



The Malaysian Society for Transparency and Integrity

(ROS Registration No. 1649)

(TI Malaysia)

2010 Annual Report

www.transparency.org.my

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1. The Executive Committee (Exco) and Attendance at Meetings

Y. Bhg. Datuk Paul Low Seng Kuan	President	11/11
Y. Bhg. Prof. Datuk Haji Mohamad Ali Hasan	Deputy President	7/11
Ngooi Chiu Ing	Secretary-General	11/11
Richard Wong Chin Mun	Treasurer	9/11
Y. Bhg. Dato' Murad Hashim	Member	10/11
Dr. Chin Yoong Kheong	Member	8/11
Mohamed Raslan Abdul Rahman	Member	8/11
Fahri Azzat	Member	9/11
Amu Tharmarajah	Member	8/11
Chew Phye Keat	Member	8/10

Note: Exco member, Lee Swee Seng resigned as Exco member in May 2010, upon appointment to judicial office.

2. The Secretariat

Alan Kirupakaran	Executive Director <i>(from July 2010)</i>
Victor Soosai	Project Manager (FGI)
Ms Kogilavani Parimanon	Project Officer (FGI)
Ms Usha Devi	Project Leader (PF)
Joseph Tong	Officer (PF)
Ms Jothy Thambidurai	Administrative Assistant

3. Highlights

Positive developments for Transparency International Malaysia (TI-M) in 2010 included:

- ◆ Fighting Corruption being designated as one of the six National Key Result Areas (NKRAs), and the adoption of Corruption Perception Index (CPI) and Global Corruption Barometer (GCB) scores by the government as Key Performance Indicators
- ◆ Issuance of a Treasury directive to Government agencies to implement the Integrity Pact (IP) in their government procurement activities.

Some 2010 highlights:

- ◆ appointment of TI-M as a consultant and smart partner for a 2-year period (2010 and 2011) to the NKRA fighting corruption initiative task force. Three main areas: preventing grand corruption (includes political funding), enforcement and procurement (Integrity Pacts)
- ◆ publication and launch of the book “Reforming Political Financing in Malaysia” in May
- ◆ organising a workshop involving FGI stakeholders from Indonesia and Malaysia in August. Participants included representatives of the Anti Corruption Commission, Customs and the Forestry departments from both countries
- ◆ release of TI’s Corruption Perception Index results in October
- ◆ commemoration of UN Anti Corruption Day with Seminar and Dinner in December
- ◆ signing of a pledge in December to fight corruption by representatives of the Malaysian business community. The pledge was substantially drafted by TI-M
- ◆ release of Global Corruption Barometer results in December.

4. Core Activities

4.1 Integrity Pact (IP)

OBJECTIVES

- ◆ To provide full transparency at every step of a well- designed contracting process through a legally binding no-bribe agreement, with sanctions for any who breaks it
- ◆ Enables governments/buyers to reduce high costs and distorting impact of corruption
- ◆ Builds up public confidence in the procurement system

START DATE – September 2009

BACKGROUND

The IP is a TI tool to address corruption in contracting processes, both public and private. More than 300 IPs have been successfully implemented to date, covering a wide variety of industries and sectors. TI-M is actively introducing IPs to the public sector, at national and state level.

ACHIEVEMENTS TO DATE

- Launch of Port Klang Authority (PKA) Whistle Blower Policy on 21 January 2010. This is among the recommendations by the Ad-Hoc Committee on Governance chaired by our President.
- Meeting with Dato' Sri Idris Jala, Minister in the Prime Minister's Department on 25 February 2010 at Putrajaya Shangri-La Hotel. The minister expressed strong interest in our Integrity Pacts (IP) and Political Financing projects.
- Signing Ceremony of IP between Port Klang Authority and Consultants, at Ministry of Transport, Putrajaya on 19 March 2010. The consultants will be bidding for tenders of two PKA projects.
- IP briefing to the Selangor State Executive Council (Exco) on 2 June 2010. Subsequent to the briefing, the Selangor Menteri Besar, Tan Sri Khalid Ibrahim announced at a press conference, the adoption of IPs by Selangor State.
- IP presentation to representatives of the Selangor State Exco on 24 June 2010.
- Joint press conference by our President with the Selangor Menteri Besar, Tan Sri Khalid Ibrahim on 29 June 2010. The Selangor state government announced its decision to implement IPs initially with Kumpulan Semesta Sdn Bhd (KSSB), a Selangor State company, with oversight over the sand mining operations in Selangor.
- Meeting with the Government's Performance Management & Delivery Unit (PEMANDU) to discuss IP implementation steps in the government procurement process, including board resolutions, disclosure, sanctions, arbitration and independent external monitoring.
- The Secretary-General made a presentation on IPs to the Small and Medium Industries (SMI) Committee of the Federation of Malaysian Manufacturers (FMM) on 13 July 2010. 17 members of the committee attended, and among the issues discussed were identification of independent monitors, dispute resolution, cost of implementing IPs and criteria in selecting projects.
- The President presented a paper on IPs at the National Procurement Guidelines Forum (Understanding the Integrity Pact and the Do's and Don'ts of Government Procurement) on 22 July 2010. The forum was organised by Malaysian Institute of Corporate Governance.
- An IP briefing was given to Invest Penang and Penang Development Corporation on 27 July 2010. The objective was to introduce the concept of IPs and highlight implementation and monitoring aspects.
- Signing of MOU with Perbadanan Kemajuan Negeri Selangor (PKNS) to set up Corporate Governance and Integrity committee and implement IPs.

