



TRANSPARENCY INTERNATIONAL MALAYSIA

NEWSLETTER

A Nation without corruption, a Society with integrity

Volume 30 (January 2016) • KDN Permit No: 11959/01/2016 (025399)

► President's Message

Dear TI-Malaysia Members and Friends,

2015 proved to be a very challenging year for TI-M in terms of coming to terms with the many high-profile corruption-related cases and how we as an NGO responded. Many of you I'm sure would have read our press statements including one which we stated that the country is "dangerously close" to becoming a failed state after a major shakeup in the federal administration resulting in a disruption of the probes on the troubled 1Malaysia Development Berhad (1MDB). In addition, we witnessed the speedy removal of ministers seen critical of Putrajaya's handling of 1MDB and the sudden termination of Tan Sri Abdul Gani Patail as Attorney-General (AG). Furthermore, Malaysian Anti-Corruption Commission (MACC) director (special operations) Datuk Bahri Mohamad Zin and MACC director of strategic communications Datuk Rohaizad Yaakob both of whom were directly involved in the 1MDB investigation were transferred to the Prime Minister's Department within 24 hours. Things were done in such haste. I'm sure you can read between the lines the need for the Government to carry out such swift actions without valid justifications. Obstructions and obstacles made by the government to slow down the investigation process are certainly not in line with the values shared by all Malaysians as we seek nothing but the truth.



Corruption has been and continues to be among the greatest challenges of all times facing the nation. The corruption scandals in Malaysia highlight the extent this country suffers from poor governance while displaying a lack of transparency and accountability. Corruption fundamentally distorts public policy, leads to the misallocation of resources and particularly hurts the vulnerable and impoverished. Concerns are being expressed daily on the risks relating to the integrity of the politicians and the independence of public office holders arising from conflict of interests, undue influence and corruption, and especially now more than ever.

With RM2.6 billion deposited into our Prime Minister's personal account labelled as a 'donation', the issue of political funding became a major talking point and concerns were raised on the donation going into an individual's personal account. Undoubtedly laws will have to be legislated to improve transparency and accountability in securing future political funding support. The government must come up with a practical formula or mechanism to regulate and channel political financing. As TI-M jointly stated with its other members from the Governance, Integrity, Accountability and Transparency (a.k.a. GIAT) Coalition, improvements cannot be done unless there is a stronger and independent Anti-Corruption Commission.

In September 2015, TI-M jointly hosted the prestigious 16th International Anti-Corruption Conference with the Malaysian Anti-Corruption Commission and the Government of Malaysia. Interesting in-depth discussions took place and valuable insights were gained which hopefully will help to contribute to major improvements in addressing corruption, improving governance and transparency as well as accountability.

Continued

Since the Government, including MACC, were actively involved in the deliberations as well as drawing up a declaration at the end of the Conference, there will hopefully be a sense of urgency and, more importantly, a stronger political will to implement the recommendations speedily.

TI-M believes that each and everyone in the country can play an important role in fighting corruption. In this regard, I'm pleased to inform that TI-M continues to engage the ordinary rakyat by organising various activities such as the annual "Walk Against Corruption 2015". We decided to join forces with other like-minded institutions and agencies namely the Malaysian Anti-Corruption Commission and Dewan Bandaraya Kuala Lumpur. As a result, the "International Anti-Corruption Day and KL Car Free Morning" was held at Dataran Merdeka on 6th December and the theme was "Breaking the chain of corruption". The message was loud and clear - that fighting corruption starts with the individual. A positive and pro-active stance against corruption is a good start.

It was a tough and challenging 2015 but we are proud of what we accomplished together. With your strong support, we march into 2016 with even greater determination and strength in order to not only build on our accomplishments but to consolidate our efforts to deliver a clear message that firmly rejects corruption and embraces instead the principles of transparency, accountability and good governance.

With the significant drop in the country's ranking in the 2015 CPI results, we should all now endeavour to work even harder, especially the government anti-corruption institutions to improve our standing.

Best wishes,
Dato' Akhbar Satar

18th Annual General Meeting (AGM)

NOTICE is hereby given of the 18th Annual General Meeting (AGM) of the Malaysian Society for Transparency and Integrity (TI-M) to be held as follows :-

Date and Time : 12th March 2016 (Saturday) at 09:00 a.m.

Venue : Kiara Room, Level 1, Royal Selangor Club Bukit Kiara
Jalan Bukit Kiara, off Jalan Damansara 60000 Kuala Lumpur

Contents

- President's Message 1
- Malaysia Slides in 2015 Corruption Perceptions Index (CPI) 3
- International Anti-Corruption Conference (IACC) 2015 7
- 2015 Anti-Corruption Walk 12
- New ISO Certification: Anti-bribery Management System 13
- Embedding Integrity into Corporate Culture 14
- Summary of TI-M Press Releases, July – Dec 2015 15
- Malaysia Anti-Corruption Academy (MACA) 2016 Open Day 18
- New Employees and Interns of TI-M 18

Editorial Board

Puan Faridah Rohani
Dr. Pola Singh
Ms Bavani Jayadevan. R

Malaysia slides in the 2015 Corruption Perceptions Index (CPI)

Malaysia drops four places in country ranking and two points in score in 2015



The CPI results announced by Transparency International-Malaysia (TI-M) on 27th January 2016 revealed that Malaysia's CPI score worsened from 52 to 50 (maximum score = 100) and the country's ranking also dropped from 50th to 54th place. According to Dato' Akhbar Satar, President of TI-M, Malaysia's position would have been worse if seven* well-performing countries were included in the 2015 CPI Index.

