



TRANSPARENCY INTERNATIONAL MALAYSIA



# NEWSLETTER

A Nation Without Corruption, A Society With Integrity

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## PRESIDENT'S MESSAGE

As the year 2019 ended, the nation continues to struggle to pay its debt caused by the 1 MDB and SRC scandals. According to the Minister of Finance as of October 2019, Malaysia has paid close to RM 13.9 Billion for both 1 MDB and the SRC scandals since 2017.

In November 2019 at the Annual Membership Meeting in Berlin, TI-Malaysia were represented by the President and the Deputy President and a resolution was passed to lobby for the return of the stolen assets of the 1 MDB to the Malaysian people. The resolution received overwhelming support from all the chapters worldwide.



While the action taken by the government to address the issues surrounding the scandals of 1 MDB, SRC, Felda and Tabung Haji are commendable, however institutional reforms that Pakatan Harapan promised are moving at a very slow phase. Similarly the National Anti -Corruption Plan which was launched a year ago and recently the Prime Minister announced that out of the 115 initiatives, 22 initiatives have been completed. However this does not mean anything to the general public unless the government makes a clear disclosure on what these 22 initiatives are.

For Transparency International Malaysia the year 2019 had been a successful year where we completed our target of organizing the Whistle Blower Protection Forum and the Beneficial Ownership Forum. TI-Malaysia has written to the Minister of Law YBhg Datuk Liew Vui Keong recommending several amendments to the existing Whistleblower Protection Act 2010. As for the Beneficial Ownership the Companies Commission of Malaysia has come up with guidelines for companies to make a disclosure on the ultimate business owners. The MACC Commissioner Pn. Latheefa Koya was the guest of honor at this forum. Both forums were funded by MARI –US AID and we thank them for their support.

Moving forward in 2020 TI-Malaysia hopes the government will continue to have the political will to reform the various institutions and introduce the necessary laws. Among the key reforms are like passing the bill for Political Funding and Independent Police Complaints and Misconduct Commission (IPCMC) which is long overdue.

Best wishes,

*Dr Muhammad Mohan*

President  
Transparency International-Malaysia

## EDITORIAL

### WHEN WILL WE BE THERE?

2019 has no doubt been a hectic year for both TI Malaysia as well as the government and the enforcement agencies. There was a general sense of achievement as far as the curbing of corruption in the public sector and the political arena was concerned. Many public and public sector figures were apprehended and taken to court. Kudos to the MACC and the police for their diligent efforts in ensuring good governance in Malaysia.

The question therefore arises, with all the reforms that are being implemented to ensure a corruption free transparent nation, will we able to achieve as an Utopian state that is squeaky clean, transparent, honest and with full integrity? Isn't that the objective of all those civil minded organizations cajoling and prodding the government of the day to meet? Though it might be impossible, we can at least be somewhere near that objective.

Human civilization is not only based on scientific progress, innovations and infrastructural development. It can also be described as the maturing of the human mind, the development of morality and civil behavior built on trust, honesty and integrity. In that aspect, we in Malaysia have achieved the material progress that makes us a modern nation but truly and honestly can we be considered a truly civilized nation? If we can eliminated corruption and greed in all sectors of society, we can simultaneously wipe out crime, contraband, human trafficking, illicit funds, drugs and a whole lot of ailments that has beset the nation recently.

We believe that we have first to set our moral compass right, beginning with our children at the youngest possible age. Proper parental guidance plus the inculcation of moral guidelines through a righteous educational medium will nurture citizens with the right perception of a just society. Only then, can we be there – a globally respected nation, admired by all.

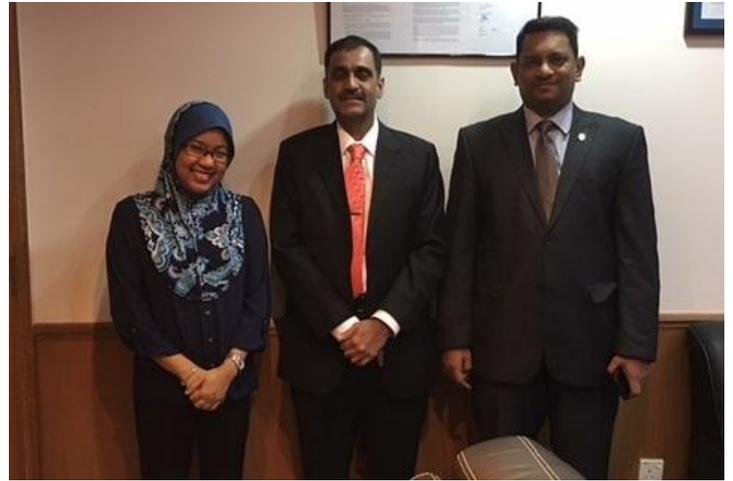
In that respect, we at TI Malaysia are privileged to be part of the global effort to benchmark nations and act as the moral barometer to measure the state of progress in instituting a corruption free nation through our much anticipated Global Corruption Perception Index. Malaysia, we are sure would have gained much ground to rise in its ranks but there is still a lots of work to do before we reach our Utopian state.