RESULTS

- Increased awareness of IP concept and value, both at national and state levels
- IPs as mandatory requirement in the government procurement process (Treasury circular)
- Selangor state government announced plans in July 2010 to expand scope of IP to local council level.

PROJECT OBJECTIVES AHEAD

1. Implementation of IP for two Selangor state government companies, Kumpulan Semesta Sdn Bhd (KSSB) and PKNS
2. Further training to build a resource pool of IP trainers and monitors from TI-M members
3. Identification of a high value public procurement project with PEMANDU to incorporate IPs, especially Economic Transformation Program (ETP) Projects
4. Training for government procurement officers on IPs and how it can be incorporated into their procurement processes.

4.2 Forest Governance Integrity (FGI) Programme

OBJECTIVES

- ◆ To increase awareness of the challenges of corruption in the forestry sector
- ◆ To foster the development and application of monitoring tools
- ◆ To strengthen cooperation among relevant stakeholders in addressing the challenge

START DATE – March 2009

BACKGROUND

The target countries for this project are China, Indonesia, Malaysia, Papua New Guinea and Solomon Islands. The Transparency International Chapters in each country have set up local forestry units and Indonesia has started a Regional Centre in Jakarta and three units in the three major islands. The Regional Centre implements the project with the support of the TI Secretariat.

ACHIEVEMENTS TO DATE

- Seven FGI Units (including Malaysia) and the Regional Centre have been established in the project countries.
- Launch Meeting, including Capacity-Building Workshops for the FGI staff, in Jakarta in June 2009.
- A Manual and Tool for mapping, analysing and monitoring corruption risks in the forestry sector has been prepared in consultation with major global stakeholders, and is currently being adapted at the local level.
- 5 & 6 October 2009 – Regional workshop on the anti corruption tools in Kuala Lumpur.
- 22 – 26 February 2010 – Monitoring and Evaluation Regional workshop together with an Outreach Session, in Kuala Lumpur.
- April 29 2010 – Anti corruption tools Workshop in Kuala Lumpur with stakeholders from Peninsular Malaysia, Sabah and Sarawak.

- Consultations with stakeholders in Peninsular, Sabah and Sarawak are ongoing using the Anti - Corruption tools that have been developed.
- National diagnostic papers on forest governance have been drafted, and working papers on specific areas of intervention (Malaysia's working paper is on Reducing Incidence of Timber Laundering) have been prepared and are currently being reviewed.
- Anti Corruption Tools-Workshop on 4 & 5 August 2010 by TI Malaysia and Indonesia
- Newsletters with FGI news and communications network set up with the Regional Centre and TI-Secretariat (TI-S), in Berlin.

RESULTS

- Risk assessment and monitoring tools developed and implemented
- All stakeholders (public and private sector, civil society, communities) have increased opportunities to participate in the developing and implementing monitoring processes
- Increased strategic advocacy, capacity development and public discussions on problems and potential remedies for corruption and illegal and unsustainable deforestation.

PROJECT OBJECTIVES AHEAD

1. National adaptation and implementation of anti-corruption tools for the forestry sector through multiple local stakeholder consultations.
2. Mid-term regional meeting in Malaysia to monitor progress, revise work plans and strategies, and present preliminary results of the tools.
3. Verification of results through local stakeholder consultations.
4. Research papers on Forest Governance in areas identified as being of prime importance for anti corruption activities.
5. Publication of the tools results and of research papers.
6. Conversion of the anti-corruption tools to application software for advocacy work.
7. Collaboration with multiple agencies: MACC, Ministry of Natural Resources, Malaysian Timber Certification Council, Forestry Department, Institute of Foresters, Customs and State Agencies.

4.3 Reform of Political Financing (PF)

OBJECTIVES

- ♦ To assess levels of transparency and accountability in political financing in Malaysia and propose reform measures
- ♦ To enhance transparency and accountability in the financing of political parties and electoral competition with the aim of increasing public trust in the political system.

START DATE – June 2009

BACKGROUND

Review of the levels of transparency in current legislation, such as election laws, the financing practices of political parties, the funding of electoral campaigns and the institutional capacity of the relevant regulatory bodies to ensure fairness and accountability during elections.

ACHIEVEMENTS TO DATE

- Conducted study on structure of political financing and the Malaysian political system
- Prepared draft document on the state of political financing in Malaysia, covering:
 - Link between Money politics and Political business
 - Political System in Malaysia
 - Political parties in Malaysia and their structures
 - Party finances
 - Electoral system
 - Selection of Candidates for Elections
 - Election Procedures and Requirements
 - Media and elections
 - Issues requiring review
 - Case studies of other countries
- Participated in a public lecture at Institute Integrity Malaysia (IIM)
- Completed a report on the “Roundtable on Institutional and Legislative Reforms on Political Financing in Malaysia”
- Conducted research and interviews with past and present politicians and ministers on the state of PF in Malaysia
- Information collected formed basis for the book *Reforming Political Financing in Malaysia* launched in May 2010 at Eastin Hotel, Petaling Jaya
- Translation of the Political Financing Book into Bahasa Malaysia
- Nationwide workshops on reforming political financing in Malaysia – Shah Alam, Penang, Kuala Terengganu, Kuala Lumpur
- Meetings with Pakatan Rakyat Members of Parliament and with the de facto Minister for Law, Dato’ Seri Nazri Aziz in December 2010 to discuss TI-M’s recommendations

- Developing advocacy kit.