The President explained that the CPI is a global aggregate index which captures the perceptions of business leaders – local and foreign - from multinational companies (MNCs), investors and entrepreneurs on the level of corruption in the **public sector** of 168 countries (175 countries participated in the 2014 survey). It is a composite index which sources its information from opinion surveys and expert assessments from independent institutions in the past 24 months. The Malaysian CPI used eight surveys and country assessments.

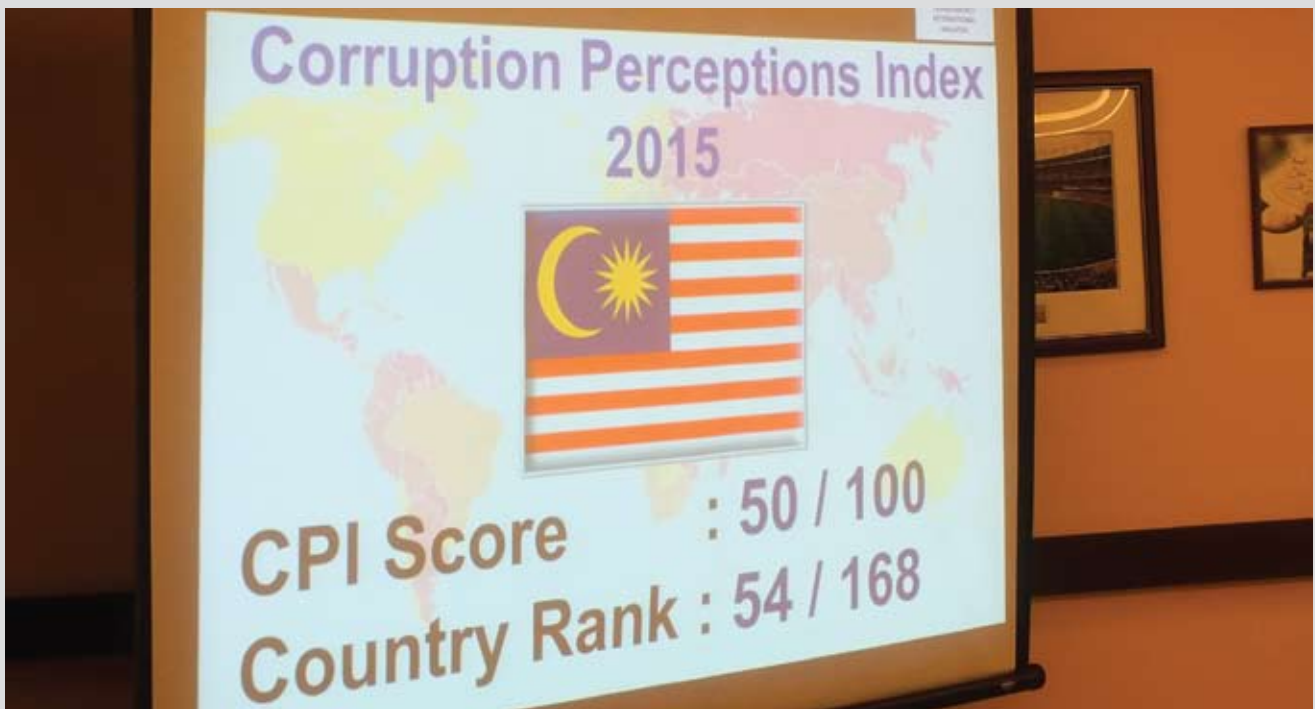


Table 1: Malaysia's CPI Score and Ranking in 2013-15

	2013	2014	2015
Score	50	52	50
Ranking	53	50	54
Countries	177	175	168

Score presented on a scale of 0-100 with 0 indicating highly corrupt and 100 very clean

*Bahamas, Barbados, Dominica, Puerto Rico, Saint Vincent & Grenadines, Samoa and Swaziland were not included in the 2015 CPI.



Corruption in this context is defined as the abuse of power of public officials for private gain. The survey does not focus on petty or grand corruption but rather the EXTENT of corruption among officers in the civil service given that the public expects high ethical standards of conduct

and accountability from all government officials and staff. CPI is not only about comparing the bribes reported and the number of prosecutions on corruption court cases but also how effective the government machinery is in investigating and exposing corruption.

