

TRANSPARENCY INTERNATIONAL MALAYSIA

TI-MALAYSIA

NEWSLETTER



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Below, from left: James George Chacko, Assistant Resident Representative, United Nations Development Programme (UNDP); Y.Bhg Dato' Akhbar Satar, President, TI-M, Ravindran Devagunam, Director, Performance Management and Delivery Unit (PEMANDU); Y.Bhg Com. Datuk Hj Mustafar Ali, Deputy Chief Commissioner, Prevention, Malaysian Anti-Corruption Commission (MACC); Dr. Pola Singh, Exco Member, TI-M.



Above, from left: Ravindran Devagunam, Director, PEMANDU; Y.Bhg Com. Datuk Hj Mustafar Ali, Deputy Chief Commissioner, Prevention, MACC; Y.Bhg Senior Deputy Commissioner Dato' Zubaidah bdt Ismail, Director, Integrity and Standard Compliance Department (ISCD), Royal Police Malaysia (RMP); Dr. Muhammad Mohan, Exco Member, TI-M; Y.Bhg Dato' Akhbar Satar, President, TI-M; Y.Bhg Dato' Ambiga Sreenivasan, Patron, Negara-Ku; Maria Chin Abdullah, Chairman, Bersih 2.0; Cynthia Gabriel, Director, Centre to Combat Corruption and Cronyism (C4).

2014 Walk Against Corruption (W.A.C)

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TI-Malaysia's New Anti-Corruption Toll Free Line

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2014 Corruption Perceptions Index (CPI) Results

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President's Message



Dear TI-Malaysia Members,

Overall we had a productive year in 2014. The second half of 2014 brought great excitement and changes to Transparency International-Malaysia (TI-M) in terms of increased visibility, impact and stature. We are pleased to note that our initiatives are increasingly receiving more recognition and traction, and in the process reinforcing our movement's cause to energetically combat corruption and improve governance and transparency. From the establishment of a toll free line in November, to the birth of a Coalition for Governance, Integrity, Accountability and Transparency (GIAT) in December, we gained much needed impetus and resolve in our continued fight against graft and fostering good governance.

This new toll free line is headed by an on-site legal professional to assist citizens in the referral of corruption complaints as well as provide information on the legal redress mechanisms available when reporting corruption. The aim is to empower citizens to report specific cases of corruption and boost public confidence in the impact of their engagement, as well as to identify corruption hotspots in order to advocate for systemic change.

The GIAT coalition was formed by TI-M and several like-minded civil society organisations including among others Citizens' Network for a Better Malaysia, Centre to Combat Corruption and Cronyism (C4), Institute for Democracy and Economic Affairs (IDEAS), Sinar Project and Friends of Kota Damansara. GIAT's focus areas include pushing for Malaysia's eligible participation in the Open Government Partnership (OGP). The Coalition will also pursue specifically on improving access to information by advocating for a federal Freedom of Information Law. Pivotal will be GIAT's lobby for the implementation of a public register of company beneficial owners in tandem with the 'Unmask The Corrupt' global campaign, and to push for legal reforms of the Malaysian Anti-Corruption Commission (MACC) Act and the Whistleblower Protection Act.

GIAT was launched with great spirit and enthusiasm at the '2014 Walk Against Corruption' event held at Taman Tasik Titiwangsa. The Walk, in its third edition, received strong support from all stakeholders with the participation of about 700 persons who were from every strata of society, age and gender. We would like to take this opportunity to record our profound appreciation and thanks to our sponsors namely the Performance Management and Delivery Unit (PEMANDU), the Malaysian Anti-Corruption Commission (MACC), National Key Results Area (NKRA) Against Corruption and the United National Development Programme (UNDP) for their generous contributions which had made the event an overwhelming success.

Corruption is still a major concern in Malaysia as shown in the results of the 2014 Corruption Perceptions Index (CPI) launched on 3rd December 2014. For the 20th edition of the CPI Index, the score for Malaysia improved marginally with a score of 52 out of 100 (2013: 50) and ranked 50 out of 175 countries up from a ranking of 53 last year, registering its best performance since 2004. Yes, there was a slight improvement and for that I would like to commend the enforcement agency, the Malaysian Anti-Corruption Commission (MACC) and the governmental agencies Performance Management and Delivery Unit (PEMANDU) and National Key Results Areas (NKRA) Against Corruption. Having said that, much work remains to be done by the all parties particularly the said agencies to combat graft and further improve Malaysia's score in the near future.

Speaking out loudly against corruption will become an increasingly important part of the way forward for TI-M, as TI's 'No Impunity Initiative' moves into full swing and the 'Unmask the Corrupt' campaign enters its second year, with TI-M having reinforced its strong vision for the way forward towards making our beloved country a place where the corrupt cannot hide.

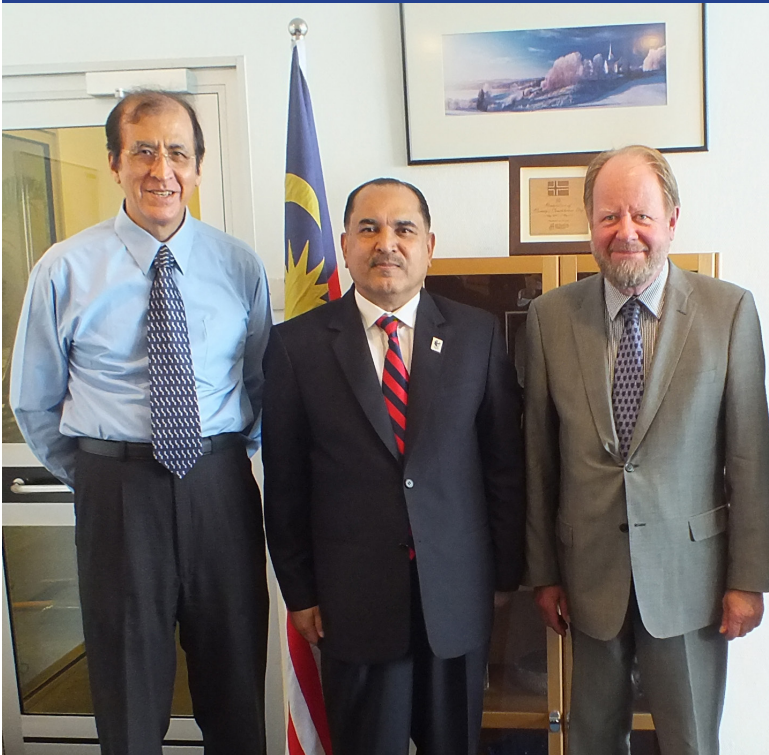
Inevitably, the task ahead for us in 2015 is expected to be daunting if not challenging but be rest assured that the Executive Committee and the TI-M staff will put our best foot forward and continue to strive to achieve the goals and objectives of the Chapter. TI-M would like to thank all members, stakeholders and concerned organizations on your strong support accorded to TI-M