RESULTS

- Published book on “Reforming Political Financing in Malaysia” in May 2010
- Published Bahasa Malaysia version of the “Reforming Political Financing in Malaysia” book
- Increased awareness on the state of PF in Malaysia and the need to reform existing legislation and introduce new legislation.

PROJECT OBJECTIVES AHEAD

1. Workshops in East Malaysia to discuss strategies, gather inputs, exchange ideas and to raise public awareness on the issue of reforming political financing in Malaysia
2. Engage with stake holders consisting of legal experts, political scientists and civil society representatives
3. Establishing Expert Committee to develop memorandum to Prime Minister
4. Handing of memorandum to the Prime Minister in March 2011.

4.4 Freedom of Information (FOI)

OBJECTIVE

- ◆ Enactment of legislation to acknowledge the public's right to information through training, awareness raising and a national conference.

START DATE – 2009

ACHIEVEMENTS TO DATE

- Conducted Train the Trainer session on FOI Act in Kuala Lumpur from 6-8 January 2009
 - Training conducted by Toby Mendel, a trainer from Article19 Law organization
 - Nine participants attended from TI-M, CIJ, Bar Council, SUARAM, Amnesty International, CPPS and Al-Jazeera
- Conducted Nationwide Awareness Sessions between May to September 2009
 - Sessions were held in Klang, Kuala Lumpur, (two workshops), Perak, Penang, Kelantan, Negeri Sembilan, Sabah and Cameron Highlands
 - Sessions comprised a series of half-day talks and awareness sessions for target and interest groups such as from the academia, civil society organizations, government agencies, and business and legal communities.

- Participants included NGOs, public, academic, students, government officials, businessmen, journalists, religious groups
- Conducted a Regional Conference from 4-5 November 2009. Included presentations from India and Indonesia of regional experiences and case studies. Objective was to raise the profile of the issue and to get media coverage on FOI civil society initiative. Participants were policy makers, civil servants, business, politicians, NGOs, Bar Council, media and public.
- Organised a Freedom of Information Roundtable on 9 December 2009, to gather ideas on action plans, strategies and coalition building towards achieving an FOI Act. Participants included NGOs, Bar Council, Environmental groups, academic institutions and Residents Association.

RESULTS

- Introduced main FOI ideas to relevant stakeholders
- Reached a wider audience to gain support for FOI legislation
- Local media gave higher profile on the FOI issue
- Coalition for the FOI BILL campaign 2010 consisting of the Dialogue participants was established
- A task force was set up to develop the action plan for the Coalition
- Selangor government tabled the FOI Enactment Bill (2010) in the State Assembly in July 2010.

PROJECT OBJECTIVES AHEAD

1. Participants of the intensive Train the Trainer sessions on FOI (laws, cases and implementation) will train and engage with other interest groups such as business community, lawyers, government bodies and civil society.
2. TI-M will lead the Coalition.

4.5 Joint Activities with TI-S and other TI Chapters

- FGI project – With TI-S, TI Indonesia, TI Solomon Islands
- IP – With TI-S and TI India on documentation and best practices for implementation
- TI-S - G-20 Working Group on Corruption
- CPI Review – The Secretary-General is a member of the review team (one of two representatives from the Asia Pacific region)
- Revenue Watch Index 2010 - TI-S Private Sector team (and Revenue Watch Institute)
- Promoting Revenue Transparency 2010 – TI-S Private Sector team.

4.6 Other Activities

- Participation as Advisors in NKRA Meetings on Corruption
- Engagement with International Bodies relating to Finance, Governance and Integrity (*Global Financial Integrity (GFI)*)
- Conducting seminars and workshops
- Interviews with media
- Dialogues with foreign missions
- Press releases.

5. Membership

Membership figures as at the respective dates are as follows:

Category	February 2011	January 2010
Ordinary	95	91
Corporate	38	41
Friend	5	4
Total	138	136

6. Funding

The annual operating budget is approximately RM940,000. This includes general and administrative (G&A) expenses and project expenses.

G&A expenses were funded by Petronas by a three-year grant of RM360,000 per annum from October 2007 to September 2010. Petronas has slashed the grant to RM120,000 per annum for the period October 2010 to September 2013. TI-M has appealed for the previous quantum to be reinstated.

The Exco's Fund raising Committee has identified the following alternative sources for funding G&A and Project expenses:

- ◆ Increasing the number of and annual subscription of Corporate members
- ◆ Creating a foundation in an individual's name for the promotion of transparency
- ◆ Annual grants from business Chambers and Associations. So far, Federation of Malaysian Manufacturers (FMM) has agreed to fund RM60,000 per annum beginning 2011, to be reviewed annually
- ◆ Payment for training and consultancy services provided by TI-M members or associates.