*Sivasangaran Nair*



## MEETING WITH BAR COUNCIL AMENDMENT NEEDED IN THE WHISTLEBLOWER PROTECTION LAW

A short meeting was held between TI-Malaysia and the President of the Bar Council, Dato Fareed Abdul Gafoor on 8 October at the Bar Council office in Kuala Lumpur. It was a very beneficial meet, despite being very brief where we discussed various issues enveloping Malaysia especially in the amendments to the Whistleblowers Protection Act 2010.



(L-R): Adlina, Dr Mohan and Dato Fareed

## COURTESY MEETING TO TI-INDONESIA WORK UPDATES

Dr. Mohan visited Transparency International chapter in Indonesia (TII). He met Mr. Dadang Trisasongko, Secretary-General of TI-Indonesia discussed on the current works that are being engaged by both TI-M and TII.



(L-R): Mr. Dadang and Dr Mohan at TI-Indonesia's office

## COURTESY MEETING WITH CORRUPTION ERADICATION COMMISSION, INDONESIA SHARING INFORMATION

Dr Mohan went to visit Ibu Putri Rahaya at the Corruption Eradication Commission (KPK). They shared information on efforts being taken to tackle the issue surrounding Beneficial Ownership.



Dr Mohan with Ibu Putri at Corruption Eradication Commission's office

## CLEAN GOVERNMENT TRANSPARENCY TAIWAN 2019 TO BOOST INTEGRITY AND ENHANCE TRANSPARENCY

TI-M Secretary General, Mr Raymon Ram was invited to present a paper at the “Clean Government Transparency Taiwan: International Exchange Activities Series” in Taichung, Taiwan on the 3rd and 4th October 2019. He briefed delegates from the public and private sector on current anti-corruption initiatives in Malaysia and was invited to participate in a forum session to give feedback on projects being undertaken by the City of Taichung to boost integrity and enhance transparency.



Group photo of participants during the forum

## CORRUPT MONEY FLOWS FORUM IN BERLIN KEEPING TRACK OF ILLICIT CROSSBORDER FUNDS

TI-M Secretary General, Mr Raymon Ram was invited to participate and share his insights on Beneficial Ownership Transparency at the “Corrupt Money Flows” workshop from 24th -25th October 2019 at the Transparency International Secretariat Office in Berlin. As a senior representative from Asia, he had discussed and put forth his thoughts on various matters surrounding the issue with colleagues from the European Union and African Nations. Points gathered are then to be put forth as a collective stance toward proposed reforms.



Mr Raymon shared the Beneficial Ownership framework in Malaysia

# WHISTLEBLOWER PROTECTION LAW FORUM

## REVAMPING THE WPA 2010

30 OCTOBER 2019



From left-right: Pn Norfarhana, Dr Loi, Mr Jesper, Dr Mohan, YB Datuk Liew Vui Keong, HE Maggipinto, Ms Amy Patanasinth, Tan Sri Abu Kassim, Mr Chew Phye Keat, Tn Roslan

Transparency International Malaysia and Malaysia Reform Initiative (MARI) supported by USAID program organized a forum themed "Whistleblower Protection Law: The OECD Countries' Experiences and How Malaysia Can Move Forward" at The Ritz-Carlton Kuala Lumpur.

There were two sessions, Panel Discussion 1 and Panel Discussion 2. Topic for the Panel Discussion 1 was Whistleblowers Protection Practices in OECD Countries where TI-M invited the Ambassador of Italian Embassy, HE Christiano Maggipinto; the Ambassador of the Royal Norwegian Embassy, HE Gunn Jorid Roset; and the Deputy Head of Mission of the Royal Danish Embassy, Mr Jesper Stig Andersen. The objective of this session was to understand and learn about the best practices of the whistleblowers' protection practices especially in Denmark, which is the top country in the Corruption Perceptions Index; Norway which has led the way in best practices and Italy whose background is similar to Malaysia.

