

CORRUPTION PERCEPTIONS INDEX 2013

CORRUPTION PERCEPTIONS INDEX



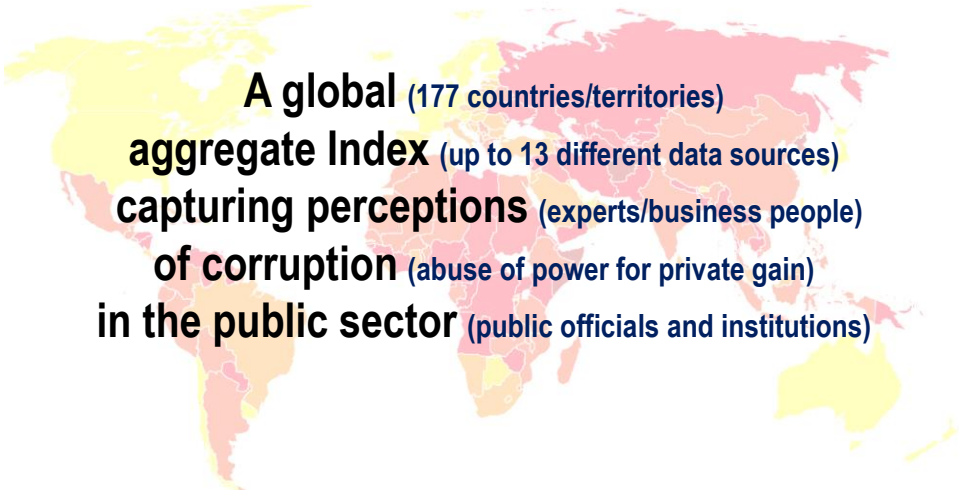
CORRUPTION PERCEPTIONS INDEX (CPI) 2013 SURVEY RESULTS 03 December 2013

Dato' Akhbar Satar
President

Dr KM Loi
Secretary-General

Ngooi Chiu Ing
CPI Resource Person

THE CORRUPTION PERCEPTIONS INDEX 2013 IS:



**A global (177 countries/territories)
aggregate Index (up to 13 different data sources)
capturing perceptions (experts/business people)
of corruption (abuse of power for private gain)
in the public sector (public officials and institutions)**

CORRUPTION PERCEPTIONS INDEX 2013

THE CORRUPTION PERCEPTIONS INDEX DOES:



- Raise awareness at the global level
- Incentive for governments to improve
- Cross country and over-time comparison of corruption risks in the public sector
- Data contribution to analysis and research

CORRUPTION PERCEPTIONS INDEX



Scores and ranks 177 countries/territories based on the perceived level of corruption in the public sector.

A composite index, a combination of surveys and assessments of corruption, collected by a variety of reputable institutions. Indicator of corruption as determined by expert assessments and opinion surveys

Presented on a scale of 0-100
0 (Highly Corrupt)
100 (Very Clean)

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It is NOT only about comparing bribes reported, the number of prosecutions or corruption court cases but also how effective investigators, prosecutors, the courts or the media are in investigating and exposing corruption.

Draws on up to 13 different surveys and country assessments from independent institutions carried out among experienced observers such as business leaders (MNCs & locals) and country analysts (including local experts) gathered in the past 24 months.

Does not focus specifically on petty corruption nor exclusively on grand corruption but rather the extent of corruption. But can influence foreign investors.