Remember corruption will cease once the giving stops. Remember that a nation free of corruption starts with YOU.

I wish all of you a very happy and productive year ahead. Together we can achieve what we cannot achieve doing alone.

*Best wishes,
Dato' Akhbar Satar*

Editorial



Submission of Forest Governance Integrity (FGI) Project to the Royal Norwegian Embassy Kuala Lumpur

TI-M would like to express its sincere appreciation to the Royal Norwegian Embassy Kuala Lumpur for funding this important project
From Left: Dr Pola Singh (TI-M Exco Member in charge of FGI Project), Dato' Akhbar Satar (TI-M President), Hans Ola Urstad (Royal Norwegian Ambassador to Malaysia)

As we come to the end of 2014, it is timely to reflect upon all that has happened over the past 12 months and, in particular, the challenges, developments and achievements encountered by Transparency International-Malaysia (TI-M). Achieving our vision of "a Nation that is Free of Corruption" requires us to constantly pursue our mission "to eradicate corruption and promote transparency, accountability and integrity throughout society". We have achieved major milestones in 2014:

One year on from Malaysia's 2013 general election (GE13), the first Malaysian Corruption Barometer (MCB) 2014 was released in May that surveyed the public's experiences and views on corruption and their willingness to combat the issue. The MCB also surveyed citizens' perceptions on the government's effectiveness in tackling corruption over the last 12 months. Some positive results were found by the MCB which include: a decrease in the perceived levels of corruption in Malaysia compared to 2013, along with a decline in the belief that corruption in the public sector in Malaysia is a problem, and the perception that Malaysia's government is run by a few big interests looking out for themselves also rated better compared to 2013.

The Forest Governance Integrity (FGI) project (June 2013-May 2014) has continued its engagement with government, communities, policy experts and non-governmental organizations to reduce forest sector corruption and strengthen forest governance systems. The FGI Conferences and Workshops organized have facilitated collaboration among key stakeholders namely government officials from Ministry of Natural Resources and Environment, forestry departments, anti-corruption agencies, community and NGO leaders for review of policies, legislation and regulations related to sustainable forest management. The involvement and active participation of forest-dependent indigenous communities and the interaction with the relevant authorities provided further opportunity for institutional and policy reforms consideration in the forestry sector. TI-M would like to express our sincere thanks and appreciation to the Royal Norwegian Embassy Kuala Lumpur for funding this phase of the Project.



TI-M Exco Member Meeting – From left : Dr Pola Singh (Exco Member), Mr. Chew Phye Keat (Exco Member) (Standing) , Dr. Muhammad Mohan (Exco Member), Dr. Loi Kheng Min (Secretary General), Mr Terance Chan (Former TI-M Executive Director), Dato' Akhbar Satar (President), Jessica Sercombe (Senior Manager) (Standing), Ms. Faridah Rohani Rais (Exco Member) and Mr. Mohamed Raslan Abdul Rahman (Treasurer).

In 2014, Malaysia's ranking in the Corruption Perceptions Index (CPI) showed a slight improvement with a score of 52 out of 100 (2013: 50) and ranks 50 out of 175 countries up from a ranking of 53 in 2013. Malaysia ranked second behind Singapore (CPI score: 84) among ASEAN countries. More than two thirds of the 175 countries in the 2014 Corruption Perceptions Index 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 again in 2014 with a score of 92 while North Korea and Somalia share last place, scoring just eight.

International Anti-Corruption Day, which falls on 9th December every year, is a day when concerned citizens of each and every country come together to declare themselves against corruption. In 2014, TI-M in collaboration with the Malaysian Anti-Corruption Commission (MACC), National Key Results Area (NKRA) against corruption, Performance Management and Delivery Unit (PEMANDU) and United Nations Development Programme (UNDP) organized the third public walk against corruption themed "A Nation Free of Corruption Starts with You". Over 700 Malaysians participated in the 1.4km Walk at Taman Tasik Titiwangsa on 13th December 2014 symbolising their commitment towards curbing corruption.



Participants including the media attending the Malaysian Corruption Barometer (MCB) launch, MAY 2014

To strengthen the corruption reporting culture in Malaysia and increase public confidence in the impact of their engagement, TI-M has set up a toll-free line to help provide free assistance to Rakyat regarding their corruption complaints and educate them on the legal redress mechanisms available. By engaging directly with and supporting the public, it will help both empower citizens to voice and seek redress on individual complaints and in the process help gather real-time data to identify areas in which corruption prevails.

In September 2015, TI-M will be assisting the Malaysia Government to host the International Anti-Corruption Conference (IACC). The IACC is the world's premier global forum in bringing together heads of state, civil society, the private sector and more importantly to tackle the increasingly sophisticated challenges posed by corruption. This event takes place every two years in a different region of the world, and attracts up to 2,000 participants from over 135 countries worldwide.