Mr. Andersen suggested several perspectives for Malaysia, some of which is to include making the whistleblower act to be widely known to everyone and be user friendly and having a change in work culture, making it easy to complain. Next, issues can be taken seriously regardless of the high level the accused. Thirdly, whistleblower laws alone are not enough. Such laws cover just one aspect of it. There needs to be a conducive societal structure with proper systems. Lastly, there should be implementation and commitment to carry through with training and clear rules.

Meanwhile for the Panel Discussion 2, the panelists pointed out changes that could be made to revamp the current Whistleblower Act 2010 in line with the new government's commitment. The panelists were Tuan Roslan Bin Mat Nor from the Malaysian Anti-Corruption Commission, Mr. Chew Phye Keat from Raja, Darryl & Loh (RDL) Advocates and Solicitors, and Puan Nurfarhana Baharudin, the Legal Advisor in the Prime Minister's office.

Among the recommendations made to strengthen the current WPA 2010 were:

1. To allow internal reporting within an organization's own whistleblower framework to also qualify for protection under the WPA.
2. To extend dedicated whistleblowing agencies or bodies to receive disclosures in addition to Enforcement Agencies, such as Human Rights Commission of Malaysia (SUHAKAM) or Parliamentary Ombudsman.
3. To protect the whistleblower even if the disclosure itself is prohibited by any written law. This is to prevent any doubt as to whether the whistleblower would be punished by any other written law due to the disclosure.



Mr Phye Keat shared his points with the audiences



YB Datuk Liew Vui Keong delivered his closing remarks

(Full report available at [www.transparency.org.my](http://www.transparency.org.my))

## ANNUAL MEMBERSHIP MEETING 2019

### GLOBAL NETWORK TO ENHANCE COLLABORATION

The Annual Membership Meeting 2019 was held in Berlin from 15<sup>th</sup> to the 17<sup>th</sup> November. Dr. Muhammad Mohan and Deputy Mr. Lawrence Chew attended the meeting. TI's Annual Membership Meeting (AMM) is a governance event as well as an important yearly milestone in the global network to learn from each other and enhance collaboration.

The event is an opportunity to hold numerous other meetings alongside the AMM with a governance focus and bring together TI Members (Official Chapter Representatives (OCRs) for accredited National Chapters and Individual Members) as well as other Chapter delegates (from National Chapters, National Chapters in Formation and National Contacts), Advisory Council members and designated TI-Secretariat staff.



Dr. Mohan supporting the resolution for stolen assets of 1MDB to be returned to the Malaysian citizens



Dr. Mohan with the Business Integrity Programme team in TI-Secretariat, Berlin

## CORPORATE INTEGRITY SYSTEM MALAYSIA

### GEAR UP NACP AND CORPORATE LIABILITY PROVISION

The final Corporate Integrity System Malaysia (CISM) Meeting for 2019 was organized by the MACC Inspection and Consultancy Division (BPMP) Corporate Initiative Branch on 27 November. This is a good platform for all CISM Round Table Members to discuss and present their respective Strategic Plan in accordance with the National Anti-Corruption Plan (NACP) and the Corporate Liability provisions under Section 17A of the MACC (Amendment) Act 2018.

## MEETING WITH INTEGRITI

### TO DISCUSS THE STRATEGIC PLAN FOR 2020

29 NOVEMBER 2019

TI-M had a meeting with Business Development Section of The Malaysian Institute of Integrity (INTEGRITI) to discuss on the collaboration programme for 2020. Among the proposed programme are joint training on Adequate Procedures, Section 17A of MACC Act and fraud prevention. Other possible areas to be covered included Beneficial Ownership, Corruption Risk Management (CRM), Anti-Bribery Management System (ABMS), Organisational Anti-Corruption Plan (OACP) as well as Ethics & Integrity Training Modules (E&I).



From left-right: Sheeda, Fishon, Mr. Yany (INTEGRITI)  
& Mr. Raymon, Izzati, Adlina (TI-M)

## MEETING WITH REFORM CAUCUS

### GIAT PUSH FOR REFORMATION

2 DECEMBER 2019

The GIAT Coalition met with the Reform Caucus chaired by Datuk Seri Anwar Ibrahim. After presenting our concrete recommendations to the caucus, that asset declaration should also include business interests and making political financing transparent, as part of MPs' code of conduct for good governance, there was a myriad of responses, some in support and mostly not. GIAT will continue to have dialogues and push for reforms.