Table 2: Malaysian CPI Performance, 2004-2015

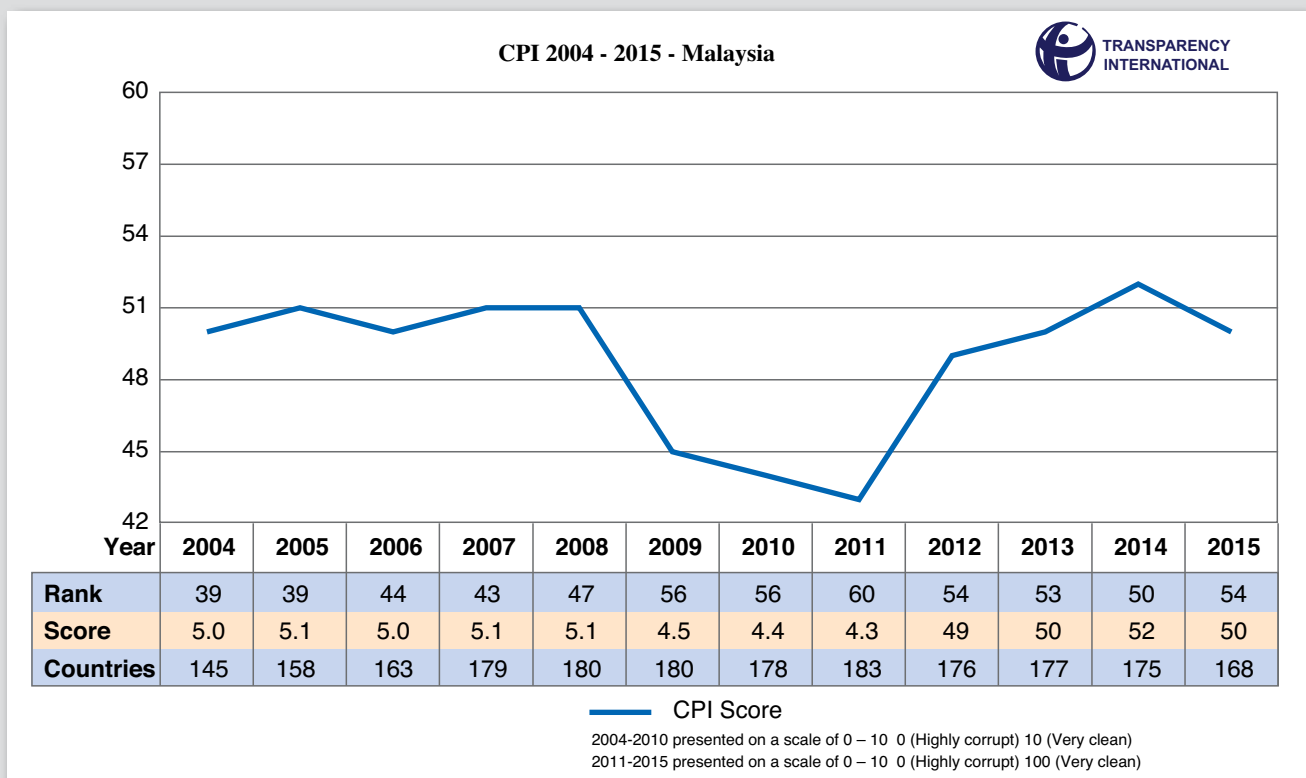


Table 3: CPI 2015 – Top 5

RANK	COUNTRY	SCORE
1	DENMARK	91
2	FINLAND	90
3	SWEDEN	89
4	NEW ZEALAND	88
5	NETHERLANDS	87
5	NORWAY	87

On an overall basis, two-thirds of the 168 countries surveyed scored below 50, on a scale from 0 (perceived to be highly corrupt) to 100 (perceived to be very clean). Denmark comes out on top in 2015 CPI with a score of 91, helped with its implementation of strong access to information systems and rules governing the behaviour of those in public positions followed by Finland (90), Sweden (89), New Zealand (88), Netherlands (87) and Norway (87) while North Korea and Somalia again shared last place, scoring just eight.

In terms of ASEAN countries, Indonesia and Thailand made significant improvements in their CPI scores and ranking in comparison to previous years. Though both the countries continue to score lower than Malaysia, their level of improvement



in comparison to past years is commendable. On the contrary, Malaysia has drifted downwards in 2015 in terms of the CPI score and only managed to maintain similar scores in the previous two years.

What are some of the factors that caused the slide in Malaysia's performance? According to Dato' Akhbar Satar, the country has been plagued by various controversial issues such as 1MDB, the RM2.6 'donation' to the Prime Minister's personal bank account, the sudden and unexplained transfer of certain Malaysian Anti-Corruption Commission (MACC) officers, the sudden sacking of the Special Branch Officer and the raiding of the MACC offices by the Police. All these happenings shed a poor light on the country.

Table 4: CPI 2015 – ASEAN Countries

Rank	ASEAN	Position (168)	CPI Score	GDP per capita	Rank Difference
1	Singapore	8	85	56,284	-1
2	Malaysia	54	50	11,307	-4
3	Thailand	76	38	2,765	+9
4	Indonesia	88	36	5,977	+19
5	Philippines	95	35	2,873	-10
6	Vietnam	112	31	2,052	+7
7	Laos	139	21	1,794	+6
8	Myanmar	147	22	1,204	+9
9	Cambodia	150	21	1,095	+6
10	Brunei	38*	60	40,980	*



Hence, despite the many measures being implemented under the NKRA's Government Transformation Programme (GTP) initiative, the perception of corruption in Malaysia does not seem to be lessening but worsening.

At the press conference, the President of TI-M emphasised that the Malaysian Government must take the bull by the horns and implement the following immediately in order to address corruption:-

- The government must provide the leadership and strong political will to drive the message of zero tolerance for graft. Expectations from the public are high in terms of high ethical standards (conduct and accountability) from all three branches of the government namely executive, judiciary and legislative;
- Tackling political corruption and reforming the financial sector should be a top priority, Hence the urgent need to develop a practical and realistic formula/mechanism to regulate political financing which has gone out of hand.
- Reforming the Malaysia Anti-corruption Commission (MACC) – to give it autonomy and independence from the executive in order for it to perform its responsibilities more effectively and efficiently;
- Malaysia needs to speedily adopt the UN Convention against Corruption (UNCAC) fully;
- Malaysian Government to criminalize and enforce against passive foreign bribery; and
- Making governments more transparent by joining the Open Government Partnership (OGP) membership.

We simply cannot continue to allow our public sector officials to continue their corrupt practices with impunity. The court of public opinion strongly feels that 'enough is enough' and that stern and uncompromising measures need to be taken to combat the deteriorating situation in the country.

