4 interview with the society's DICI.org site. The society says it has 590 priests and 187 seminarians in six seminaries around the world, as well as some 600,000 people who attend Mass regularly. — AP

RUSSIAN ENERGY MINISTER SAYS MAY MEET SAUDI COUNTERPART BEFORE DOHA EVENT

NOVOKUZNETSK: Russian Energy Minister Alexander Novak said yesterday that he may meet his Saudi Arabian counterpart before a planned oil producers' meeting in Doha on April 17.

Saudi Arabia, the world's top oil exporter, will agree to freeze crude oil production levels only if Iran and other major producers do so, the kingdom's deputy crown prince said in an interview with Bloomberg last week.

"If there is such an opportunity, surely we will talk to our colleagues," he said about a

possible meeting with his Saudi Arabian colleague. Iran has said it will not join fellow OPEC and non-OPEC members in a plan to be discussed in Doha to freeze oil production to boost prices.

Novak also said he hoped that a common position would prevail at the oil producers' meeting. "I hope that in this case a common position will prevail during the discussions and all sides will come to an agreement,... especially given that Iran has confirmed its participation," he said. — Reuters