

RELEASE OF 2011

CORRUPTION PERCEPTION INDEX (CPI)

AND

CORRUPTION BAROMETER (CB)

RESULTS

1 December 2011

Grand Dorsett Subang Hotel

Programme

10.30 am	Opening remarks Josie Fernandez – Secretary-General, Transparency International Malaysia (TI-M)
10.35 am	2011 Corruption Perception Index (CPI) Results
11.00 am	2011 Corruption Barometer (CB) Results
11.25 am	TI-M's Concerns and Recommendations
11.30 am	Questions and Answers
12.00 pm	Press conference
12.30 pm	End

TI's Corruption Indicators



Corruption Perception Index (CPI)

Ranks 183 countries in terms of perceived levels of public sector corruption, as determined by expert assessments and opinion surveys

Corruption Barometer (CB)

A public opinion survey that assesses the general public's perception and experience of corruption

WHAT IS THE CPI?

An aggregate indicator that ...

- Measures the degree to which corruption is perceived to exist among public sector officials in 183 countries around the world
- Draws on 17 different surveys and country assessments from 13 independent institutions carried out among experienced observers such as business people and country analysts, including local experts and local business and multinational firms
- Looks at factors such as enforcement of anti-corruption laws, access to information and conflicts of interest
- Composition of respondents is approximately 60% non-residents and 40% residents



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17 SURVEYS USED

- **AFDB** African Development Bank Country Performance Ratings
- **ADB** Asian Development Bank Country Performance Assessment 2010
- **BF_SGI** Bertelsmann Foundation Sustainable Governance Indicators new
- **BF_TI** Bertelsmann Transformation Index by the Bertelsmann Foundation
- **EIU_CRR** Country Risk Service and Country Forecast
- **FH_NIT** Freedom House Nations in Transit
- **GI_CRR** Global Insight Country Risk Ratings
- **IMD2010** IMD World Competitiveness Yearbook 2010
- **IMD2011** IMD World Competitiveness Yearbook 2011
- **PERC2010** Political and Economical Risk Consultancy Asian Intelligence 2010
- **PERC2011** Political and Economical Risk Consultancy Asian Intelligence 2011
- **PRS_ICRG** Political Risk Services International Country Risk Guide new
- **TI_BPI** Transparency International Bribe Payers Survey new
- **WB_CPIA** World Bank - Country Performance and Institutional Assessment
- **WEF2010** World Economic Forum Executive Opinion Survey (EOS) 2010
- **WEF2011** World Economic Forum Executive Opinion Survey (EOS) 2011
- **WJP_ROL** World Justice Project Rule of Law Index new



CPI 2011 – MAIN FINDINGS

- 2/3 of ranked countries score less than 5
- Most Arab Spring countries rank in the lower half of the index, scoring below 4
- Eurozone countries with debt crises are among the lowest scoring EU countries



RESULTS

Countries where corruption is perceived to be **lowest**:

<i>Rank</i>	<i>Country</i>	<i>Score</i>	<i>Surveys used</i>
1	New Zealand	9.5	9
2	Denmark	9.4	8
2	Finland	9.4	8
4	Sweden	9.3	9
5	Singapore	9.2	12

Countries where corruption is perceived to be **highest**:

<i>Rank</i>	<i>Country</i>	<i>Score</i>	<i>Surveys used</i>
180	Afghanistan	1.5	4
180	Myanmar	1.5	4
182	North Korea	1.0	3
182	Somalia	1.0	4



MALAYSIA'S SCORE

Year	Country Ranking	Countries Surveyed	CPI Score
2002	33	102	4.9
2003	37	133	5.2
2004	39	146	5.0
2005	39	159	5.1
2006	44	163	5.0
2007	43	179	5.1
2008	47	180	5.1
2009	56	180	4.5
2010	56	178	4.4
2011	60	183	4.3



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COUNTRIES WITH SIMILAR SCORES

Country Ranking (from 183 countries)	Country	2011 CPI Score
54	Hungary, Kuwait	4.6
56	Jordan	4.5
57	Czech Republic, Namibia, Saudi Arabia	4.4
60	Malaysia	4.3
61	Cuba, Latvia, Turkey	4.2
64	Georgia, South Africa	4.1
66	Croatia, Montenegro, Slovakia	4.0