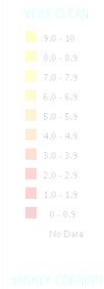
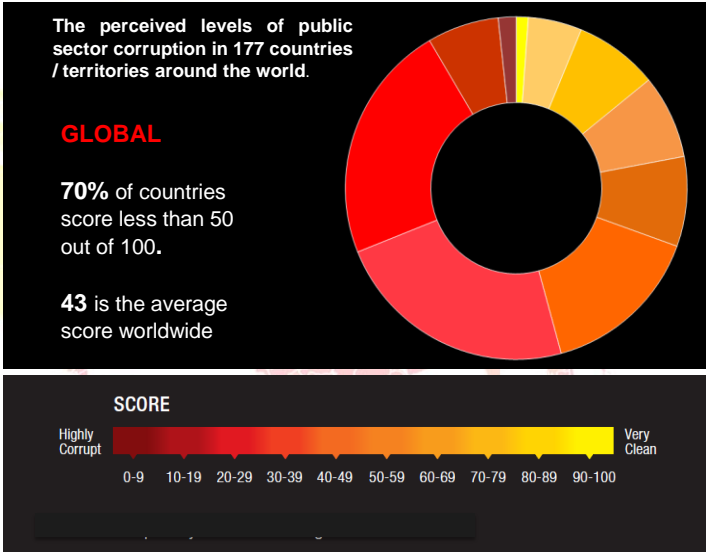
13 SURVEY REPORTS USED



1. African Development Bank Governance Ratings 2012
2. Bertelsmann Foundation Sustainable Governance Indicators 2014
3. Bertelsmann Foundation Transformation Index 2014
4. Economist Intelligence Unit Country Risk Ratings
5. Freedom House Nations in Transit 2013
6. Global Insight Country Risk Ratings
7. IMD World Competitiveness Yearbook 2013
8. Political and Economic Risk Consultancy Asian Intelligence 2013
9. Political Risk Services International Country Risk Guide
10. Transparency International Bribe Payers Survey 2012
11. World Bank - Country Policy and Institutional Assessment 2012
12. World Economic Forum Executive Opinion Survey (EOS) 2013
13. World Justice Project Rule of Law Index 2013

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CPI 2013: THE TOP



Denmark and New Zealand tie for first place with scores of 91, helped by strong access to information systems and rules governing the behaviour of those in public positions.

| RANK | COUNTRY/TERRITORY | SCORE |
|------|-------------------|-------|
| 1 | DENMARK | 91 |
| 1 | NEW ZEALAND | 91 |
| 3 | FINLAND | 89 |
| 3 | SWEDEN | 89 |
| 5 | NORWAY | 86 |
| 5 | SINGAPORE | 86 |

SCORE

Highly Corrupt (0-9) to Very Clean (90-100)

| Score Range | Color |
|-------------|-------------------|
| 0-9 | Dark Red |
| 10-19 | Red |
| 20-29 | Dark Orange |
| 30-39 | Orange |
| 40-49 | Light Orange |
| 50-59 | Yellow-Orange |
| 60-69 | Yellow |
| 70-79 | Light Yellow |
| 80-89 | Very Light Yellow |
| 90-100 | White |



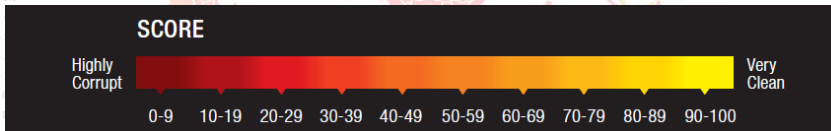
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CPI 2013: THE BOTTOM



Afghanistan, North Korea and Somalia once again cling to the bottom rung of the index. In these countries the lack of leaders who are accountable and effective public institutions underscore the need to take a much stronger stance against corruption.

| RANK | COUNTRY/TERRITORY | SCORE |
|------|-------------------|-------|
| 173 | SOUTH SUDAN | 14 |
| 174 | SUDAN | 11 |
| 175 | AFGHANISTAN | 8 |
| 175 | KOREA (NORTH) | 8 |
| 175 | SOMALIA | 8 |