Dato' Akhbar Satar, President of TI-M together with Dr Loi Kheng Min, Secretary-General at the Malaysian Corruption Barometer (MCB) launch

In 2015, TI-M will launch the Government Defence Anti-Corruption Index (GI) in Malaysia which measures the corruption risks associated with national defence using 77 questions and five key risk areas, and places each country in a band from A (very low risk) to F (critical risk). GI 2015 will measure the degree of corruption risk and vulnerability in government defence. The survey findings on GI will provide governments and citizens with information on how their defence ministries and armed forces fare compared to others in tackling defence corruption.

With a large and growing percentage of youth in Malaysia, they are a key target for long-term anti-corruption efforts. Increasing engagement with the youth, youth networks and youth organizations will be one of the key components of TI-M's citizen engagement initiative. TI-M will conduct awareness raising events

and workshops in order to enhance their knowledge on accountability, transparency and integrity, as well as promoting social change and empowering them to make positive contributions to society. Three youths were selected to participate in International Youth Camp for 'Youth Empowerment for Transparency and Integrity' (YETI) on 4-10 January 2015 in Siem Reap, Cambodia. Participants from Malaysia and six countries (Cambodia, Bangladesh, Indonesia, Pakistan, Philippines and Vietnam) from the Asia Pacific shared their knowledge and experience and learnt about transparency, integrity and the causes and consequences of corruption.

Fighting corruption is not a sprint but a marathon. TI-M will continue to focus on pursuing partnerships with key stakeholders and playing our part in strengthening and broadening our collaboration to focus on our eventual target to have a corruption-free Malaysia.

We wish every member, their families and friends, a happy and productive new year.

2014 Corruption Perceptions Index (CPI) Results



From Left: Dr Loi Kheng Min (TI-M Secretary General) and Dato' Akhbar Satar (TI-M President) during the release of the 2014 Global CPI.

Malaysia Improves Slightly In The 2014 Corruption Perceptions Index

The Global Corruption Perceptions Index (CPI) results was announced by Transparency International – Malaysia (TI-M) on 3rd December 2014. For the 20th edition of the CPI Index, the score for Malaysia improved marginally with a score of 52 out of 100 (2013: 50) and ranks 50 out of 175 countries up from a ranking of 53 last year, registering its best performance since 2004. (Please see accompanying Table 1 for Malaysia's ranking and scoring trend for the past 11 years).

TI-M commended the enforcement body the Malaysian Anti-Corruption Commission (MACC) and other governmental bodies, such as the Performance Management and Delivery Unit (Pemandu) and National Key Results Area (NKRA) Against Corruption for the slight improvement. More needs to be done by all parties to combat graft and improve the country's score further.

Dato' Akhbar Satar, President of TI-M explained that for 2014, the CPI scores ranked 175 countries based on the perceived level of corruption in the public sector. The indicator of corruption is determined by expert assessments and opinion surveys. The Malaysian CPI is based on eight different surveys and country assessments from independent institutions carried out among experienced observers such as business leaders from Multinational Companies (MNCs), local companies and country analysts gathered in the past 24 months.

Denmark again maintained its pole position in 2014 with New Zealand a close second and Finland in third place. (Please see accompanying Table 2 for the Top Five performing countries). More than two thirds of the 175 countries in the 2014 Corruption Perceptions Index score below 50, on a scale from 0 (perceived to be highly corrupt) to 100 (perceived to be very clean). North Korea and Somalia shared last place, scoring just eight. (Please see accompanying Table 3 for the rankings and scores of all 175 countries surveyed.)

Dato' Akhbar added that "The CPI is not only about comparing bribes reported, the number of prosecutions or corruption court cases but also how effective investigators, prosecutors, the courts or the media are in investigating and exposing corruption."

China (with a score of 36 out of 100), Turkey (45) and Angola (19) were among those with a drop of four or five points, despite average economic growth of more than four per cent over the last four years.

Among ASEAN countries, Malaysia ranked second behind Singapore (CPI score: 84). The worst performers were Myanmar and Cambodia with identical scores of 21. (Please see Table 4 for all ASEAN Countries' scores and rankings)

TI-M put forth a recommendation that stressed upon a comprehensive regulation on political financing. It is imperative that political contributions be channeled into party accounts and not individuals. Dato' Akhbar stressed that "both political divides must comply with this recommendation." He added that there must be stronger political will on the part of Government and one way is for Sections 23 and 36 of the MACC Act be amended to close loopholes for abuse.

TI-M also urged the Government to establish a public registry of beneficial owners' information for all Malaysian companies to uncover the real owners similar to what Denmark has done.

In response to the Auditor-General's (A-G) reports, TI-M recommends that a Multi-Disciplinary Task Force be established by the A-G Department that works closely with the Integrity Units of each Ministry. To be effective, the Task Force must possess intervention powers. Additionally, all projects and contracts should be awarded through open tenders and competitive bidding.

Corruption In Emerging Economies

The Republic of China's score fell to 36 in 2014 from 40 in 2013, despite the fact the Chinese government launched an anti-corruption campaign targeting corrupt public officials. The government has recognised the need to track and identify officials who hide ill-gotten gains overseas. In January 2014, leaked documents revealed 22,000 offshore clients from the Republic of China and Hong Kong, including many of the country's leaders.

The score matches a poor performance by Chinese companies in Transparency International's recent report on corporate disclosure practices where all eight Chinese companies scored less than three out of ten.

Corruption and money laundering are also problems for the other Brazil, Russia, India and China (BRIC) countries. Questions were raised relating to a major oil company using secret companies to bribe politicians in Brazil (which scored 43), questions about India (38) using bank accounts in Mauritius (54) and Russians (27) doing the same in Cyprus (63).

Countries On Top Must Fight Global Corruption

Transparency International called on countries at the top of the index where public sector corruption is limited to stop encouraging it elsewhere by doing more to prevent money laundering and to stop secret companies from masking corruption.

While top performer Denmark has a strong rule of law, support for civil society and clear rules governing the behaviour of those in public positions, it also set an example in November 2014, announcing plans to create a public register including beneficial ownership information for all companies incorporated in Denmark. This measure, similar to those announced by Ukraine and the UK, will make it harder for the corrupt to hide behind companies registered in another person's name.