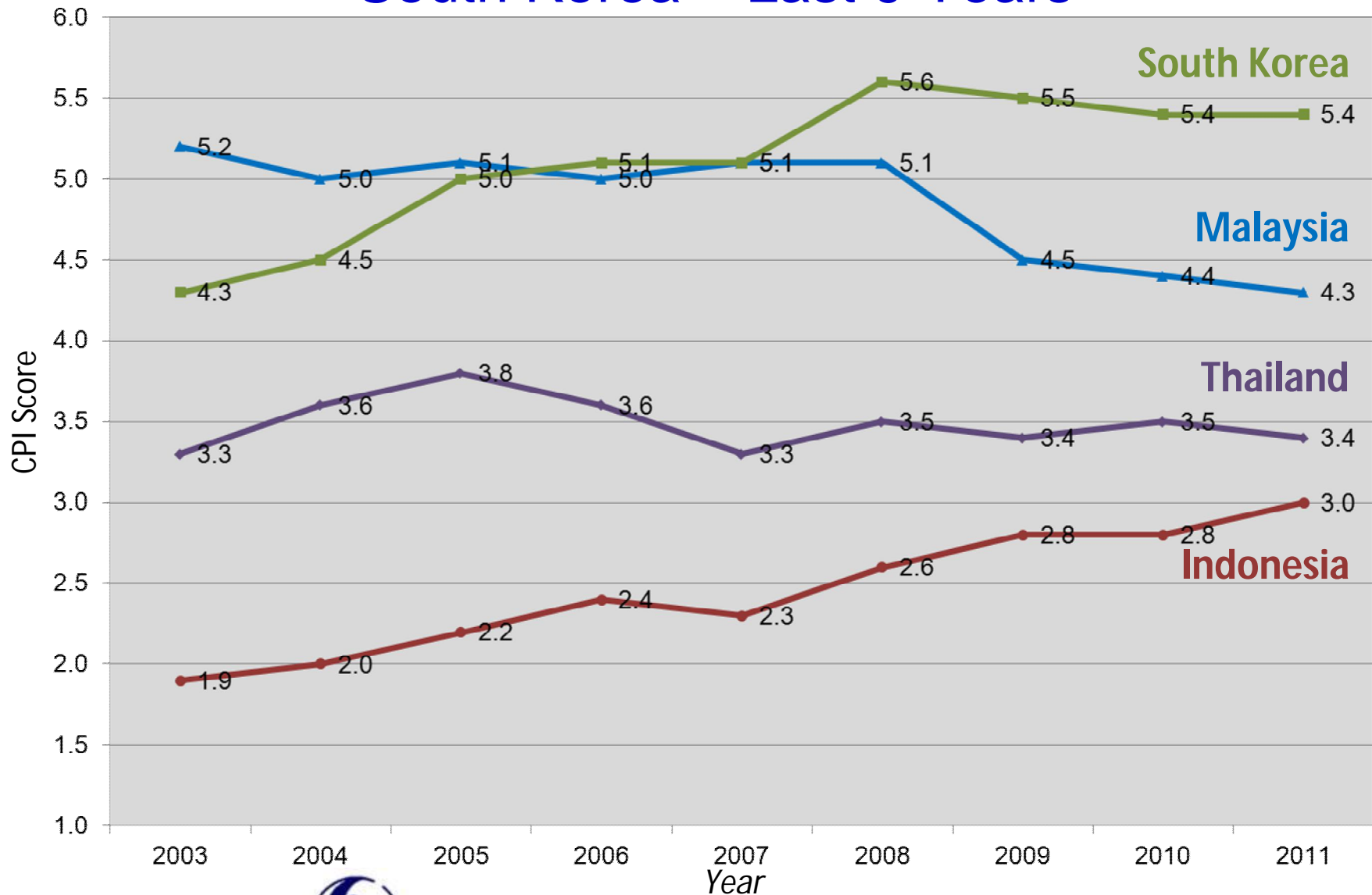


SCORES OF ASEAN COUNTRIES

Ranking in ASEAN	Country	Country Ranking		CPI Score	
		2010 (178 countries)	2011 (183 countries)	2010	2011
1	Singapore	1	5	9.3	9.2
2	Brunei Darussalam	38	44	5.5	5.2
3	Malaysia	56	60	4.4	4.3
4	Thailand	78	80	3.5	3.4
5	Indonesia	110	100	2.8	3.0
6	Vietnam	116	112	2.7	2.9
7	Philippines	134	129	2.4	2.6
8	Laos	154	154	2.1	2.2
8	Cambodia	154	164	2.1	2.1
9	Myanmar	176	180	1.4	1.5



CPI Scores of Selected ASEAN Countries and South Korea – Last 9 Years



TI's Corruption Indicators



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Ranks 174 countries in terms of perceived levels of public sector corruption, as determined by expert assessments and opinion surveys

Corruption Barometer (CB)

A public opinion survey that assesses the general public's perception and experience of corruption

WHAT IS THE CORRUPTION BAROMETER (CB)?