9 SURVEYS USED - MALAYSIA

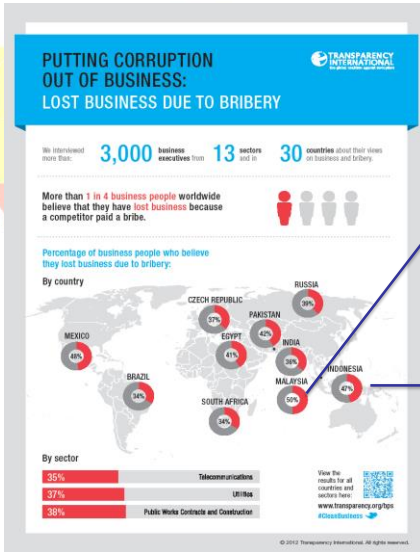


1. Bertelsmann Foundation Transformation Index (49)
 2. Economist Intelligence Unit Country Risk Ratings (54)
 3. Global Insight Country Risk Ratings (42)
 4. IMD World Competitiveness Yearbook (57)
 5. Political & Economic Risk Consultancy Asian Intelligence (53)
 6. Political Risk Services International Country Risk Guide (41)
 7. Transparency International Bribe Payers Survey (31)
 8. World Economic Forum Executive Opinion Survey (61)
 9. World Justice Project Rule of Law Index (62)
- 450**

$$\begin{aligned} \text{Aggregate Score} &= 450/9 \\ &= 50 \end{aligned}$$

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TI BRIBE PAYERS SURVEY



50%
Malaysia:
Lost Business
Due to Bribery

47%
Indonesia :
Lost Business
Due to Bribery

CPI 2013 : MALAYSIA



Corruption Perceptions Index 2013



CPI Score : 50 / 100

Country Rank : 53 / 177

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CPI 2001 - 2013 : MALAYSIA



| Year | 2012 | 2013 |
|-------------------------|------|------------|
| Ranking | 54 | 53 |
| Score | 49 | 50 |
| No: of Countries | 176 | 177 |

| Year | 01 | 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 | 10 | 11 |
|-------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Ranking | 36 | 33 | 37 | 39 | 39 | 44 | 43 | 47 | 56 | 56 | 60 |
| Score | 5.0 | 4.9 | 5.2 | 5.0 | 5.1 | 5.0 | 5.1 | 5.1 | 4.5 | 4.4 | 4.3 |
| No: of Countries | 91 | 102 | 133 | 145 | 158 | 163 | 179 | 180 | 180 | 178 | 183 |

COUNTRIES WITH SIMILAR SCORES



| Country Ranking | Country | Country Score |
|-----------------|-------------------------------------------|---------------|
| 47 | Hungary, Seychelles | 54 |
| 49 | Costa Rica, Latvia, Rwanda, | 53 |
| 52 | Mauritius | 52 |
| 53 | Malaysia, Turkey | 50 |
| 55 | Georgia, Lesotho | 49 |
| 57 | Bahrain, Croatia, Czech Republic, Namibia | 48 |
| 61 | Oman, Slovakia | 47 |

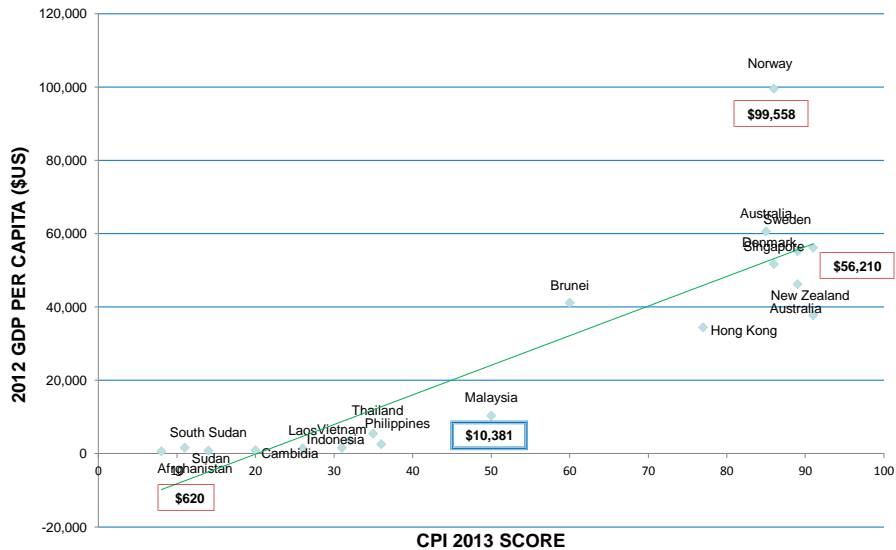
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SCORES OF ASEAN COUNTRIES