International Anti-Corruption Conference (IACC) 2015



(L-R) : TI-M President Dato' Akhbar Satar, Chairperson of IACC, Akere Muna, Minister in the Prime Minister's Department, Datuk Paul Low Seng Kuan, Deputy Chief Commissioner for Prevention at MACC, Datuk Dr. Haji Mustafar Ali and Chair of Transparency International, Jose Ugaz

Malaysia hosted the three-day 16th International Anti-Corruption Conference (IACC) from 2-4 September 2015. TI-M and Malaysian Anti-Corruption Commission (MACC) co-organised the event that attracted about 1,200 delegates from 130 countries.

The welcoming speech by **Akere Muna**, Chair of IACC Council, recalled the importance of IACC's role in convening debates and discussions on global anti-corruption activities.

Key presenters on the Opening Day were **Senator Datuk Paul Low Seng Kuan** (Minister in the Malaysian Prime Minister's Department), **José Ugaz** (Chair, Transparency International), **Datuk Dr. Haji Mustafar Ali** (Deputy Chief Commissioner for Prevention, MACC) and **Dato' Akhbar Satar** (President, TI-M).

In his paper, Datuk Paul Low promised that he will go all out to protect the independence of anti-graft institutions, such as the MACC. He vowed that he will ensure that there will be no interference from any party in the investigations. In the name of transparency, Jose Ugaz urged the Malaysian Prime Minister to be transparent on the trail of RM 2.6 billion found in his personal bank account. Datuk Mustafar said that MACC will continue to act without fear and favour with impartiality to stop impunity. The prosecutors would be appointed with independence without interference. Dato' Akhbar Satar pointed out that the 2014 TI Corruption Barometer for Malaysia shows that the public sees political parties as one of the six most corrupt institutions in Malaysia; hence it is high time political leaders lead by example and practise what they preach.



TI-M President, Dato' Akhbar Satar at the Opening

At the IACC, TI-M also organised and presented papers at two workshops, namely, the Youth Workshop on Corruption and the “Recommendations to the Conference of States Parties (CoSP).”

Youth Workshop on Corruption

Organised by TI-M, the Youth Workshop was moderated by Emmanuel Sanyi, Founder and National President of The Duke of Edinburgh’s International Award. Prominent speakers for the session included Nurul Izzah Anwar, a young Malaysian Member of Parliament, Soumaya Belaid, Tunisian youth activist, Jufitri Joha, the Vice President of Malaysian Youth Council, and Syed Saddiq Syed Abdul Rahman, Malaysian debate champion.

As youth is the first line of exposure to bring about a corruption-free system, the session highlighted the importance of engaging youth in the battle against corruption and provided an open platform for the youth to share and shed light on their experiences, challenges and success. Panel speakers tabled useful recommendations on how youth action against corruption can begin at any level and expand across context. The panel speakers also discussed concerns in the following areas :-

- i. Understanding youth mobilisation, activism and social movements in different contexts; learning from the experiences of Tunisia and Malaysia;
- ii. Effective methods in demanding accountability from policy makers;
- iii. Ensuring the sustainability of youth action and social movements; and
- iv. National, Regional and International solutions toward youth empowerment, social movements and creating a more conscious youth demographic in the fight against corruption.

Syed Saddiq presented his views on the slippery slope of corruption and how society, through non-action, silence and indifference “normalises” corruption. He also points out that it is difficult to get out of corruption once you start the practice. From the politicians’ perspective, Syed acknowledged that there are consequences for attempting to uproot the system of corruption which politicians themselves were once a part of.



Soumaya Belaid from Tunisia speaks at the youth session

Soumaya Belaid pointed out the lack of ownership among the youth on the fight against corruption and should not be exclusive to the grown-ups.

Nurul Izzah described corruption as akin to cancer, slowly but surely killing the nation's wellbeing.

She also highlighted two key factors in the fight against corruption - firstly Malaysian government should encourage more whistle blowing activities and wider participation of the Rakyat in the fight against corruption. She also highlighted anti-graft institutions which must be allowed to carry out their functions independently, with no interference especially from politicians.

Recommendations to UNCAC

The speakers for the session were Francesco Checchi (Anti-corruption adviser, UNODC), Ravindran Devagunam (Performance Management and Delivery Unit, Malaysia, PEMANDU), Cynthia Gabriel (Founding Director, Centre to Combat Corruption & Cronyism ,C4), Woo Lee (Trial Attorney, US Department of Justice), Manzoor Hasan (Chair, UNCAC Coalition Bangladesh), Akaash Maharaj (CEO, Global Organization of Parliamentarians against Corruption, GOPAC, Canada), Dr. Loi Kheng Min (Deputy President, TI-M) and Ji Won Park (Stolen Asset Recovery Initiative, Korea). Anton Pominov (General Director, TI-Russia) served as the moderator.



(L-R) : Vickram, TI-M volunteer, Dr. Mohan, TI-M Secretary-General, Jufitri Joha (speaker) & Soumaya Belaid (speaker), Emmanuel Sanyi (Moderator), Nurul Izzah (speaker) & Syed Saddiq (speaker), Chak Tze Chin, TI-M Project Manager

The session began with a focus on grand corruption cases related to political financing and government efforts in the matter, with Cynthia Gabriel describing grand corruption cited the 1MDB scandal as an example of grand corruption. She had also expressed her hopes of UNCAC looking in to the protection for whistleblowers and regulating political financing.

Ravindran summarised the current Malaysian Government transformation program and highlighted recent reforms such as the establishment of 14 new dedicated anti-corruption courts and several collaborations between anti-corruption bodies and the integrity pact in public procurement. He also emphasised that whistleblower protection is connected to witness protection in Malaysia and only individuals who report to the authorities, and not the media, can be protected.