Survey of **general public**:

- Public perceptions of corruption
- Personal experiences of bribery
- Views on the fight against corruption
- Getting involved



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SAMPLING FOR MALAYSIA

Criteria	2010	2011
Sample – Adult population, 16 years and above	1,000 persons	1,000 persons
Methodology	Face to face	Face to face
Coverage – National	57% urban 43% rural	62% urban 38% rural
Field dates	28 June – 26 July 2010	12 Sept – 8 Oct 2011
Survey firm	Gallup	Gallup
Sampling firm	TNS Malaysia	TNS Malaysia



CB 2011 – MAIN FINDINGS

- Around 40% perceived that corruption levels have stayed the same over the past three years, and will remain the same for the next three years
- Police and political parties identified as the most corrupt institutions in Malaysia
- Police are identified as having been bribed the most in the past 12 months
- 1.2% paid bribes in past 12 months (**9% in 2010**)
- 49% believed the Government is effective in fighting corruption
- 60% trusted Government leaders the most to fight corruption



CB 2011 RESULTS

A. Public perceptions of corruption

How has the level of corruption changed in the last three years?

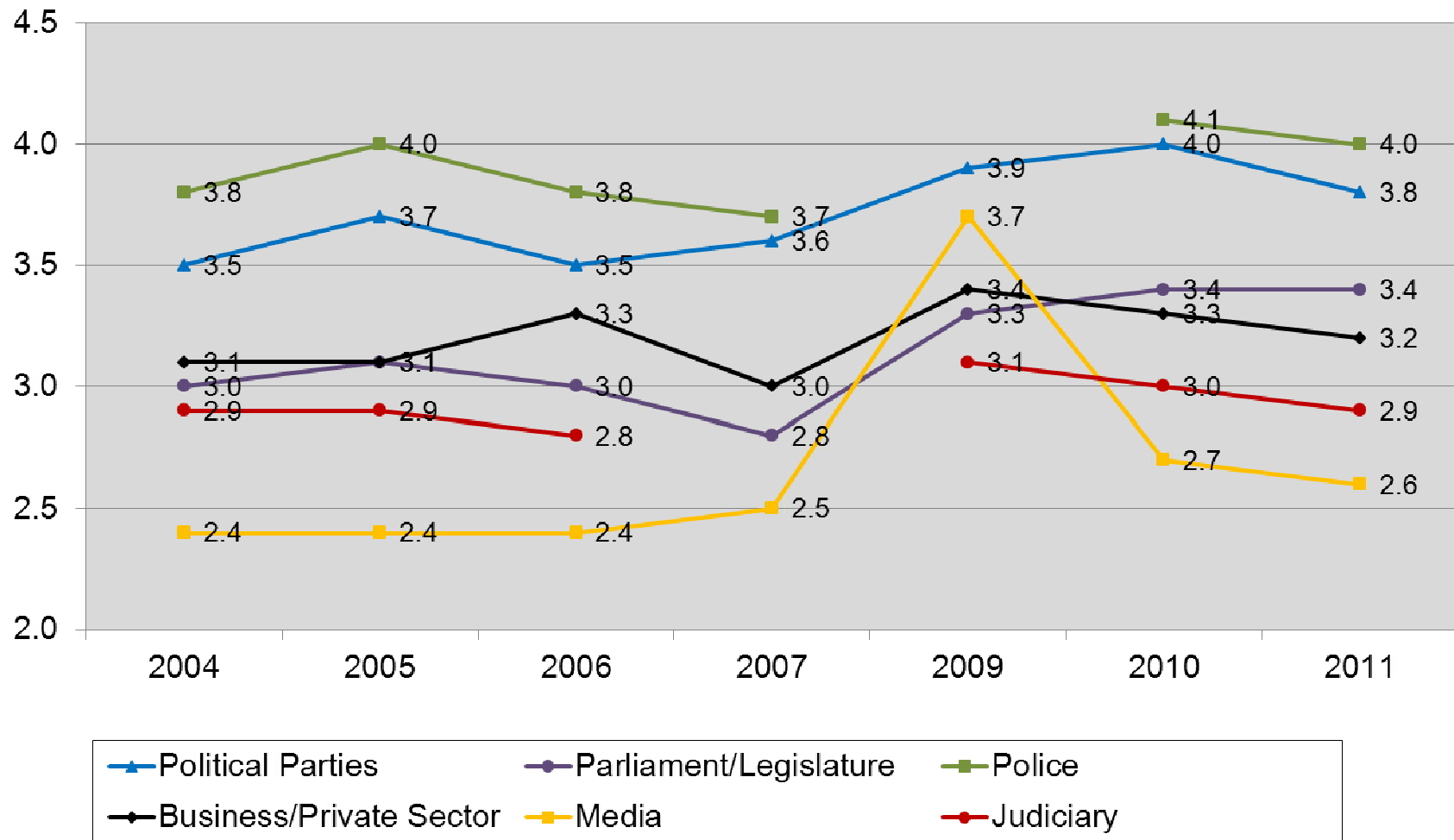
INCREASED	STAYED THE SAME	DECREASED
36.5%	40.1%	23.4%

Do you expect the level of corruption in the next 3 years to change?