Table 1: Malaysian CPI Performance 2004-2014

Year	04	05	06	07	08	09	10	11	12	13	14
Rank	39	39	44	43	47	56	56	60	54	53	50
Score	5.0	5.1	5.0	5.1	5.1	4.5	4.4	4.3	4.9	5.0	5.2
Countries	145	158	163	179	180	180	178	183	176	177	175

Table 2 - CPI 2014: Top Five

RANK	COUNTRY/TERRITORY	SCORE
1	DENMARK	92
2	NEW ZEALAND	91
3	FINLAND	89
4	SWEDEN	87
5	NORWAY	86
5	SWITZERLAND	86

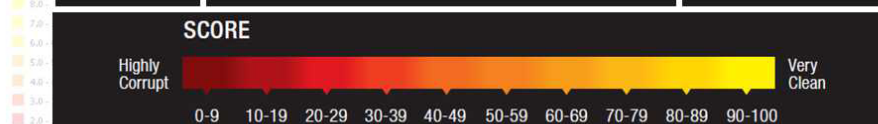


Table 3: Global Scores and Rankings

RANK	COUNTRY	SCORE	RANK	COUNTRY	SCORE	RANK	COUNTRY	SCORE	RANK	COUNTRY	SCORE
1	Denmark	92	23	Austria	72	43	Malta	55	67	Kuwait	44
2	New Zealand	91	24	Bahamas	71	43	Seychelles	55	67	South Africa	44
3	Finland	89	25	United Arab Emirates	70	47	Costa Rica	54	69	Brazil	43
4	Sweden	87	26	Estonia	69	47	Hungary	54	69	Bulgaria	43
5	Norway	86	26	France	69	47	Mauritius	54	69	Greece	43
5	Switzerland	86	26	Qatar	69	50	Georgia	52	69	Italy	43
7	Singapore	84	29	St Vincent	67	50	Malaysia	52	69	Romania	43
8	Netherlands	83	30	Bhutan	65	50	Samoa	52	69	Senegal	43
9	Luxembourg	82	31	Botswana	63	53	Czech Republic	51	69	Swaziland	43
10	Canada	81	31	Cyprus	63	54	Slovakia	50	76	Montenegro	42
11	Australia	80	31	Portugal	63	55	Bahrain	49	76	Sao Tome	42
12	Germany	79	31	Puerto Rico	63	55	Jordan	49	78	Serbia	41
12	Iceland	79	35	Poland	61	55	Lesotho	49	79	Tunisia	40
14	United Kingdom	78	35	Taiwan	61	55	Namibia	49	80	Benin	39
15	Belgium	76	37	Israel	60	55	Rwanda	49	80	Bosnia	39
15	Japan	76	37	Spain	60	55	Saudi Arabia	49	80	El Salvador	39
17	Barbados	74	39	Dominica	58	61	Croatia	48	80	Mongolia	39
17	Hong Kong	74	39	Lithuania	58	61	Ghana	48	80	Morocco	39
17	Ireland	74	39	Slovenia	58	63	Cuba	46	85	Burkina Faso	38
17	United States	74	42	Cape Verde	57	64	Oman	45	85	India	38
21	Chile	73	43	South Korea	55	64	Macedonia	45	85	Jamaica	38
21	Uruguay	73	43	Latvia	55	64	Turkey	45	85	Peru	38

Table 4: Scores of ASEAN Countries

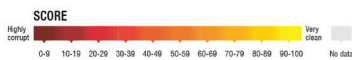
Rank	ASEAN	Position (175)	CPI Score	GDP per capita
1	Singapore	7	84	55,182
2	Malaysia	50	52	11,513
3	Philippines	85	38	2,765
4	Thailand	85	38	5,779
5	Indonesia	107	34	3,475
6	Vietnam	119	31	1,911
7	Laos	145	25	1,646
8	Myanmar	156	21	N/A
9	Cambodia	166	21	1,008
10	Brunei	N/A	N/A	38,563

Source : http://files.transparency.org/content/download/1856/12434/file/2014_CPIBrochure_EN.pdf

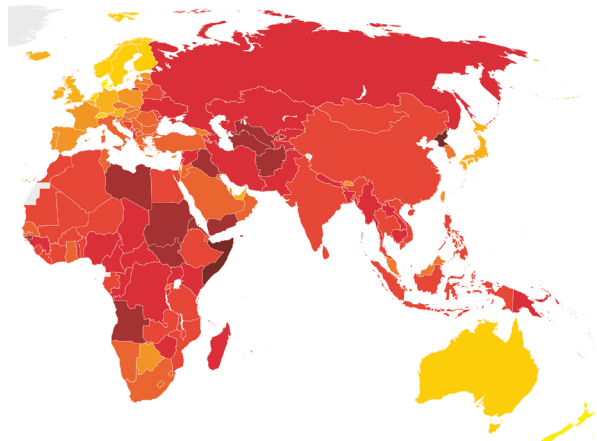
**175 COUNTRIES.
175 SCORES.**

**HOW DOES
YOUR COUNTRY
MEASURE UP?**

The perceived levels of public sector corruption in 175 countries/territories around the world.



RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE
1	Denmark	92	24	Bahamas	71	69	Brazil	43
2	New Zealand	91	25	United Arab Emirates	70	47	Costa Rica	54
3	Finland	89	26	Estonia	69	47	Hungary	54
4	Sweden	87	26	France	69	47	Mauritius	54
5	Norway	86	26	Qatar	69	50	Georgia	52
5	Switzerland	86	29	Saint Vincent and the Grenadines	67	50	Malaysia	52
7	Singapore	84	30	Bhutan	65	53	Czech Republic	51
8	Netherlands	83	31	Botswana	63	54	Slovakia	50
9	Luxembourg	82	31	Cyprus	63	55	Bahrain	49
10	Canada	81	31	Portugal	63	55	Jordan	49
11	Australia	80	31	Puerto Rico	63	55	Lesotho	49
12	Germany	79	35	Poland	61	55	Namibia	49
12	Iceland	79	35	Taiwan	61	55	Rwanda	49
14	United Kingdom	78	37	Israel	60	55	Saudi Arabia	49
15	Belgium	76	37	Spain	60	61	Croatia	48
15	Japan	76	37	South Korea	55	61	Ghana	48
17	Barbados	74	39	Dominica	58	63	Cuba	46
17	Hong Kong	74	39	Lithuania	58	63	Oman	45
17	Ireland	74	42	Cape Verde	57	64	The FYR of Macedonia	45
17	United States	74	43	Latvia	55	64	Turkey	45
21	Chile	73	43	South Korea	55	67	Kuwait	44
21	Uruguay	73	43	Malta	55	67	South Africa	44
23	Austria	72	43	Seychelles	55	67	South Africa	44



RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE
85	Trinidad and Tobago	38	110	Kosovo	33	136	Cambodia	21
85	Zambia	38	110	Malawi	33	136	Cameroon	27
94	Armenia	37	115	Cote d'Ivoire	32	136	Iran	27
94	Colombia	37	115	Dominican Republic	32	136	Kyrgyzstan	27
94	Egypt	37	115	Guatemala	32	136	Lebanon	27
94	Gabon	37	115	Mali	32	136	Nigeria	27
94	Liberia	37	119	Belarus	31	142	Russia	27
94	Paraguay	37	119	Mozambique	31	142	Comoros	26
94	Algeria	36	119	Sierra Leone	31	142	Ukraine	26
100	China	36	119	Tanzania	31	145	Bangladesh	25
100	Suriname	36	124	Guyana	30	145	Guinea	25
103	Bolivia	35	124	Mauritania	30	145	Kenya	25
103	Mexico	35	126	Azerbaijan	29	145	Laos	25
103	Moldova	35	126	Gambia	29	145	Papua New Guinea	25
103	Niger	35	126	Honduras	29	150	Central African Republic	24
107	Argentina	34	126	Kazakhstan	29	150	Paraguay	24
107	Djibouti	34	126	Nepal	29	152	Congo Republic	23
107	Indonesia	34	126	Pakistan	29	152	Tajikistan	23
110	Albania	33	126	Togo	29	154	Chad	22
110	Ecuador	33	133	Madagascar	28	154	Democratic Republic of the Congo	22
110	Ethiopia	33	133	Nicaragua	28	133	Nicaragua	28
			133	Timor-Leste	28	133	Timor-Leste	28

2014 Walk Against Corruption Collaboration Between Civil Society And Government



Briefing at the beginning of the Walk by Mr Tam Wah Fiong (TI-M Exco Member)

Dato' Akhbar Satar together with students from Malaysia Anti-Corruption Academy (MACA).



Over 700 Malaysians participated in Transparency International-Malaysia's (TI-M) Walk Against Corruption on Saturday 13th December 2014 at Taman Tasik Titiwangsa, organised in collaboration with the Malaysian Anti-Corruption Commission (MACC), National Key Results Area (NKRA), Against Corruption, Performance Management and Delivery Unit (PEMANDU) and United Nations Development Programme (UNDP).

The large turnout supported the Walk's theme "A Nation Free of Corruption Starts with You", as families and individuals participated in the 1.4km Walk, symbolising their commitment to end corruption. Organised for the third year running, the Walk's aim was to demonstrate public support in fighting corruption across all strata of society as well as to raise awareness, particularly to the youth, on the issue.

Another key theme of the day was "collaboration", particularly between civil society and government bodies coming together for the same objective – to show solidarity against corruption. Speakers at the event included:

- MACC Deputy Chief Commissioner of Prevention, Y.Bhg Datuk Haji Mustafar bin Ali.
- Leading social activists: Y.Bhg Dato' Akhbar Satar (President of TI-Malaysia), Y.Bhg Dato' Ambiga Sreenevasan (Patron of Negara-Ku), Maria Chin Abdullah (Chairman of Bersih 2.0) and Cynthia Gabriel (Director of Centre to Combat Corruption and Cronyism (C4));
- Key youth representatives: Akmal Saufi Mohamed Khaled (member of the Malaysian Youth Parliament) and Jufitri bin Joha (Vice President of Angkatan Belia Islam Malaysia);

At this event, The Coalition for Governance, Integrity, Accountability and Transparency (GIAT) was officially launched at the Walk by TI-M President, Dato' Akhbar, with a mission to "promote and advocate for governance, integrity, accountability in Malaysia" by upholding five core principles:

- Impartiality,
- Justice,
- Openness,
- Solidarity,
- and Honesty.



Participants signing the pledge board



Malaysians speak up to fight corruption



Aerobic Session before the Walk



Y.Bhg Dato' Akhbar Satar, President of Transparency International-Malaysia gives his opening speech



Y.Bhg Dato' Ambiga Sreenevasan, Patron Negara-Ku



Cynthia Gabriel, Director of Centre to Combat Corruption and Cronyism (C4)



Performance by students from International Islamic University Malaysia (IIUM)



Inspirational speech by Youth speakers Ahmad Saufi Mohamed Khalid, member of the Malaysia Youth Parliament (on left) and Jufitri Joha, Vice President of Angkatan Belia Islam Malaysia (on right), encouraging the youth participants to stand up against corruption.



Maria Chin Abdullah , Chairman of Bersih 2.0

Dato Akhbar stated "We are going to work together and form a stronger voice so that it will be heard and heard louder, and all of us understand that it is important to come up with ways to curb corruption in our country." The Coalition partners include the Institute for Democracy and Economic Affairs (IDEAS), Sinar Project, Citizens Network for a Better Malaysia (CNBM), the Centre to Combat Corruption and Cronyism (C4) and Friends of Kota Damansara.

The number of youth at this year's Walk was inspiring, including 140 university students from the Corruption Prevention Secretariats participated from Universiti Teknologi MARA (UiTM), International Islamic University Malaysia (UIAM) and International Languages Teacher Training Institute (IPBA). UIAM students also performed a dance sequence and a sketch highlighting the destructive effects of corruption on people's lives. Around 50 enthusiastic representatives from the Malaysian Anti-Corruption Academy (MACA) also attended the Walk, contributing to the numbers of youth participants.