2010 project funding was as follows:

Project	Contributor
Forest Governance Integrity	<ul style="list-style-type: none">• Europe Aid• Royal Norwegian Embassy, Kuala Lumpur• British High Commission, Kuala Lumpur
Reforming Political Financing	<ul style="list-style-type: none">• Konrad-Adenauer-Stiftung• Embassy of the Kingdom of the Netherlands, Kuala Lumpur

7. Acknowledgments

We wish to express our deepest gratitude and acknowledge the strong support and contributions from the following organizations, without which our work and achievements would not have been possible:

- Petronas
- Konrad-Adenauer-Stiftung
- Royal Norwegian Embassy, Kuala Lumpur
- Embassy of the Kingdom of the Netherlands, Kuala Lumpur
- British High Commission, Kuala Lumpur
- Federation of Malaysian Manufacturers
- Europe Aid
- PEMANDU
- MACC
- TI Secretariat - Asia Pacific Department
- Vistage Malaysia Sdn Bhd
- Top Glove Foundation
- Malaysian Automotive Component Parts Manufacturers
- Malaysian Dutch Business Council
- Khind Holdings Berhad
- Ernst & Young
- Sarawak Economic Development Corporation
- Emerging Pharma Sdn Bhd

8. Significant Activities

Month	Date	Description
January	21	The Transport Minister launched PKA's Whistle-Blower Policy. This is among the recommendations submitted by the Ad-Hoc Committee on Governance chaired by the President.
	21-23	Institut Integrity Malaysia (IIM) organised a retreat in Port Dickson to discuss the National Corruption Perception Index and other indices. TI-M was represented by the Secretary General.
	25	Launch of European Union's Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan with its regional headquarters in Kuala Lumpur.
February	22-26	65 participants, including embassy representatives attended the FGI workshop on Evaluation and Monitoring.
	25	The President and Secretary General met with Dato' Sri Idris Jala, Minister in the Prime Minister's Department and his officers to brief on TI-M's activities. The minister expressed strong interest in our Integrity Pacts and Crinis project.
March	4-5	Meetings with Pascal Fabie, TI-S Regional Director, Asia Pacific and Ms Samantha Grant, Programme Coordinator Asia Pacific. Topics covered included the international environment for NGOs, governance and accountability of the chapter.
	5	Meeting with Mr Eugene Teh, Director in charge of Anti Corruption NKRA in PEMANDU and Ms Adilah Junid, Senior Manager to discuss the use of TI's indices, including the Corruption Perception Index (CPI), Global Corruption Barometer (GCB) and the National Integrity System Assessment as benchmarks.
	9	The President gave a presentation on Integrity Compliance in the Corporate Sector at the Audit Committee Institute (ACI) Roundtable Discussion.
	9	The President met with trade representatives from International Trade Administration, US Department of Commerce on the subject of market access, compliance and the impact of corruption on international trade.
	10	The President presented a paper entitled "Preventing Bribery in Procurement" at the National Conference on Procurement Best Practices for The Public Sector, Statutory Bodies and Government –Linked Companies.
	13	H.E. Vincent Picket, EU Ambassador met with the President and Secretary General to discuss current developments, including the perceptions of corruption, role of MACC, equal market access and transparency in procurement.
	19	Signing ceremony for Integrity Pact between Port Klang Authority and Consultants at Ministry of Transport, Putrajaya.
	29	Courtesy visit by MACC's Management & Divisional Directors. A frank and wide-ranging and discussion with TI-M Exco members followed.
May	4	The President was interviewed by Australia's "Four Corners" TV program on the ongoing case relating to payment of commissions to Malaysian agents for printing of polymer currency.

Month	Date	Description
May	4-6	<p>TI-AP (Asia Pacific) Regional Programme Meeting (RPM) was held in Gurgaon, India. The RPM discussed Thematic Priorities, Support to National level work & effectiveness, and the Movement's Key Organizational Development Choices. The Key Organizational Choices included: Values, Principles & Policies (accreditation, accountability and governance), Performance (requirements, monitoring & evaluation, strengthening), Geographical Presence and Size, Organisational Roles and Relations, Funding & People (size, type, flows).</p> <p>Key overarching proposals included: Setting standards/measures for performance, monitoring and evaluation, and for this to be part of the accreditation process; TI values, policies, procedures and governance to be recorded in a policies and procedures manual. Interesting proposals included: full transparency (including sources of funding, accounts and salaries), tightening up of TI-membership and perhaps membership by invitation only, and limiting votes of individuals to 10% of total votes.</p>
June	2	The Secretary-General briefed the Selangor State Executive Council (Exco) on Integrity Pacts (IPs). Subsequent to the briefing, the Selangor Menteri Besar, Tan Sri Khalid Ibrahim announced at a press conference, the adoption of IPs by Selangor State.
	24	The Secretary-General made a presentation to officers representing the Selangor State Exco on Integrity Pacts. TI-M recommended sand mining as a suitable project for IPs.
	28	The President participated as a panelist in a roundtable discussion on "Moving Towards Excellence in Corporate Governance" organised by Bursa Malaysia and Securities Commission.
	28	Meeting with H.E. Ambassador Abrild Braastad of the Royal Norwegian Embassy and the First Secretary, Ms Aashild Kjoek to discuss the possibility of funding the FGI project.
	29	Press conference by the Selangor Menteri Besar, Tan Sri Khalid Ibrahim, to announce the Selangor state government's decision to implement IPs initially with Kumpulan Semesta Sdn Bhd (KSSB), a Selangor State company, with oversight over the sand mining operations in Selangor.
July	6	2 nd Annual Corporate Governance Summit 2010 organised by Malaysian Institute of Corporate Governance and Federation of Public Listed Companies. The President presented a paper.
	7	Meeting with Pravind Menon of Siemens to discuss the formation of the Coalition of Enterprises against Corruption.
	7	Indonesia – Malaysia Timber Trade and Adaptation of FGI Tools workshop.
	9	Meeting with PEMANDU on IPs. Areas discussed included sanctions in case of violation, statement of compliance by bidders and composition of Independent External Monitors (IEMs).