INCREASED	STAYED THE SAME	DECREASED
30.2%	39.6%	30.2%



Perceptions of corruption in key Malaysian institutions/sectors - 2004 to 2011



Source: Corruption Barometer 2004 – 2011.
(1 – not corrupt, 5 – very corrupt). Percentages are weighted.

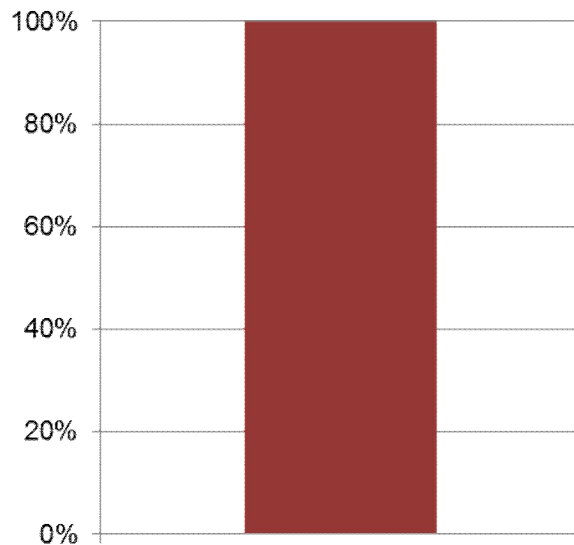
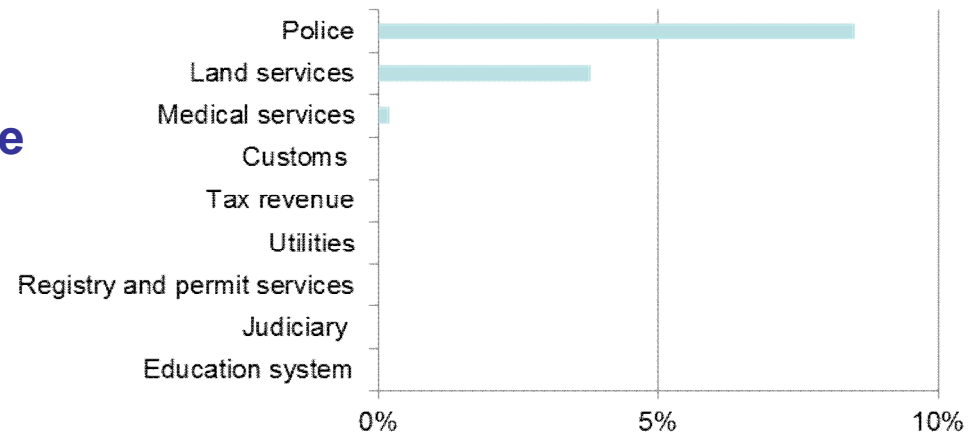