GIAT is a coalition of CSOs that promotes Good Governance, Integrity, Anti-corruption and Transparency. The coalition members are Transparency International Malaysia, C4, IDEAS, PROHAM, @Sinar Project and MyPJ.



From left-right: Adlina (TI-M), Aira (IDEAS), DS Anwar Ibrahim, Cynthia (C4), Jeffrey (MYPJ)

## SETTING UP OMBUDSMAN MALAYSIA

### ENSURE EFFECTIVE MANAGEMENT OF PUBLIC COMPLAINTS

TI-Malaysia was invited to attend the intergovernmental session on the setting up of the Ombudsman Malaysia, which is poised to replace the Public Complaints Bureau (BPA) - meant to enhance integrity and governance in addressing public complaints.

Ombudsman Malaysia is expected to be in operation in the first quarter of next year, if Parliament passes the bill in December. It will be an independent and free body as it will not be placed under the prime minister's office or under any ministry.

## NATIONAL ANTI-FINANCIAL CRIME CENTRE SESSION TO COORDINATE INVESTIGATIONS INTO FINANCIAL CRIMES



YB Datuk Liew Vui Keong (seating in middle) with the NGOs attended during the session

Transparency International Malaysia was among the few non-governmental organizations invited to attend the briefing and discussion session of the National Anti-Financial Crime Centre (NAFCC) with YB Datuk Liew Vui Keong, Minister in the Prime Minister's Department.

The NAFCC Bill was tabled on August 8, 2019 in the House of Representatives for its first reading, to coordinate investigations into financial crime as well as be responsible for managing a centralized data system for financial crimes.

The Centre was an initiative under the National Anti-Corruption Plan 2019-2023 that intended at coordinating enforcement actions to combat financial crimes committed locally and abroad. It will help coordinate the efforts of enforcement agencies as such the Royal Military Police, Customs Department and Malaysia Anti-Corruption Commission. NAFCC will also be empowered to summon any persons to submit relevant information or documents related to its functions, failure to comply could result in a maximum of one million ringgit, a five year jail sentence or both upon conviction.

# INTERNATIONAL ANTI-CORRUPTION (HARA) DAY 2019

## UNITED AGAINST CORRUPTION

7 DECEMBER 2019

A total of 100 volunteers with 11 NGOs and 2 corporate sponsors comprising members of AMAR and anti-corruption NGOs such as Transparency International Malaysia, Center for Combating Corruption and Cronyism (C4), and corporate partner, Top Glove Corporation Bhd jointly celebrated 2019 International Anti-Corruption (HARA) Day under the theme 'United Against Corruption' at the common market located at Precint 8, Putrajaya.

The program was officiated by YBhg Dato' Shamshun Baharin Mohd Jamil, Deputy Chief Commissioner (MACC), accompanied by YBhg Dato' Sri Hj. Zechariah Hj. Jaffar, President of the Malaysian Anti-Corruption Foundation (YARM) and TPj Mr. Ruslan Tuan Mat, Director of Public Education Division, MACC.

HARA 2019 Walkabout Volunteers conducted an Anti-Corruption survey around the business areas targeting small traders and hawkers in Putrajaya. The survey was conducted simultaneously across the country from 9.00am to 9.00pm, involving over 1,000 volunteers. This has attracted about 12,000 respondents.



Dr. Mohan signing the board as part of the official opening HARA 2019



Mr. Ruslan, Dato' Shamshun, Dr Mohan with others VIPs



Group photo of TI-M with MACC and Top Glove at HARA

## BREAKFAST GRILLE PODCAST FIGHTING CORRUPTION IS EVERYONE'S JOB

9 DECEMBER 2019

TI-M president, Dr. Muhammad Mohan was invited to the Breakfast Grille podcast by BFM in conjunction with International Anti-Corruption Day 2019. Together in the podcast was YB Nik Nazmi Nik Ahmad who is the MP for Setiawangsa.

Among the discussion was Malaysia's ranking in the corruption index, the National Anti-Corruption Plan, the effectiveness of institutions like Malaysian Anti-Corruption Commission and Parliament in fighting corruption as well as Pakatan Harapan's promises to revise acts as such the Official Secrets Act.