Month	Date	Description
July	9	1 st IP Training for TI members was conducted by the President to identify trainers and monitors. Six members attended. TI-M's objective is to build a pool of resources for trainers and monitors for IP projects.
	13	Meeting with Malaysians for Free and Fair Elections (MAFREL) to discuss possible collaborations. MAFREL's major challenge is in getting sufficient volunteers (approx. 5-6,000) to monitor all parliamentary seats during general elections. TI-M can take MAFREL's views when we engage with the government.
	13	IP presentation to Federation of Malaysian Manufacturers (FMM) SMI committee. Members of the committee queried on the ease of implementing in an SMI environment, the degree of government buy in and the costs involved.
	15	Academic Forum at UiTM – Rasuah Satu Jenayah, Kenapa di Politikkan? The President was a panelist, together with Datuk Azman Ujang (MACC Advisory Panel), Dr. Ridhuan Tee Abdullah (National Defense University) and En. Akhbar Sattar (Security consultant and TI-M member). Topics discussed included the prevalence of trial by media, and how the lack of prosecution powers can affect public perception of the MACC.
	19	The President was interviewed on Bfm radio on the subject "Tackling Corruption". Areas covered included the advocacy role TI-M plays, challenges faced by the organisation in speaking up against corruption, current initiatives, the stakeholders we engage with and the environment necessary to fight corruption effectively.
	22	The President presented a paper on "Integrity Pact – A Powerful Tool for Clean Bidding" at the National Procurement Guidelines Forum. Approximately 150 participants from various government and private sector organisations attended.
	22	The Deputy President was interviewed by I Luv Islam magazine, a publication of the Karangkrif/Sinar Harian group. Among the topics were the definition, types and sources of corruption, Malaysia's CPI ranking, reasons for corruption and why is it difficult to eradicate.
	23	FMM's Ethical Business Practice Committee (EBPC) meeting chaired by the President. Implementation of IPs in Malaysia, key highlights of the Whistleblower Protection Act 2010 and the establishment of Companies Commission of Malaysia's Special Taskforce to Combat White Collar Crime were discussed.
	27	Presentation on IPs to Invest Penang and Penang Development Corporation (PDC). Approximately 45 representatives from Invest Penang, PDC and other government linked subsidiaries attended. The questions ranged from the ideal number of Independent External Monitors (IEMs), main cost components of the IP (paying for monitors, public hearings), conditions necessary to successfully implement an IP, criteria's in identifying a project, to policies that encourage whistle blowers.
	28	Meeting #1 with MACC and representatives of business community to draft a pledge to fight corruption. MACC is tasked to prepare a pledge that will be signed by representatives from major business groupings. The pledge will include a declaration, commitments and business principles for upholding integrity and countering corruption.

Month	Date	Description
August	2	The President's interview on NutGraph – Money Politics v Public Interest was published. The President talked about why Malaysians need to pay attention to how political parties get and spend their money. He also discussed the reforms which need to happen to stop political parties from perpetuating the current system.
	4	The President talked on "Tackling Corruption in Corporate Malaysia" at the at the bi monthly CSR briefing organised by CSR-Asia. 52 attendees representing organisations such as Maxis, Bursa Malaysia, Pos Malaysia, MACC, Plus Expressways, TNB, YTL Corporation and MACC were present.
	4-5	FGI Workshop at MACA, KL on "Indonesia-Malaysia Timber Trade and Adaption of FGI Tools". 83 participants including 22 from Indonesia attended. They included Customs, Forestry Department, MACC, Ministry of Plantation Industries and Commodities, Institute of Foresters, Malaysian Timber Council and representatives of foreign missions. Further details are available in the FGI Activity Report.
	5	PF Workshop at Shah Alam on "Reforming Political Financing in Malaysia". 66 participants from political parties, universities, Election Commission, MACC, Bar Council and NGOs attended.
	10	TI-M presented our activities to the Royal Norwegian Embassy. The Norwegian Embassy is a strong supporter of TI-M, including funding the FGI project.
	19	Meeting #2 with MACC and representatives of business community to draft a pledge to fight corruption. TI-M proposed that the TI Busines Principles for Countering Bribery be adapted for the pledge and that the TI-United Nations Global Compact guidelines – The 10 th Principle Against Corruption be included as a reporting guidance in the pledge.
	21	The President answered 10 readers' questions in the Star Weekend. Among the questions asked were rating TI-M's success in helping to mitigate corruption, the President's vision for TI-M, common obstacles encountered as the President, the effectiveness of MACC in fighting graft and comparisons between running a private company and an influential NGO.
	23	Meeting with Dato' Baharuddin, Ex Director General Malaysian Timber Industry Board (MTIB) on strategy to address corruption in the Timber trade. He gave an overview of the nature of the timber industry, the movement of timber through the value chain and challenges faced by enforcement agencies in curbing illegal logging and graft. The meeting discussed possible areas where a consultative approach could be taken.
	26	PEMANDU updated TI-M on the progress of NKRA initiatives related to corruption. Nine "Big Win" items have been identified in the Government Transformation Plan (GTP) roadmap. They include the Treasury circular relating to support letters, publishing of a 'name and shame' offender database on the MACC website, publishing of over 3,500 contracts on the Ministry of Finance's portal, gazetting of the Whistleblower Act and enforcement of stiffer punishment by JPA.