The Walk also received great support from the following sponsors: Nestlé, Celebrity Fitness, Perskindol and Saucony, who contributed free product samples and lucky draw gifts.

2014's Walk Against Corruption represents a significant milestone in the solidarity shown between people of all backgrounds, ages, ideals and beliefs from different sectors coming together for the same cause. TI-M is extremely thankful to everyone who participated in strengthening this common platform, by helping to emphasise that this is the one effective way to move forward in the fight against corruption.

Huge thanks and recognition to the staff at TI-M and Exco Member Dr. Mohan, Organising Chairman, who worked to great lengths to make the event a great success.

Business Integrity Programme Best Practice Session @ NESTLEMALAYSIA

Transparency International – Malaysia’s (TI-M) Business Integrity Programme (BIP) Best Practice Forum series provides platforms for corporations to exchange ideas and views to further improve the level of integrity in the business community. The main objectives of this seminar are:

- To observe the integrity culture of the hosting company
- For attendees to share integrity best practices from their own organisations
- To create a platform for knowledge sharing through case studies and forum

Nestle Malaysia kindly hosted the 8th TI-M BIP Best Practice Forum on 30 September 2014 at a leading hotel. The forum was well attended by 40 participants from 38 organisations. Participants consisted of members from Federation of Malaysian Manufacturers (FMM) and invitees from the TI-M BIP network.

The session started with introductory remarks by Dr Mark Lovatt (Business Integrity Programme Manager), who welcomed the participants, and gave a brief background of the seminar series. This was followed by welcoming remarks from Mr. Alois Hofbauer, the Managing Director of Nestlé Malaysia.

Mr Hofbauer’s remarks were followed by presentations on Nestlé’s compliance system and Code of Business Conduct. It was emphasised how the Nestlé brand is well known for its credibility because it makes compliance a foundation to how Nestlé does business.

There was also a presentation on Nestle’s Supplier Code. Mr Vega, Nestle Head of Procurement shared how the supplier code had become a competitive advantage for Nestle, and how Nestle implemented a stringent programme with its suppliers with regards to the following: human rights, health and safety, environment sustainability and business integrity. Mr Vega shared how Nestle made the supplier code publicly accessible and easily understandable, by using comic strips and pocket book version of the code to present to different levels of stakeholders.

In addition, the Nestle Head of Market Audit made a presentation on Nestle’s Non-Compliance hotline, which is operated independently by a professional third party.

The best practice session ended with a scenario training and forum discussion moderated by Dr Mark Lovatt.

The Best Practice Sessions are open to all TI Malaysia Corporate Members, and, by invitation, organisations which are actively engaged in implementing corporate integrity programmes of their own. Contact Dr Lovatt at mark.lovatt@transparency.org.my or call 03-7960 6630 for more information.

Whistleblowing System - Best Practice & Challenges

International surveys as well as recent corporate scandals show that whistleblowers are an important source for detecting cases of corruption and other illegal behaviour or mismanagement inside companies and organisations. For instance, in the PricewaterhouseCoopers’s Global Economic Crime Survey, 23 per cent of respondents who had experienced major economic crimes in their company stated that the crimes were discovered through a whistleblowing system (5 per cent) or tip-offs (18 per cent) (PWC 2014). Research conducted by KPMG shows that among the 596 economic crime cases analysed, 19 per cent of the cases were discovered through whistleblowing and 22 per cent through tip-offs (KPMG 2014).

“It only takes one event of poor management for a whole division to pull back from reporting incidents they know of.”

Whistleblowing systems are clearly an increasingly important element of corporate governance. Many companies, both in developed and emerging economies, have adopted whistleblower systems, including hotlines and similar reporting tools. Some multinational companies have opted for hiring professional service firms and specialised companies that provide ready-made solutions with a global reach.

What makes a successful whistleblowing programme? A number of factors must be included to encourage employees to come forward and raise the alarm on malpractice. Most importantly, the whistleblower must have a high degree of trust in the organisation. Setting up secure reporting lines is just one of the elements involved in encouraging employees to report corruption incidents. In particular, employees must see that reporting on malpractice does not result in them being victimised, either as a result of information being leaked, or because the company dealt with the problem badly.



This applies equally to external parties like suppliers: people talk, and if one supplier suffers retribution for coming forward, other suppliers will not be willing to take the risk of losing important orders for the sake of reporting malpractice.

When running whistleblowing systems, it is essential to remember that the process is primarily for the benefit of the organisation. When incidents are reported early, they can be dealt with without it emerging into the public domain and causing damage to the company. On that basis, everything should be done by the organisation to make reporting as safe, simple and easy as possible. For example, it is advisable to include the option of anonymity when people are making their reports. The downside of this is that often further information is needed before the investigation can proceed; it can also encourage malicious reporting. However in practice, it is often easy to identify genuine reports from others, as genuine reports are often detailed, giving names, dates and full information on the incident which makes them easy to follow up. One option to safeguard anonymity, while maintaining an open communication line, is for whistleblowers to set up a temporary e-mail using Google or Yahoo to enable further communication with the investigation team without revealing their identity. Later on, when the whistleblowers assured that they are in safe hands, they may be willing to give a phone number or other personal details.

Making whistleblowing as easy and simple as possible is also essential to make the programme work well. Reports are often made outside business hours and from outside the office; they also may be made in a number of languages, besides Bahasa and English, such as Chinese or Tamil. Accessibility is essential for people to pick up the phone or send an e-mail when it is convenient (or safe) for them to do so. Some larger companies employ the services of an external reporting company, which provides 24/7 access, guaranteed confidentiality and a shielding element to help employees and suppliers come forward without the details being revealed to the company. While this can undoubtedly be useful, especially for high profile incidents, research indicates that most employees would prefer to speak to somebody within the organisation first, especially if they are unsure as to whether the incident really was a matter of corruption, rather than contact someone externally. In many cases, reporting line to the Chairman of Committee for Governance and Integrity (CGI) or designated independent director post can be as effective. The best practice is to have two options: a formal reporting line to an external party or designated director for serious incidents, and helpline for people to contact if they are unsure or if the incident is relatively minor.