The session was followed by survey data shared by Dr. Loi Kheng Min. The survey revealed that political parties have taken up the top spot, replacing the police, in the public's perception of the most corrupt public officers. Dr Loi also discussed some of the 22 recommendations of TI Malaysia on political financing.

The second part of the workshop focused on grand corruption, especially in cross-border corruption cases. Ji Won Park touched on the issues surrounding asset recovery. She opined that although some countries worked hard on asset recovery, others are unable to do so because of the insufficient and poor enforcement in proper institutional machinery, and insufficient resource allocation.

Francesco Checchi, on the other hand believes that much attention has been given to asset recovery and criminalisation. Yet, grand corruption grows on national structures, on public administration and public sector. The systemic aspect of grand corruption and the source of grand corruption are



Discussion at the Workshop

not been adequately addressed. As a result, grand corruption continues to grow at the national level and in public administration sector.

Woo Lee acknowledged that successful procedures would not have been possible or impactful without coordination between countries, as the corruption occurs in one country, while the laundering, shell companies and nominees take place in other countries.

In the final part of the workshop, proposals were collected from participants on how to address the CoSP regarding grand corruption issues. Manzoor Hasan discussed the question of political economics of corruption and felt that it needs to be accurately understood before any improvement can be achieved. Putting pressure on the government without the necessary understanding would not work. Echoing that, Gillian Dell, described the current practice of UNCAC's open-ended inter-governmental working group on prevention that does not allow civil society participation.

Akaash pointed out that the peculiarity of grand corruption is that it is not necessarily violations of law, but the rule of law itself, in certain countries. He suggested a number of measures to tackle grand corruption. Among others, a special complaints process in the UN framework, bringing coherence across UN institutions, having an optional protocol

UNCAC on criminal prosecution of kleptocrats and universal jurisdiction on kleptocracy. He also stressed that UNCAC is the last authority of the process. It has to start at national level and raised to international level only what is supported at national level. Parliamentarians cannot lead on what citizens are not interested to follow.

Woo Lee, in her concluding speech, reminded that grand corruption cases and investigations are the hardest to resolve. If UNCAC was extinguished, that would be unthinkable. In every approach to foreign governments, US authorities cite UNCAC and local judges are also convinced of the UNCAC framework.

Ravindran gave the assurance that PEMANDU would be comfortable to work with C4 and other CSOs on the UNCAC platform. He supported the idea to bring the discussion to parliament and stressed that civil society should be involved as the prime driver.

In summary, the session established the fact that there needs to be greater more emphasis on the area of prevention of corruption. Issues surrounding funding of political parties, assets declarations and anti-corruption agencies should be put forward to UNCAC. Besides the executive branch, parliamentarians needs to be involved in the UNCAC review process in a timely manner.

PETRONAS at IACC

“PETRONAS ranks among Fortune Global 500’s largest corporations in the world”. Datuk Samsiah Abu Bakar, Chief Integrity Officer at PETRONAS at the IACC press conference, said “PETRONAS is doing its business with utmost integrity”.

Datuk Samsiah stressed that maintaining an ethical, law-abiding culture provides enormous benefit to an organization. As such, PETRONAS

asserts that it will continue to strive for success through shared values of loyalty, professionalism, integrity and cohesiveness. PETRONAS “Code of Conduct and Business Ethics” (“CoBE”) together with their shared values will serve as guiding beacon on how the entire human capital at PETRONAS is expected to conduct themselves at work. According to Datuk Samsiah, “The CoBE not only promotes legal and procedural compliance, but it also provides a moral compass to ensure that our individual behavior is in line with the PETRONAS Shared Values.” The ABC (Anti - Bribery & Corruption) Policy and Guidelines Manual also complements the overall corporate governance in PETRONAS.



Closing by Dato Seri Wahid Omar

PETRONAS is committed to comply with high ethical standards and applicable anti-corruption laws and making ethics and anti-corruption initiatives an integral part. TI-Malaysia will collaborate with PETRONAS to organize more anti-corruption programmes in future.

The 16th IACC closed with a joint declaration to adopt a zero tolerance policy against impunity in the fight against corruption.

2015 Anti-Corruption Walk



TI-M collaborated with the Malaysian Anti-Corruption Commission (MACC) and Dewan Bandaraya Kuala Lumpur (DBKL) in jointly organising the ‘International Anti-Corruption Day’ and ‘KL Car Free Morning’ at Dataran DBKL.

The aim of the event was to reach out to as many Malaysians as possible in order to engage them in the fight against corruption and to ensure good governance. TI-M finds it important to include the people from all walks of life in anti-corruption activities and show them the role they play in demanding accountability from their government. Moreover, TI-M believes that demonstrating public support in fighting corruption across all sectors of society as well as raising awareness on graft issues is important.

TI-M ExCo-Members, Staff, and Interns turned up in support of the event. A booth was set up for



the public, where a range of informative literature was distributed. Another highlight was the writing of “Anti-Corruption Slogan” on our white board and then taking a picture with it. Another attraction was a photo opportunity within a life size polaroid frame with the words “Say No to Corruption”.

TI-M’s president Dato’ Akhbar Satar and the representatives of MACC and DBKL released white pigeons as a symbol for peace, prosperity and success for Malaysia.



TI-M President releasing the symbolic white pigeon

The event concluded successfully with many interested fellow Malaysians, the youth in particular, showing commitment towards integrity and were happy to participate in this year’s jointly organised International Anti-Corruption Day Walk.