Month	Date	Description
August	30	IP presentation to Kumpulan Semesta Sdn Bhd (KSSB), a subsidiary of Selangor State Government. 10 representatives from KSSB including its directors, CEO and senior management attended the presentation. The presentation highlighted ways the IP could be implemented for KSSB's procurement processes. It was agreed that training for relevant stakeholders, namely KSSB staff and contractors was vital in getting buy in for this initiative.
September	1	Formation of Expert group following the August 2010 workshop to produce the FGI report that will focus on the current set-up of the Forestry sector and identify potential and existing areas that are highly vulnerable to corrupt practices.
	20	Courtesy visit with Mr. Jan A. Soer, Deputy Head of Mission, Embassy of the Kingdom of the Netherlands. The meeting discussed TI-M's activities such as IPs, coalition of MNC's against corruption and the PF project.
	20	Meeting with Ir. Wan Halim (CEO of Kumpulan Semesta Sdn Bhd) and Puan Arfa'eza Abdul Aziz (Press Secretary to the Selangor Menteri Besar). Purpose was to highlight the importance of having a clear Governance Structure in KSSB, including the appointment of Independent Directors and an Audit Committee within the KSSB board.
	22	The 1 st KSSB IP meeting with TI resources to discuss the scope of engagement with KSSB and the framework for the proposal. The proposal will include Process and Corruption Risk Mapping, Preparation of Proposal and Quotation, Preparation of Monitoring Tools, Training, Briefing to KSSB staff and stakeholders and preparation of a Governance Infrastructure
	23	Nikola Sandoval from TI-S visited. Matters discussed included TI-M's previous and present engagement model with stakeholders, our involvement in the PKFZ scandal, the status of the defamation suit, funding status, the MACC Business Pledge and the upcoming UN Anti Corruption Day event.
	24	Meeting with Forestry Department officers to discuss the FGI project and formation of an action committee of 3 people from Forestry Dept, and one from each state.
	27	The PF team attended the roundtable discussion for civil society members with the Selangor government on the FOI Bill.
	27	Meeting with the Norwegian Embassy to discuss requirements for their upcoming Regional Ambassadors meeting in Kuala Lumpur.
	27	Petronas invited TI-M to present an overview on IPs to their Supply Chain & Risk Management team. Petronas outlined their procurement process and stated that they have internal committees which conduct independent reviews of their tenders.
	28	The final MACC Pledge meeting was held at Putrajaya. It was agreed that TI-M, IIM and ACCCIM together with MACC would draft the final version of the pledge. TI-M also gave an overview of IPs to the meeting.
	29	Mr Stuart Shaw, the Second Secretary for Political, Economic and Public Affairs from the High Commission of Canada paid a courtesy visit.

Month	Date	Description
September	29	FGI team met with officers representing various Sarawak stakeholders.
	30	Meeting with Ir. Wan Halim (CEO of KSSB) and Puan Arfa'eza Abdul Aziz (Press Secretary to the Selangor Menteri Besar) on IPs with KSSB. Datuk Paul briefed Ir. Halim on the composition and terms of reference of the proposed Committee on Governance and Integrity.
	30	Meeting with Sarawak Forestry Department and Forestry Corporation officers.
October	1	The President was a judge at the CIMA Enterprise Governance Award 2010 ceremony. The event was organized by the Malaysian Business magazine.
	1	Meeting with Malaysian Timber Industry Board Sabah and Yayasan Sabah officers.
	3	Meeting with Universiti Malaysia Sabah (UMS) to test and pilot the FGI Anti-Corruption tool.
	7	FGI project presentation to regional Norwegian Ambassadors. Areas covered included work done thus far, conferences conducted and challenges faced, both within Malaysia and regionally.
	9	The Northern Region PF Seminar was held at the Traders Hotel, Penang. 54 guests from civil society, political parties and the media attended. The panelists were YB Lim Guan Eng (Chief Minister of Penang) and Datuk Wira Abdul Halim (Deputy Chairman of the Election Commission). The President moderated the session.
	15	A meeting was held with PEMANDU to discuss general updates, IPs, release of the CPI, Whistleblower protection regime and the IACC in Bangkok.
	20	Local business publication Business Today (BT) interviewed the President on corruption and its effect on Malaysia's economy. The interview also covered government initiatives and effectiveness in curbing corruption and TI-M's activities. BT is a monthly publication with a circulation of 10,000 copies.
	20	The Selangor Menteri Besar held a press conference to announce IP implementation in Perbadanan Kemajuan Negeri Selangor (PKNS). He highlighted that this is part of the State Government's ongoing efforts to improve corporate governance and procurement processes of its subsidiaries. He hoped that the IP could be implemented by mid 2011.
	26	The 2010 CPI release was attended by 56 invitees and press. Malaysia's 2010 score dipped to 4.4 from 4.5 in 2009. The President spoke of the relevance of the CPI results to a country, as it has international credibility and is used by investors as a barometer in assessing a country's corruption risk. He also spoke of the link between CPI and GDP, and stated that Malaysia's wish to have a high income economy may be jeopardized by high corruption levels.
	26	FGI team met with officers representing various Sabah stakeholders. 10 participants from Malaysian Timber Industry Board (MITB), Sabah Timber Industry Association, Timber Association Sabah, University Malaysia Sabah UMS) and Sabah Anti Corruption Commission were present.