| Rank | ASEAN | Position (177) | CPI Score | GDP per capita |
|------|-----------------|----------------|-----------|-----------------|
| 1 | Singapore | 5 | 86 | \$51,709 |
| 2 | Brunei | 38 | 60 | \$41,127 |
| 3 | Malaysia | 53 | 50 | \$10,381 |
| 4 | Philippines | 94 | 36 | \$2,587 |
| 5 | Thailand | 102 | 35 | \$5,480 |
| 6 | Indonesia | 114 | 32 | \$3,557 |
| 7 | Vietnam | 116 | 31 | \$1,596 |
| 8 | Laos | 140 | 26 | \$1,399 |
| 9 | Myanmar | 157 | 21 | - |
| 10 | Cambodia | 160 | 20 | \$946 |

CPI 2013 vs GDP Per Capita 2012



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| RANK | COUNTRY/ TERRITORY | SCORE |
|------|--------------------------|-------|
| 1 | Denmark | 91 |
| 1 | New Zealand | 91 |
| 3 | Finland | 89 |
| 3 | Sweden | 89 |
| 5 | Norway | 86 |
| 5 | Singapore | 86 |
| 7 | Switzerland | 85 |
| 8 | Netherlands | 83 |
| 9 | Australia | 81 |
| 9 | Canada | 81 |
| 11 | Luxembourg | 80 |
| 12 | Germany | 78 |
| 12 | Iceland | 78 |
| 14 | United Kingdom | 76 |
| 15 | Barbados | 75 |
| 15 | Belgium | 75 |
| 15 | Hong Kong | 75 |
| 18 | Japan | 74 |
| 19 | Uruguay | 73 |
| 19 | United States of America | 73 |
| 21 | Ireland | 72 |
| 22 | The Bahamas | 71 |
| 22 | Chile | 71 |
| 22 | France | 71 |
| 22 | Saint Lucia | 71 |

| | | |
|----|----------------------------------|----|
| 26 | Austria | 69 |
| 26 | United Arab Emirates | 69 |
| 28 | Estonia | 68 |
| 28 | Qatar | 68 |
| 30 | Botswana | 64 |
| 31 | Bhutan | 63 |
| 31 | Cyprus | 63 |
| 33 | Portugal | 62 |
| 33 | Puerto Rico | 62 |
| 33 | Saint Vincent and the Grenadines | 62 |
| 36 | Israel | 61 |
| 36 | Taiwan | 61 |
| 38 | Brunei | 60 |
| 38 | Poland | 60 |
| 40 | Spain | 59 |
| 41 | Cape Verde | 58 |
| 41 | Dominica | 58 |
| 43 | Lithuania | 57 |
| 43 | Slovenia | 57 |
| 45 | Malta | 56 |
| 46 | South Korea | 55 |
| 47 | Hungary | 54 |
| 47 | Seychelles | 54 |
| 49 | Costa Rica | 53 |
| 49 | Latvia | 53 |

| RANK | COUNTRY/ TERRITORY | SCORE |
|------|------------------------|-------|
| 49 | Rwanda | 53 |
| 52 | Mauritius | 52 |
| 53 | Malaysia | 50 |
| 53 | Turkey | 50 |
| 55 | Georgia | 49 |
| 55 | Lesotho | 49 |
| 57 | Bahrain | 48 |
| 57 | Croatia | 48 |
| 57 | Czech Republic | 48 |
| 57 | Namibia | 48 |
| 61 | Oman | 47 |
| 61 | Slovakia | 47 |
| 63 | Cuba | 46 |
| 63 | Ghana | 46 |
| 63 | Saudi Arabia | 46 |
| 66 | Jordan | 45 |
| 67 | Macedonia FYR | 44 |
| 67 | Montenegro | 44 |
| 69 | Italy | 43 |
| 69 | Kuwait | 43 |
| 69 | Romania | 43 |
| 72 | Bosnia and Herzegovina | 42 |
| 72 | Brazil | 42 |
| 72 | Sao Tome and Principe | 42 |