New ISO Certification: Anti-bribery management system



Knowledge Sharing Session with ISO/PC 278, PETRONAS Group and TI-Malaysia Representatives

A group of ISO experts are developing a new ISO in anti-bribery management system. The group met in Kuala Lumpur recently to discuss the development of the ISO certification. The newly introduced Standard, ISO 37001, is designed to help any organization, public or private, to establish, implement, maintain and improve an anti-bribery compliance program to help prevent, detect and address bribery. The standard includes a series of measures and controls that represent global anti-corruption good practices, such as adopting anti-bribery policy, requiring top management leadership, undertaking bribery, risk assessments and due diligence on projects. The standards also apply to business associates, training, and monitoring of the program among other measures.

The Project Committee ISO/PC 278 of ISO 37001 was established in 2013. The standard is currently at the committee draft stage, where experts from 44 countries and international organizations contribute in its development.

The working committee took into consideration the sharing and experiences of PETRONAS and good governance with the standards committee. PETRONAS's Head of Corporate Governance and International Compliance Unit, Mr Ahmad Nabil Azizan advised the committee that PETRONAS governance programme such as 'Vendor Integrity



Experiencing world's highest double-decked bridge by the international delegates



Dato' Akhbar Satar, President of TI-M and Dr Muhammad Mohan, Secretary General of TI-M discussing ISO 37001 with a representative from Egypt

Programme’, ‘Whistleblowing Policy’ and ‘No Gift Policy’ are in place or on the agenda of Petronas Corporate Integrity practices for daily business. The 2013 Transparency International (TI) research into public reporting practices of 100 emerging companies doing business in using the list of Global Challengers 2011 identified by Boston Consulting Group: “Transparency in Corporate Reporting: Assessing Emerging Market Multinationals”. The report showed that Petronas ranked fifth in the overall index scoring 100% in the area of Organisational Transparency. The company also achieved the highest score in the Best Unlisted Companies category. TI- Malaysia



acknowledges that PETRONAS is an exemplary corporation with an active integrity programme in place.

► Embedding Integrity into Corporate Culture



Key Speakers for the Round Table Discussion (L-R):

Encik Ahmad Nabil (Corporate Governance & International Compliance, PETRONAS), Ausmal Kardin (Malaysia Marine Heavy Engineering [MMHE]), Datuk Samsiah Abu Bakar (Chief Integrity Officer, PETRONAS) Dr Mohammad Mohan (Secretary-General, TI-M) & Thierry Lemaire, (APAC VP & Regional compliance officer, Technip)

PETRONAS hosted a Round Table Discussion (RTD) to share the different perspectives on best practices in integrity among its business partners, civil society and anti-corruption agencies in line with the implementation of its zero-tolerance policy on corruption and bribery.

Co-organised by TI-M, the main objective of the discussion was to seek majority agreement for collective action by all parties to practise ethical business transactions with PETRONAS. It also allows for participants to share various tools for best practices and concepts practised by them to achieve the goals of the integrity initiatives. Key concerns pertaining to integrity and transparency

affecting the oil and gas industry were discussed. Key points arising from this discussion will be shared electronically via the TI-M Website.

PETRONAS reiterated their commitment in complying with high integrity standards and applicable laws, whilst making ethics and anti-corruption practices an integral part of its business operations. PETRONAS will share the international standards on Anti-Bribery Management system ISO 37001 to their vendors and continue with its efforts to mitigate all forms of corruption and misconduct in its own work environment, encouraging the same of its business partners, contractors, vendors and related parties.

Summary of TI-M Press Releases, July – Dec 2015

July	7	<p>TI-M and GIAT</p> <p>US\$700 million have been channelled to Prime Minister Najib Abdul Razak’s personal bank account and it shows transfer of funds from banks, companies and government agencies. GIAT calls for immediate reforms on how political parties are financed and transparency in the personal accounts of politicians. The Malaysian government must enact these reforms now or lose its credibility.</p>
	9	<p>TI-Malaysia independent of Tunku Aziz</p> <p>Transparency International-Malaysia (TI-M) affirms that opinions expressed by YM Tunku Abdul Aziz Tunku Ibrahim on financial scandal allegations and disputes with Tun Dato’ Sri Dr. Mahathir do not reflect the stance of TI-Malaysia and are conveyed in his personal capacity.</p> <p>TI-Malaysia can confirm that whilst Tunku Aziz was the first President of TI-Malaysia, he is no longer a TI member, nor actively involved with the organisation.</p>
	20	<p>Transparency and Integrity in political financing – high time for change!</p> <p>TI-M has released findings of Malaysian Corruption Barometer 2014 that showed that the civil society is demanding more transparency in public life, especially in political financing. Laws must be implemented immediately, as political parties are seen as the most corrupt in Malaysia. TI-M has repeatedly called for reforms in this area and even submitted a 22-point memorandum on reform in political financing to Prime Minister Datuk Seri Najib Razak focusing on institutional, legislative and media reforms.</p> <p>Other recommendations made by TI-M were: State Funding, Regulation for Reporting of Political Financing, Full disclosure of Political Party and Candidate Financing, Regulating Political Donations, and Equal and Fair Coverage by and Access to, Public Media.</p>
	26	<p>Why suspend The Edge?</p> <p>TI-M is condemning the Government’s decision to suspend The Edge Weekly and The Edge Financial Daily based on the principle that right to free expression, freedom of the press are pillars of democracy. Suspending a newspaper, which reported on the 1MDB scandal, will have negative impact on Malaysia’s international standing, sovereign ratings and press freedom. A democracy cannot function unless people are well informed and free to participate in public issues.</p>
	30	<p>Malaysia at its crossroads of Integrity</p> <p>The 1MDB scandal displays a complete lack of governance, integrity and submission to the rule of law. Services of the AG and some Cabinet members were terminated, the Deputy Prime Minister was sacked and four 1MDB members were appointed to the PAC together with Auditor-General, Inspector-General of Police (IGP), MACC and the Malaysia’s Central Bank. The interim 1MDB executives were not forthcoming in providing documents that were</p>