Month	Date	Description
October	27	The President gave a talk on Corporate Governance and Integrity at Sarawak Economic Development Corporation (SEDC)'s Integrity Day event in Kuching. He spoke on Malaysia's latest CPI results, and the impact corruption and the lack of good corporate governance systems can have on an organization's ability to meet its obligations to stakeholders.
	27	FGI team met with officers representing various Sarawak stakeholders including Forestry Department, Timber Industry Development Corporation, Timber Association and local MACC officers.
November	1	The President attended a SUHAKAM roundtable discussion to discuss Business and Human Rights. He spoke of the link between corruption and business and its effects on human rights. SUHAKAM's aim is to formulate policies on addressing conflicts between business and human rights.
	1	Berita Harian interviewed the President to discuss the latest CPI ranking. Specific areas covered included reasons for Malaysia's performance, initiatives undertaken by the government and recommendations by TI-M to improve our CPI score.
	7-9	<p>The TI Asia-Pacific Regional Governance Meeting (RGM) and Annual Membership Meeting (AMM) were held at the Imperial Queen's Park Hotel, Bangkok. The Asia Pacific Department (APD) gave their Strategic Review and Progress Report which covered among others:</p> <ul style="list-style-type: none"> • development of funding – both secured (until mid 2011) and ongoing • ongoing projects – FGI, Advisory and Legal Assistance Centres (ALACs), political accountability, youth integrity promotion and climate finance • Establishment of new country contacts – Cambodia, Timur Leste and Afghanistan <p>The RGM concluded by identifying the next steps for National Chapters (NCs):</p> <ul style="list-style-type: none"> • deploying tools for NC's to assist them in implementing the 2015 Strategy • NC's to identify their engagement and specific strategy priorities areas TI-S implementation plan for Strategy 2015
	10-13	<p>The 14th International Anti-Corruption Conference (IACC) was held at the Queen Sirikit Convention Centre in Bangkok. 1,200 delegates from 135 countries attended, comprising representatives from the public, private and non-profit sectors. Recurring themes were corruption in climate change, achievement of the Millennium Development Goals and improved corporate governance. The discussions centered on actions and strategies to overcome the effects of corruption in these areas.</p> <p>The delegates endorsed the Bangkok Declaration themed "Restoring Trust"; the main points of the declaration were:</p> <ul style="list-style-type: none"> • Restoring trust for peace and security • Fueling transparency and accountability in natural resources and energy markets • Ensuring a collective commitment to climate governance • Strengthening global action for an accountable corporate world • Reaching our Millennium Development Goals • Empowering people to change the rules of the game

Month	Date	Description
November	11	The Secretary General attended a lunch meeting with HE Miles Kupa, Australian High Commissioner and others. Electoral, political financing and political party regulation reforms were discussed.
	13	Workshop on Opportunities and threats of REDD+ in Bangkok.
	15	The President visited the Office of the Ombudsman of Thailand. General discussion and exchange of views were made concerning TI Thailand's active engagement with the Ombudsman and the functions and effectiveness of the Ombudsman.
	23	The President presented a paper entitled "Implementing Best Compliance Programs – Best Practices" at the Corporate Governance Symposium held at Sheraton Imperial, Kuala Lumpur. Other speakers included representatives from Malaysian Institute of Integrity (IIM), Malaysian Directors Academy and Malaysian Institute of Corporate Governance (MICD).
	26	Courtesy visit by Paul Brown, Counselor for Economic Affairs and John Slover, Political Officer, of the US Embassy to. TI-M's current activities and initiatives with government agencies were discussed. The US Embassy hope to see a more vigorous open tender policy and further liberalisation of the national automobile policy, in view of the upcoming regional Free Trade agreements (FTAs).
December	1	The Political Financing team met with Pakatan Rakyat Members of Parliament and the <i>de facto</i> Minister for Law at Parliament House to get their feedback on our proposed recommendations.
	3	Meeting with KSSB's CEO on the setting up of their Governance and Corporate Integrity committee. The President reviewed the role and functions of the committee, to be formed after approval from KSSB's board, which will function with TI-M's input for an initial 6-month period.
	6	<p>TI-M's UN Anti Corruption Day Seminar and Dinner event was held at Kuala Lumpur Golf and Country Club. The Seminar was opened by DPL who read his "<i>Open Letter to the Citizens of Malaysia</i>".</p> <p>The speakers for the 1st session "<i>The Fight Against Corruption - Regional Experience</i>" were Mochamad Jasin, Vice Chairman of Indonesia's Anti Corruption Agency, Komisi Pemberantasan Korupsi (KPK) and Anushika Amarasinghe, Senior Advisor of TI-Sri Lanka.</p> <p>The 2nd session was on "<i>The Role of the Private Sector in Fighting Corruption</i>". Representatives from the Malay and Chinese Chambers of Commerce spoke on why corruption occurs in the private sector and its contributing factors.</p> <p>The 3rd session was a panel discussion on "<i>Effectiveness of Public and Private Enforcement on Corruption and Corporate Misdeeds</i>". The Panel comprised Tan Sri Abdul Halim Ali, Chairman of Minority Shareholder Watchdog Group (MSWG); Dato' Dr. Nik Ramlah Mahmood, Executive Director (Enforcement), Securities Commission (SC); Muhammad Salim Sundar, Assistant Commissioner, MACC; Rita Sim, Executive Director, Sin Chew Media and P. Gunasegaram, Managing Editor, Star Biz.</p>