From left-right: Dr Mohan, Wong Shau Ning (BFM) and YB Nik Nazmi

For the full version: <https://www.bfm.my/podcast/morning-run/the-breakfast-grille/bg-fighting-corruption-is-everyones-job?fbclid=IwAR3FR4j5ldtNZ7jrjltvZfJ8PVvYAea8SG3KxzT8KupeZv7QpQestNesU2w>

## MEETING WITH PERDANA LEADERSHIP FOUNDATION TOWARDS COLLABORATION OPPORTUNITY

26 DECEMBER 2019

TI-M president, Dr. Muhammad Mohan visited YBhg Tan Sri Nik Mohamed Nik Yaacob, Executive Director of Perdana Leadership Foundation.

For the 2020, TI-M and Perdana Leadership Foundation will jointly organized 1-day Awareness Training that focus on MACC Act Section 17A which will be enforce in June 2020 as well as Anti-Bribery Management System (ABMS).



YBhg Tan Sri Nik (left) and Dr Mohan (right) after the meeting at Perdana Leadership Foundation's office in Putrajaya

# BENEFICIAL OWNERSHIP TRANSPARENCY

## UNMASKING THE CORRUPT

12 DECEMBER 2019



From left-right: Tn Faizal, Mr Raymon, Mr Ly-Batallan, Pn. Norhaiza, Pn. Latheefa Koya, Dr Mohan and Ms Cynthia

TI-M organized a forum themed 'Unmasking the Corrupt through Beneficial Ownership Transparency' in collaboration with Malaysia Reform Initiative (MARI) supported by United States Agency for International Development (USAID). The forum was held at Sheraton Imperial Hotel Kuala Lumpur aimed at analyzing Beneficial Ownership provision in Malaysia by taking the example of the foreign approaches, discuss on the recent establishment of beneficial ownership reporting framework by Companies Commission of Malaysia (CCM) as well as how Malaysia can move forward.

Among the distinguished attendees were Pn. Latheefa Koya (Chief Commissioner of MACC), Mr. Dean Thompson (Charge D'Affairs of U.S. Embassy, Mr. Emmanuel Ly-Batallan (Head of Economic Section of the French Embassy in Malaysia), Pn. Norhaiza Jemon (Director, Regulatory Development and Services Division of CCM), Mr. Raymon Ram (Secretary-General of TI-M) and Tn. Mohamad Faizal (Deputy Director AMLFOP Division of MACC).

Beneficial Owner (BO) refers to a person who ultimately owns, controls or benefits from a company or trust fund and the income it generates, without being on the record as the owner, according to Transparency International. Meanwhile, CCM has defined BO as an individual who has interest, directly or indirectly, in at least 20% of the shares.

Legal reforms had been made to establish the BO reporting framework with the Companies Act 2016 amended as according to Pn. Norhaiza. Besides having a clear definition, CCM will require all companies to report their beneficial ownership information, given 6 months from the effective date of the guidelines.

For Malaysia to move forward, Mr. Raymon believes that we need to have a well-established BO registry in place. Among the suggestions were: - (1) risk assessments to be conducted properly so high-risk companies are scrutinized more, as resources cannot be allocated to monitor all the companies but making targeted options as the most efficient method; (2) open source and publicly available information and (3) accurate timeline of BO information submitted so that all stakeholders can have access to updated and verified information.

Tn. Faizal also stated the beneficial ownership investigations would need more joint operations between regulators and law enforcement agencies to bring the full force of the law against offenders. It will create greater sharing of expertise and human capital resources and more accessibility to information.

(Full report available at [www.transparency.org.my](http://www.transparency.org.my) )



During the Q&A Session



Dr Mohan (left), Pn Latheefa (middle) & Mr Shane, USAID Country Representative (right)

## WELCOME ABOARD!

### TI-M'S NEW INTERN

#### **Fathimath Rayya Ibrahim, 22, (December 2019-April 2020)**

Rayya is a final year student, pursuing her Bachelor's degree in International Relations at Asia Pacific University, Malaysia. As an International Relations student, she believes that cooperation, integrity, and transparency is essential to the backbone of all states but understands that corruption is one of the biggest challenges for any state to overcome. She hopes that her choice to be an intern at TI-Malaysia, further strengthens her resolve to strive for an environment without corruption.



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## CALLING FOR TRAINERS!

We are collecting data on relevant speakers for training programs organized by TI-Malaysia, and would like to invite all members to send in your profiles consisting of:



1. Subject matter expertise
2. Background
3. Training track record and relevant supporting documents

Kindly email all the relevant documents to the Secretary General, Mr Raymon Ram at [raymon@transparency.org.my](mailto:raymon@transparency.org.my).