		deemed integral. In April 2015 the PM said that the Auditor-General would investigate 1MDB's funds spent, but so far nothing is known to have taken place nor reported in mainstream news.
August	9	<p>What are we coming to? Attack on MACC an appalling act</p> <p>MACC's investigations have been obstructed by the police through arresting or questioning of investigators. The IGP and Deputy IGP have denied interference, but the arrests and investigations prove otherwise. TI-M is opposing the obstruction of MACC's investigations, as it is unlawful under Section 48 of the MACC Act.</p>
	10	<p>GIAT coalition calls for a stop to obstruction and interference of MACC investigations</p> <p>GIAT and its coalition call not only for immediate return of the confiscated equipment by the police but also to reverse the transfer of two senior officers out of MACC and there must not be any future interference by authorities in this investigation. These actions have already eroded public trust and will have dire ramifications on the stability and governance of this country. The coalition also calls for the creation of a Royal Commission of Inquiry to insure all questions about the 1MDB issue are answered.</p>
	24	<p>“A Probe is still a Probe even if called by any other Name”? – Whither the MACC?</p> <p>TI-M notes great disappointment on the intentional absence of representation of the MACC from the new task force, tasked to probe the goings-on of 1MDB. TI-M thinks the new task force should be properly instituted and led by someone with no political affiliation. TI-M also supports MACC Deputy Chief Commissioner to carry out investigations and urges the government to refrain from interfering in MACC's investigations in order that the job is undertaken professionally and independently with the UNCAC. If MACC has the courage to do their job right, they will be rewarded with the trust of the Malaysians, which they seem to have lost especially more recently. TI-M also reminds the Government to fight corruption more efficiently and effectively.</p>
October	12	<p>1MDB: Stop abusing power; Justice must prevail</p> <p>TI-M viewed with grave concern</p> <ol style="list-style-type: none"> i) The recent arrest of former UMNO Batu Kawan Division Deputy Chief, Datuk Seri Khairuddin Abu Hassan and his lawyer Matthias Chang. ii) The newly appointed Attorney General's refusal to press charges against 1Malaysia Development Berhad (1MDB) officials despite two appeals from Bank Negara. iii) The Conference of Rulers' statement issued by the Keeper of the Rulers' Seal over the 1MDB. <p>Khairuddin was accused of sabotaging the country after it was discovered that he lodged reports with investigators in Hong Kong, Switzerland, France and the United Kingdom over the 1MDB scandal. Both Khairuddin and Matthias are now arrested under the Security Offences (Special Measures) Act 2012 (SOSMA).</p>

TI-M strongly condemns the use of this law to detain Whistle Blowers without trial.

Last week the nation was shocked to know that the Attorney-General (AG) had rejected the request from Bank Negara, twice, to initiate criminal prosecution against 1MDB officials for breaches of law under the Exchange Control Act 1953 (ECA). The AG has yet to explain reasons for the refusal despite Bank Negara making an appeal. AGC was of the view that there was no wrongdoing found or committed by any of 1MDB's officials.

Given the circumstances of the new AG's appointment and his links with the ruling party, he should come clean and be transparent to explain why and what is the justification for not proceeding to press charges against the 1MDB officials when the main regulator for such offences Bank Negara, had given their view that such charges were appropriate. TI-M urges 1MDB officials to immediately comply with Bank Negara's instruction. TI-M also urges the police and the MACC to act professionally and work without fear or favour and cooperate with Bank Negara to bring the culprits if any to face justice.

November

4

Government Defence Anti Corruption Index (GI2015)

TI-M viewed the newly released Government Defence Anti-Corruption Index (GI 2015) with concern where Malaysia scored an overall "D" indicating a high vulnerability to defence corruption despite doing slightly better than the GI 2013 survey where Malaysia had a "D".

The Government Defence Anti-Corruption Index (GI) assesses the existence and effectiveness of institutional and informal controls to manage the risk of corruption in defence and security institutions and of their enforcement. GI 2015 measures the levels of corruption risk in national defence establishments, and scores from A (the best) to F (the worst). These bands are based on scores on an assessment consisting of 77 questions—for each question, the government was scored from 0 – 4. The percentage of marks overall determined which band the government was placed in and were scored in five risk areas namely (a) Political risk, (b) Financial risk, (c) Personnel risk, (d) Operations risk, and (e) Procurement Risk. TI-M is pleased to note that the Malaysian Government has participated and completed a government review of the GI 2015 research, which shows a willingness to open dialogue with an international NGO on defence corruption issues.

With formal regulations governing the actions of military personnel and independent investigative organizations like the Malaysian Anti-Corruption Commission (MACC), Malaysia is in a good place to build its anti-corruption framework. But significant vulnerabilities to corruption persist as a result of a weak legislative scrutiny, opaque budgets, weak whistleblower protections, and insufficient anti-corruption training in institutions. TI-M suggests the followings :-

- 1) Strengthen Legislative Scrutiny
- 2) Enhance Budget Transparency
- 3) Enhance Anti-Corruption Measures across Operations

Malaysia Anti-Corruption Academy (MACA) 2016 Open Day – TI-M Booth Wins 2nd Prize



(L-R) : TI-M Staff Members - Gizem, Janis, Bavani and Chin with the Trophy they won in the best booth competition and other promotional materials.

TI-M won 2nd place in the ‘Best Booth’ competition that was held in conjunction with MACA Open Day 2016. The three day event was held from 29th November to 2nd December.