| | | |
|----|---------------------|----|
| 72 | Serbia | 42 |
| 72 | South Africa | 42 |
| 77 | Bulgaria | 41 |
| 77 | Senegal | 41 |
| 77 | Tunisia | 41 |
| 80 | China | 40 |
| 80 | Greece | 40 |
| 82 | Swaziland | 39 |
| 83 | Burkina Faso | 38 |
| 83 | El Salvador | 38 |
| 83 | Jamaica | 38 |
| 83 | Liberia | 38 |
| 83 | Mongolia | 38 |
| 83 | Peru | 38 |
| 83 | Trinidad and Tobago | 38 |
| 83 | Zambia | 38 |
| 91 | Malawi | 37 |
| 91 | Morocco | 37 |
| 91 | Sri Lanka | 37 |
| 94 | Algeria | 36 |
| 94 | Armenia | 36 |
| 94 | Benin | 36 |
| 94 | Colombia | 36 |
| 94 | Djibouti | 36 |
| 94 | India | 36 |
| 94 | Philippines | 36 |
| 94 | Suriname | 36 |

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| RANK | COUNTRY/ TERRITORY | SCORE |
|------|-----------------------------|-------|
| 102 | Ecuador | 35 |
| 102 | Moldova | 35 |
| 102 | Panama | 35 |
| 102 | Thailand | 35 |
| 106 | Argentina | 34 |
| 106 | Bolivia | 34 |
| 106 | Gabon | 34 |
| 106 | Mexico | 34 |
| 106 | Niger | 34 |
| 111 | Ethiopia | 33 |
| 111 | Kosovo | 33 |
| 111 | United Republic of Tanzania | 33 |
| 114 | Egypt | 32 |
| 114 | Indonesia | 32 |
| 116 | Albania | 31 |
| 116 | Nepal | 31 |
| 116 | Vietnam | 31 |
| 119 | Mauritania | 30 |
| 119 | Mozambique | 30 |
| 119 | Sierra Leone | 30 |
| 119 | East Timor | 30 |
| 123 | Belarus | 29 |
| 123 | Dominican Republic | 29 |
| 123 | Guatemala | 29 |

| | | |
|-----|--------------------------|----|
| 123 | Togo | 29 |
| 127 | Azerbaijan | 28 |
| 127 | Comoros | 28 |
| 127 | Gambia | 28 |
| 127 | Lebanon | 28 |
| 127 | Madagascar | 28 |
| 127 | Mali | 28 |
| 127 | Nicaragua | 28 |
| 127 | Pakistan | 28 |
| 127 | Russia | 28 |
| 136 | Bangladesh | 27 |
| 136 | Ivory Coast | 27 |
| 136 | Guyana | 27 |
| 136 | Kenya | 27 |
| 140 | Honduras | 26 |
| 140 | Kazakhstan | 26 |
| 140 | Laos | 26 |
| 140 | Uganda | 26 |
| 144 | Cameroon | 25 |
| 144 | Central African Republic | 25 |
| 144 | Iran | 25 |
| 144 | Nigeria | 25 |
| 144 | Papua New Guinea | 25 |
| 144 | Ukraine | 25 |

| RANK | COUNTRY/ TERRITORY | SCORE |
|------|----------------------------------|-------|
| 150 | Guinea | 24 |
| 150 | Kyrgyzstan | 24 |
| 150 | Paraguay | 24 |
| 153 | Angola | 23 |
| 154 | Republic of Congo | 22 |
| 154 | Democratic Republic of the Congo | 22 |
| 154 | Tajikistan | 22 |
| 157 | Burundi | 21 |
| 157 | Myanmar | 21 |
| 157 | Zimbabwe | 21 |
| 160 | Cambodia | 20 |
| 160 | Eritrea | 20 |
| 160 | Venezuela | 20 |
| 163 | Chad | 19 |
| 163 | Equatorial Guinea | 19 |
| 163 | Guinea Bissau | 19 |
| 163 | Haiti | 19 |
| 167 | Yemen | 18 |
| 168 | Syria | 17 |
| 168 | Turkmenistan | 17 |

| | | |
|-----|-------------|----|
| 168 | Uzbekistan | 17 |
| 171 | Iraq | 16 |
| 172 | Libya | 15 |
| 173 | South Sudan | 14 |
| 174 | Sudan | 11 |
| 175 | Afghanistan | 8 |
| 175 | North Korea | 8 |
| 175 | Somalia | 8 |