Month	Date	Description
December	6	The guest of honour at the Dinner Talk was Dato' Sri Idris Jala, Minister in the Prime Minister's Department and CEO of Performance Management and Development Unit (PEMANDU). His speech was entitled " <i>Public and Private Sector Partnership in Combating Corruption</i> ".
	9	MACC Signing ceremony – Pledge to Fight Corruption by the Business Community in Putrajaya. The pledge, substantially drafted by TI-M, was signed by the Presidents of the five major Chambers of Commerce in Malaysia, witnessed by the Prime Minister. The signing ceremony was preceded by a panel discussion on the topic "Upholding Business Integrity in Challenging Times". Moderated by Datuk Dr. Mohd Tap, President of IIM, the panel members included The President, Tan Sri William Cheng (President, Chinese Chamber of Commerce) and Tuan Hj. Mustafar Ali (Director of Investigations, MACC).
	10	2010 Global Corruption Barometer (GCB) Results release and press conference. 22 press representatives and 14 invitees attended. Highlights of the 2010 results together with our recommendations were presented. The report noted that corruption has generally increased around the world. In Malaysia, the institution viewed as being most corrupt was the Police, followed closely by Political Parties. DPL reiterated that there should be stronger reinforcement of the principle that 'No one is above the law.' On a positive note, there is significant improvement in the public's perception on the effectiveness of the government efforts in fighting corruption (48% in 2010 vs. 28% in 2009). This is one of the KPIs for PEMANDU to measure the success of the government's anti corruption efforts.
	14	Meeting with UNDP Malaysia to understand each organisation's activities and identify possible areas of common interest. UNDP Malaysia's initiatives center on capacity building such as the Anti Corruption courses for OIC countries conducted at MACC Academy (MACA). A potential area for collaboration is the development of IP training modules for government procurement officers.
	16	The President and the PF team attended the 1 st meeting of the NKRA Monitoring and Coordination Division related to Corruption. Topics of discussion were Political Financing, CPI and IP for government procurement processes.
	17	Meeting with PEMANDU to discuss 2011 plans. Apart from IP and PF, another area of interest is pushing for Corporate Governance measures to be mandated and supervised by regulatory institutions. This measure can be viewed as supporting the recent business community Anti Corruption pledge.
	19	A closed door briefing by the Malaysian Civil Liberties Movement (MCLM), a movement which plans to offer alternative candidates for the next general election. Also attending were other civil society representatives. The PF recommendations were forwarded to MCLM for their review and feedback.
	21	The President spoke at a MACA seminar held in conjunction with the inaugural training programme for Certified Integrity Officers (CIO) of government agencies. The subject was Corruption and Integrity Survey. The other speaker was Ibrahim Suffian, Merdeka Centre.

Month	Date	Description
	22	KSSB conducted a closed door briefing on their operations for TI-M's Independent External Monitors (IEMs) for the IP project. Key members on KSSB's Operations unit provided information on their principal processes and procedures.

9. 2010 Press Releases

MONTH	DATE	TITLE
January	18	TI Malaysia Supports Reforms to Curb Political Corruption
	29	Fighting Corruption
March	15	TI-Malaysia calls for Integrity Pacts (IPs) in Klang River Rehabilitation Project
	18	Launch of TI-Malaysia Legal Defence Fund
May	13	MP's Allegation Concerning Graft in Mining Firm
June	9	PKFZ Fiasco – No Further Action (NFA)?
	18	More transparency, governance and integrity in Government contracting
July	9	Contract Award to PLUS
	9	Appointment of Selangor Local Councilors
	15	Tabling of FOI Bill 2010 in Selangor State Assembly
	27	Striking off of Defamation Suit by Datuk Seri Tiong and Kuala Dimensi against The President
September	20	TI-M calls for PKR election to be free of money politics
October	11	2010 Revenue Watch Index Report
	12	Welcome address at seminar on Reforms in Political Financing, Penang
	26	Corruption Perception Index (CPI) 2010 Results
	27	Conference speech in conjunction with Sarawak Integrity Day
December	6	Open Letter to the Citizens of Malaysia (on the occasion of UN Anti Corruption Day)
	10	Global Corruption Barometer (GCB) 2010 Results