TI-M booth offered informative materials as well as several activities for visitors to participate in. The crowd’s favourite definitely was to take a photograph with an oversized polaroid frame with the caption “Say No to Corruption” (refer to picture). Another activity prepared by TI-M involved a portable whiteboard where participants left their personal statements and opinions regarding corruption and integrity that was subsequently shared via social media.

► New Employees and Interns of TI-M

Bavani Jayadevan. R **Senior Executive**

Upon the completion of her Bachelor’s degree in Psychology, Bavani worked with the Investigation Services Unit at Citigroup Transaction. She then continued with a Masters Degree in Economic Crime Management in HELP University. Bavani has an interest in the field of White-Collar Crime, particularly in the area of Corruption in the Public Sector and Money-Laundering. She joined TI-Malaysia on 25th September 2015. The focal point of Bavani’s job scope is to further develop the Advocacy and Legal Advice Centre (ALAC) service and to expand TI-M’s initiatives in cultivating a society of integrity through working with youths.



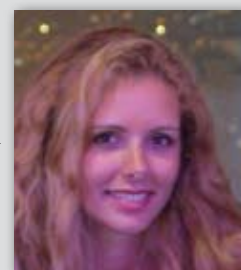
Chin Fang Pang
Project Executive

Pang joined TI-Malaysia on 1st September 2015 as a Project Officer. As a JPA scholar graduate from University Putra Malaysia, she was honored to have served the government for five years at the Registrar of Societies (ROS). Over the years, she participated and experienced the development of non-profit organizations in Malaysia and gained valuable knowledge within the field. Pang's journey with TI-M would focus on Corporate Integrity Programme that aims to promote transparency and good governance in business sector.



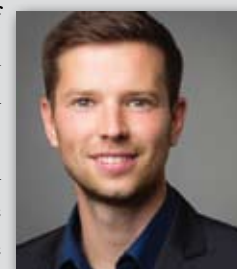
Gizem Varol (September 2015 – December 2015)
International Intern

After three years working as an Office Manager and afterwards completing a Bachelor Studies in Banking and Finance in Germany, Gizem decided to set a new focus for her Master's. She is currently enrolled in the Master's Programme in Development and International Relations at the Aalborg University in Denmark. A three-month internship is a compulsory part of her studies and she has chosen to join Transparency International – Malaysia as an intern in September 2015. Gizem hopes to support TI-M with her University education and previous work experience.



Janis Daniel (October 2015 – May 2016)
International Intern

After completing his Bachelor's Degree in Political Science at the University of Vienna (Austria) in 2012, Janis decided to put the focus of his Master's Degree on Public International Law. He subsequently enrolled in a study programme called International Politics and Public International Law at the Christian-Albrechts-University in Kiel (Germany), in the course of which he was regularly exposed to matters pertaining to corruption. Just recently, Janis submitted his thesis on the theoretic foundations of anti-discrimination law. Over the time of his studies, he gained valuable experiences in organising student's soccer leagues for the course of several seasons. Janis also spent an ecological gap year at EUROPARC Deutschland – one of Germany's biggest environmental NGOs, where he worked as project manager. Drawing on those experiences, Janis joined Transparency International Malaysia within the framework of the Carlo-Schmid-Fellowship programme to implement projects related to youth engagement. Janis hopes to be able to bring innovative ideas to TI-M as well as to undergo unique experiences in a new and challenging working environment during his seven months stint.



One of his more meaningful experiences was participating in strategic planning workshop for the Youth Movement for Transparency Asia-Pacific (YMTA) held on 11-13 December. In Janis's own words "to see these young leaders work ambitiously to promote integrity and to demand accountability within the Asia Pacific region was rewarding and inspiring, to say the least."

Get Involved – Report Corruption

In relation to the “*SPEAK UP Against Corruption*” campaign, several workshops had been held for the public by TI-M in collaboration with the Malaysian Anti-Corruption Commission (MACC). A “*SpeakUp*” Hotline was activated for citizens to report incidents of corruption, be they witnesses or victims. who have witnessed or were victims of corruption. The hotline was launched on 17th April 2015.

Malaysians now have the chance to report their complaints to TI-Malaysia and receive free legal assistance on issues of corruption. TI-M can guide you through the redress mechanisms available, the process of submitting a complaint, or information about the Protection Act 2010 for Whistleblowers. TI-M aims to encourage people to speak up against wrongdoings and therefore contribute to a nation free of corruption.

Report Corruption! Call Hotline **1800-220122**, Monday to Friday, 9am to 6pm

► Please Support Us

...FIGHT CORRUPTION!

Your contribution will support TI-Malaysia’s research, advocacy, awareness raising and public outreach and education programmes in working towards *yours and our* vision: a nation that is free of corruption.

You can also show your support by volunteering your time and through financial contributions.

Support us today for lasting change.

Cheques or cash can be banked in to TI-Malaysia’s Public Bank Account and made payable to “The Malaysian Society for Transparency and Integrity”. The details are as follows:

Full Account Name : THE MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY
Bank : PUBLIC BANK BERHAD
Bank Branch : PJ NEW TOWN, JALAN 52/2, 46200 PETALING JAYA, SELANGOR
Account No : 3 - 191 - 716 - 621
SWIFT-BIC CODE : PBBEMYKL

OR

Send your cheque to : TI-Malaysia
8, Lorong 12/17C, Seksyen 12
Petaling Jaya
46200, Selangor

Attention : Secretary General

- Remember to email to ti-malaysia@transparency.org.my to inform us that you have made a contribution together with the bank-in slip and/or payment records so that we can email you the receipt.