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TI-M CONCERNS



- Lack of success in “high profile case” convictions
- Privatization and mega projects/contracts awarded without open tenders or competitive bidding
- Culture of secrecy and opaque framework –
 - Official Secrets Act, no federal Freedom of Information Act
 - No public disclosure of assets, income and liabilities
- Companies not liable when employees commit corrupt acts
- Corruption in political financing and general & party elections

TI-M RECOMMENDATIONS



1. Restore public confidence in the government’s commitment to fighting corruption - pursue corruption cases of officials at the highest levels without fear or favour.
2. Improve transparency :
 - Repeal Section 203A of the Penal Code amendment
 - Repeal Official Secrets Act and replace with a federal Freedom of Information Act
 - Public disclosure of assets, income and liabilities
 - Review weaknesses in Whistleblowers Protection Act

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TI-M RECOMMENDATIONS



3. *Malaysian Anti-Corruption Commission (MACC):*

- Grant more autonomy and independence without undue pressure or interference.
- Provide the necessary resources for enhanced productivity and professionalism.
- As a law enforcement agency, MACC should improve and increase enforcement, intelligence and evidence-gathering in order to boost public support and deter potential corruption.

TI-M RECOMMENDATIONS



4. *Amend Malaysian Anti-Corruption Commission (MACC) Act 2009 to close loopholes:*

- Section 23 - an administration member can award contracts, tenders and procurement to a relative or associate merely with a declaration of interest.
- Section 36 - no power to require a declaration of assets without initiating a corruption investigation.
- Include power to require explanation of “unusual wealth” that is not commensurate with income. (Already applicable to public officers).

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TI-M RECOMMENDATIONS



5. **Corporate Liability : Companies should also be punished together with their employees for corruption offences committed by their employees for the benefit of the companies.**
6. **Stiffer penalties for corruption convictions.**
7. **Implement TI-M's recommendations for reforms of political financing for political parties to be more transparent and accountable in how they receive and spend political donations.**

TI-M RECOMMENDATIONS



8. **Procurement:**
 - **No privatisation and mega projects/ contracts without open tenders and competitive bidding.**
 - **Ensure full implementation of TI's Integrity Pacts in all public procurement exercises (including defence procurement), and ensure transparency by publishing all details of privatisation projects and procurement contracts online (including directly negotiated contract that must be only awarded in truly exceptional cases).**

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TI-M RECOMMENDATIONS



9. **Electoral reform and reform of the Election Commission for better oversight and accountability and to ensure more autonomy, impartiality and integrity at federal and state elections.**
10. **Adoption of 'Open Government Partnership' to ensure better representation, better laws, better governance and better results.**

10 PRINCIPLES OF OPEN GOVERNMENT



1. **Maximum disclosure and full access to parliamentary legislative information.**
2. **Publication of information using simple forms and friendly search mechanisms.**
3. **Publication of analysis, deliberation and voting of parliamentary committees and plenary sessions.**
4. **Guaranteed access and transmission of complete plenary sessions.**
5. **Publication of detailed information on budget, management, administration and spending.**

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10 PRINCIPLES OF OPEN GOVERNMENT



6. Publication of detailed information about legislators and people's representatives – Asset declaration and declaration of interests.
7. Availability of mechanisms and tools for effective citizen monitoring and control.
8. Guaranteed inclusive citizen engagement in legislative projects.
9. Give preference to the use of open data formats and open source software.
10. Promote legislation to foster open government policies.