“A strong whistleblower protection policy is therefore essential, not just in theory but implemented in practice, with severe penalties for victimisation of whistleblowers.”

Acting on the reports is essential to retain the credibility of the process. While not all reports will be genuine, it is important for employees to see that people who are acting in a corrupt manner are identified, investigated and where appropriate, suspended or have their employment services terminated. Moving corrupt staff within the organisation is not a solution, as it indicates that the company is powerless, and that corruption is not taken seriously. The problem is not dealt with by moving staff around in any case, as the corrupt person almost certainly carries on their practices in the new post. Vigorous enforcement, as with all areas of corruption risk is necessary to ensure that the problem is dealt with properly and the integrity of organisation is safeguarded.

Getting a whistleblowing system right is a key part of any successful anticorruption programme. When done correctly, it can create a safe channel for people with important information to bring it to the attention of the people who can deal with the problem. More information on how to set up and manage an effective whistleblowing program is available from the Business Integrity Program Manager, Dr Mark Lovatt, mark.lovatt@tranparency.org.my or call 03-7960 6630.

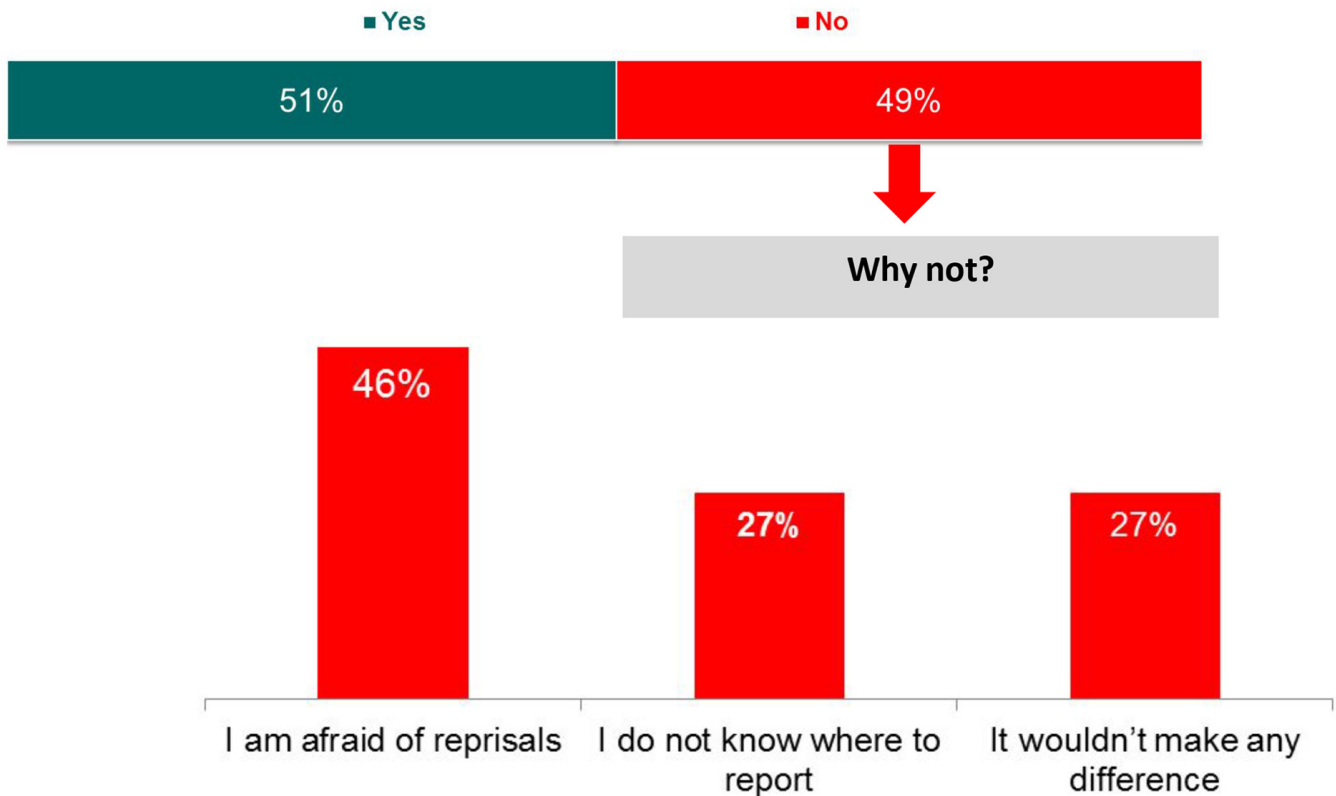
Acknowledgement: Some information for this article was taken from the TI Anti-Corruption Helpdeskanswer, ‘Best Practices and Challenges for Whistleblowing Systems in Multinational Companies’ 2014



SPEAK UP - CALL 1800 220 122

TI-Malaysia's new Anti-Corruption Toll Free Line

Would you report an incident of corruption?



Source:

<http://transparency.org.my/what-we-do/indexes/global-corruption-barometer/ti-m-2014-malaysia-corruption-barometer-mcb-results/>

When TI-M launched the Malaysian Corruption Barometer results in May 2014, the findings on corruption reporting were concerning. Of the 2,000 people surveyed, 51% said they would report an incident of corruption. Of the 49% that answered 'No' to reporting corruption, 46% stated it was because they were 'afraid of reprisals', 27% said they 'do not know where to report' and 27% felt 'it wouldn't make any difference'.