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MALAYSIA'S CB 2011 RESULTS

B. Personal experiences of bribery

1.2% of people have paid a bribe to one of 9 service providers

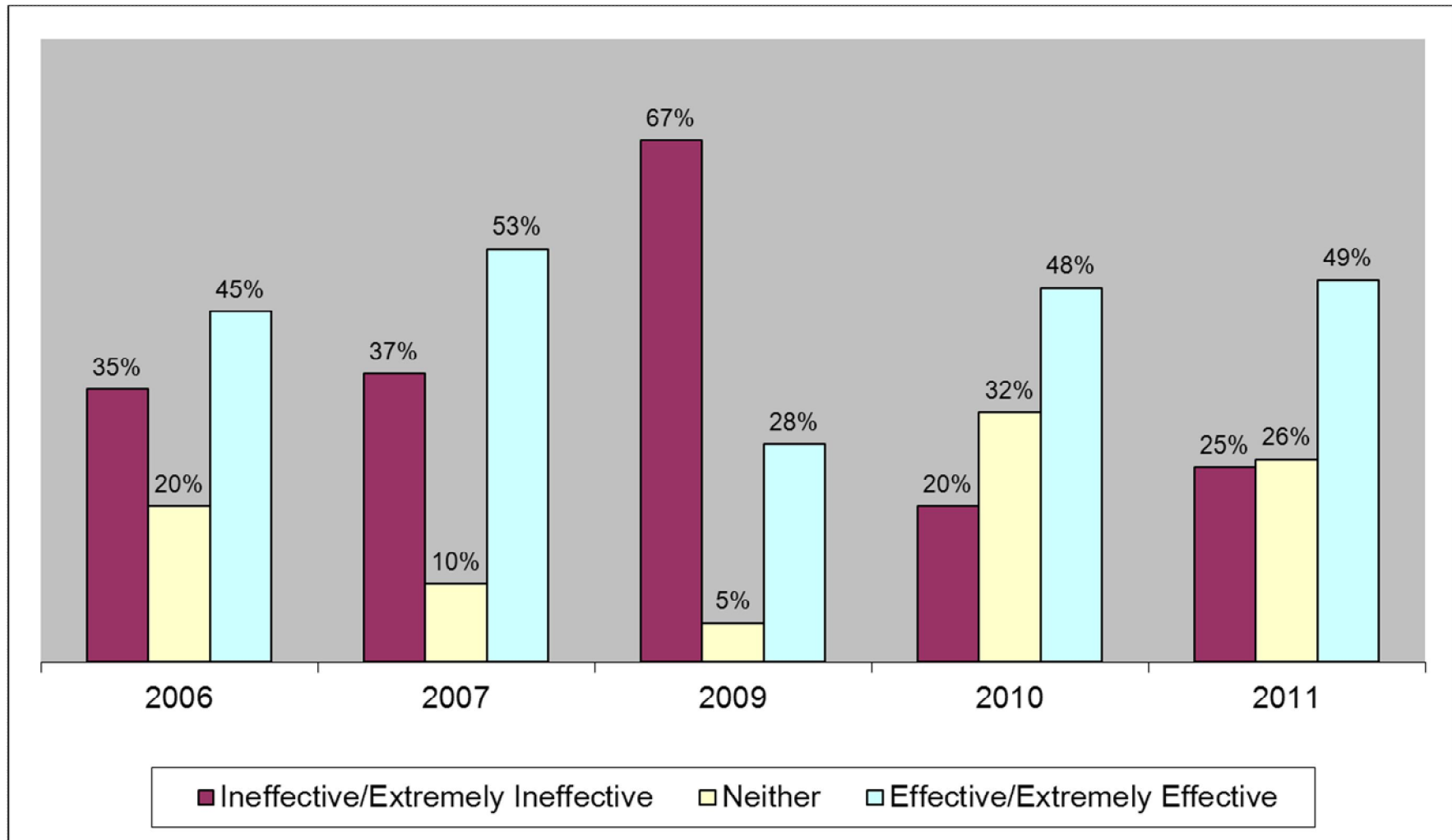


- To receive a service entitled to
- To avoid a problem with the authorities
- To speed things up

Why was the last bribe paid?



Assessment of Malaysian Government's effectiveness in fighting corruption: 2006 to 2011



Source: Transparency International Global Corruption Barometer 2006 to 2011. Percentages are weighted.



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TI-M's OBSERVATIONS

- Over the last 12 months, there is no significant change in Malaysia's corruption levels
- Initiatives for the private sector – Corporate Integrity Pledge
- Enforcement and prosecution of petty corruption cases is increasing
- Elements of state capture which facilitate “grand corruption” are still prevalent
- Limited access to information (existing Official Secrets Act and lack of a Freedom of Information Act) contributes to a culture of secrecy and lack of transparency
- Penalties for corrupt practices are not severe enough
- Companies are not held liable when their employees commit corrupt acts



TI-M's RECOMMENDATIONS

1. Pursue corruption cases of officials at the highest levels to restore confidence that the Government is really serious about the fight against corruption. The lack of “Big fish” convictions to emphasise commitment to fighting corruption is a concern.
2. Fundamentally amend the scope of the OSA and introduce a federal Freedom of Information Bill
3. Enhance the autonomy and independence of the MACC and provide the necessary resources to professionalize their workforce
4. Improve the protective framework to encourage more whistleblowers to come forward
5. Apply stiffer penalties for corruption convictions, including a percentage of turnover for private companies
6. Fully implement the Integrity Pact in all government procurement exercises
7. Implement Reforms for Political Financing as proposed by TI-M in its Memorandum to the Government
8. Implement the core Electoral Reforms that have been submitted to the Parliamentary Select Committee on Electoral Reforms



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Thank you for your attention

Comments and Questions