FLASHBACK ! PEMANDU'S INITIATIVES



GTP2.0: Anti-Corruption NKRA initiatives Source: Pemandu 

| Enforcement Agency | Grand Corruption | Government Procurement |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ol style="list-style-type: none"> 1. <i>Special Committee on Corruption to answer questions concerning MACC Annual Report in Parliament**</i> 2. Executive Review Committee in MACC 3. Project Management Office on Prevention 4. <i>Monitor compliance unit activities *</i> 5. <i>Monitor 'name and shame' *</i> 6. <i>Corporate Integrity System Malaysia (CISM) *</i> 7. <i>Streamline oversight committees**</i> | <ol style="list-style-type: none"> 8. <i>Complete prosecution of corruption cases within 1 year *</i> 9. <i>Improve political financing governance framework *</i> 10. Insertion of Corporate Liability Provision into MACC Act | <ol style="list-style-type: none"> 11. Fast-tracking access to AG Performance Audit Report for immediate action 12. Action Committee on AG report 13. Auditor General's online dashboard 14. Putrajaya Inquisition 15. <i>Implementation of comprehensive Integrity Pact for PPP projects *</i> 16. <i>Upgrading MyProcurement and integration with related procurement portals *</i> 17. <i>Guidelines for middle-men/lobbyist</i> 18. <i>Enhance technical capability by setting up standard and cost committee at every ministry and agencies *</i> |
| <div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p><i>*Brought forward from GTP 1.0</i> <i>**Dropped from GTP2.0</i></p> </div> | | |
| Education and Public Support New | | |
| <ol style="list-style-type: none"> 19. Setting up of Corruption Prevention Secretariat in Teacher's Training College 20. Training of MPs 21. Incorporate anti-corruption element in textbooks in primary and secondary schools | | |

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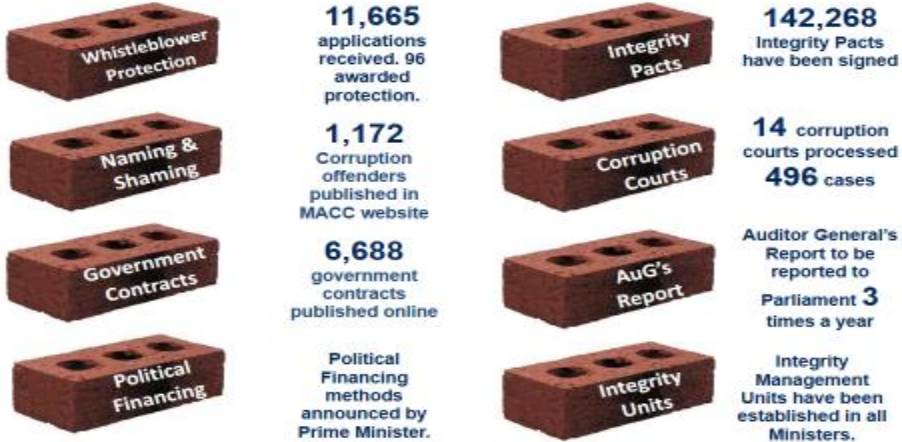
FLASHBACK ! PEMANDU'S INITIATIVES



Fighting Corruption:
Building Blocks showing encouraging results

Source: Pemandu

Fighting Corruption



Figures: 2010, 2011, 2012

NKRA has missed the first Parliament sitting – AuG have also missed other important deadlines for their initiatives

Aspiration:

- Increase **accountability of ministries** in the long run
- Transform the Auditor General Performance Audit to be **more action oriented**



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WALK AGAINST CORRUPTION



ANTI CORRUPTION AND FOREST GOVERNANCE WALK

Taman Rekreasi Bukit Jalil

GPS Coordinates: 3.056070, 101.674078

7 Dec 2013 (Saturday), 7.30am

Gathering point at car park opposite AFC Office

For enquiries, contact:

03-7960 6630 or ti-malaysia@transparency.org.my

A Nation Free of Corruption Starts with YOU



LASTLY BUT HARDLY THE LEAST



Thank you for your attention!

Comments and Questions.



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