To strengthen the corruption reporting culture in Malaysia and increase public confidence in the impact of their engagement, TI-M has set up a new anti-corruption toll-free corruption line, (1800 220 122). The new toll-free service will provide an avenue for the public to speak up on issues concerning corruption and in turn for TI-M to provide support to the public. Citizens who want to enquire about the redress mechanisms available, the process involved in submitting a corruption complaint, and follow up on their corruption report, or the protection given under the Whistleblower Protection Act 2010 and what their rights consist of under this Act can now make use of TI-M's new service. TI-M will file the details of the complaint on its internal database as a point of reference, helping to track the steps taken by the complainant once they have gone through the official avenues available. Such tracking will help map the gaps and causes driving corruption.

TI-M aims to improve citizens' willingness to report corruption, empower the public to make and pursue corruption related complaints, and engage with citizens directly to provide a deeper understanding on what corruption consists of. The long-term goal is to impact behavioral change.

We will be collaborating with the MACC to develop this engagement, as we are not looking to replace the MACC's role, but help to complement their work. Site visits and workshops will also be conducted in 2015 to help raise awareness on corruption reporting, particularly for marginalized communities.

TI-M's contact details for citizens requiring assistance are:

Call – 1800 220 122 (toll-free)
Email- speakup@transparency.org.my
Location – 23 Jalan Pantai 9/7, 46000 Petaling Jaya Selangor
Website – www.transparency.org.my



(From left to right), Asha Chandren (Political and Public Affairs Officer, High Commission of Canada to Malaysia), Jessica Sercombe (Senior Manager, TI-M), Dato' Akhbar Satar (President, TI-M), Robb Stewart (Second Secretary, High Commission of Canada to Malaysia) and Dr. Muhammad Mohan (Exco member, TI-M) at the High Commission of Canada to Malaysia, Kuala Lumpur

TI-M would like to give special thanks to the High Commission of Canada and Transparency International Secretariat (TI-S) for their financial support towards the pilot phase of this project.

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Canada 

Announcement Of The Next 17th Annual General Meeting (AGM)



Details

Date: Saturday 14th March 2015

Time: 9:00am - 1:00pm

Location: Tan Sri Hamzah Room, Level 1, Royal Selangor Club, Bukit Kiara
Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur

Notes:

1. Please renew your membership fee for 2015 by the following methods:

- Kindly make cheque Payable to : 'The Malaysian Society for Transparency and Integrity' or MSTI
- Bank-in via our account Public Bank Berhad A/C 3131434022 (Please fax or email the bank-in slip after the banking transaction)

2. Please note that only members who have renewed their 2015 membership are entitled to attend the 17th Annual General Meeting.

Announcement made by TI-M's Secretary General Dr Loi Kheng Min



42 VIEWS The Star, MONDAY 15 DECEMBER 2014

A quantum leap for MACC

REFER to the article "Take politics out of MACC, says Low" (*The Star*, Dec 10).

It is indeed gratifying to note that the Government is supportive of efforts to make the Malaysian Anti-Corruption Commission (MACC) an independent entity.

According to Minister in the Prime Minister's Department Datuk Paul Low, the Cabinet has approved a proposed amendment to the Federal Constitution to make the MACC autonomous and independent of the civil service.

The significant part of this statement is that the nation's highest decision-making authority, namely the Cabinet, has agreed to this new set-up to beef up the MACC.

For all right-thinking Malaysians, this is music to our ears.

We know that the MACC operating under its current outfit will not be effective enough to catch the big fish or those with good connections.

This will change if we are all willing to support and move forward with the Government's decision to empower the MACC.

The issue is simple. Equipping the

MACC with all the necessary powers, independence and resources to effectively fight corruption is the way forward as it will then have more teeth and bite.

Amendments to the current MACC Act will elevate the MACC to a Public Service Commission under the Constitution.

Low added that the amendments "will secure the tenure of the chief commissioner for a certain number of years (to protect him from political blowback should he choose to investigate high ranking officials) and will also give the commission the exclusive right to hire and fire its own staff".

Hence only with the MACC being given more clout and independence will it be able to fulfil what it was established for.

With these new powers, the MACC can aggressively go after the corrupted without fear or favour.

Frankly, such political changes are not only refreshing and uplifting but more importantly provide a golden window of opportunity to raise and sustain our current anti-corruption drives.

The Government should also consider giving more power to the Commission to prosecute cases on its own instead of having to refer them to the Attorney-General's Chambers.

Low's fear that it will be difficult to get the two-thirds majority in Parliament to amend the Act is unfounded.

Both sides of the political divide will definitely close ranks when it comes to agreeing to a national agenda which would only do good for the country.

It beats me why someone would not want to support the amendment to empower the MACC unless of course they would like the MACC to continue to be a "weak" organisation for their personal interests.

We have time and again heard the expression that there is lack of political will when it comes to tackling corruption.

But the Government has now demonstrated that it indeed has the political will by agreeing to amend the MACC Act.

Most will agree that this political will to fight corruption is indeed a

pre-condition to effectively fight corruption.

Let's hope that both sides of the political divide will cast aside their political differences and give this an important initiative the strong support it deserves.

The moment of truth is here. This is indeed a quantum leap in our fight against graft.

Hopefully the public and relevant NGOs will voice out their support for the MACC to be strengthened.

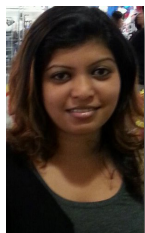
The fight against corruption must take place at every level for this menace to be eliminated.

We need the commitment of all Malaysians, irrespective of race, religion, political affiliation, ideology to achieve what none of us can do alone.

This initiative may perhaps be the single most important contribution of Low since he took office about 18 months ago.

I look forward to the day when the MACC will get the respect it deserves and our faith restored in this important institution.

DR POLA SINGH
Kuala Lumpur



Sheetaljit Kaur joined TI-Malaysia on the 3rd November 2014 as a Project Officer. She previously worked for Care Malaysia as a 'Leader' in Finance, Administration and Human Resources, subsequent to completing an undergraduate degree in Human Resource Management at the Malaysian Institute of Human Resource Management. She is currently undertaking a course in 'Counselling Psychology' part-time at Allied Educators.

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