



TRANSPARENCY  
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MALAYSIA

# NEWSLETTER



A NATION WITHOUT CORRUPTION,  
A SOCIETY WITH INTEGRITY

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## PRESIDENT'S MESSAGE

Civil society organizations and advocates of anti-corruption and good governance were pleasantly surprised last month when the Madani government announced that it is going to form a task force to get Malaysia to be among the top 25 countries in the Corruption Perception Index by 2033. This task force will oversee six focus group led by different agencies covering enforcement, managing public funds, business productivity, investment risks, legislation and strategic communication. Each of these focus groups have been assigned to look at the survey reports and analyse what needs to be done in terms of reforms and executing the strategic plan in the National Anti -Corruption Strategy (NACS). TI-Malaysia is deeply concerned about the execution of the respective strategies and its sub-strategies by the agencies. Since the NACS was launched not a single agency or ministry have come up with an operational plan or a tactical plan to explain how they plan to execute. It appears that the task force will be facing an uphill battle to force the changes and convince the civil servants to embrace the change, improve efficiency and practice good governance.

The string of arrests made by MACC especially on enforcement units such as the Immigration Department is a worrying trend on the behaviour and values among our civil servants. This is despite many previous incidents and several control measures being put in place in government agencies. What is wrong with Malaysians today? Are we not concerned about the future of the nation? Or are we not fearful that what we do is always watched by a supreme being? What happened to all the good values our parents have taught us or the religious teachings given to us regardless of whatever faith we are? It is timely for all religious groups to leverage on religion as a source of moral guidance and ethical values. All religions share a common belief that corruption is a sin and a transgression against the Divine Will.

Recently TI-Malaysia launched a new book "The Sin of Corruption -A Religious Perspective". The event was graced by the Chief Commissioner of MACC, Tan Sri Azam Baki at the Putra Jaya International Convention Centre. We embarked on this project by gathering religious scholars and researchers to write a chapter on corruption from a religious perspective of Islam, Buddhism, Christianity, Hinduism, Sikhism and Taoism. Religious organizations should play their part by spreading the message than indulging in corruption is a sin which God detests. On other projects mostly on business integrity we have engaged actively with state government of Sarawak through their integrity and ombudsman unit. This includes training on corporate liability and beneficial ownership for the CEOs (Certified Chief Integrity Officers) and State Assemblyman (ADUNs). We also embarked on a new project called "Enhancing Transparency and Mitigating Corruption Risks in Carbon Markets for Climate Action" which is a study on climate governance integrity programme in the state of Sabah and Selangor. This project is funded by Waverly Street Foundation through our secretariat in Berlin.

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- 10th National Procurement Conference MICG

*Dr Muhammad Mohan*

**President  
Transparency International Malaysia**





# EDITORIAL

## **Why Youth Matter in the Fight Against Corruption.**

The Malaysian National Anti-Corruption Strategy 2024-2028 ("the NACS") formulated 5 key strategies in the fight against corruption namely 1. Education 2. Public Accountability 3. Voice 4. Enforcement and 5. Incentives. In our country's battle against corruption, one of the most powerful, yet often underutilized, resources is youth.

The NACS has taken cognition of this and the Education strategy has called for the enhancement and strengthening of activities and curriculum on ethics, good values and anti-corruption at pre-school, primary, secondary school levels and institutions of higher learning including technical and vocational institutes.

Young people represent more than just the future; they are a potent force for change in the present. Their energy, innovative thinking, and passion for social justice make them ideal advocates in the fight against corruption. Engaging youth in anti-corruption efforts is crucial for shaping a future where integrity, accountability, and transparency are the foundation of society.



Corruption corrodes societies at every level, perpetuating inequality, stifling economic growth, and undermining trust in institutions. The engagement of young people in anti-corruption efforts can be a game changer for several reasons.

### **i. A Fresh, Innovative Perspective**

Young people are inherently creative and unburdened by the limitations of "how things have always been done." They bring new ideas and fresh perspective that can disrupt the status quo and inspire innovative strategies to combat bribery and misuse of power.

### **ii. Technological Savvy**

Whether it's building blockchain-based systems for secure and transparent transactions, using data analytics to monitor government procurement, or creating platforms that allow citizens to report corruption anonymously, the youth can deploy tech-driven innovations to enhance accountability. Social media, too, plays a pivotal role in anti-corruption advocacy, and young people can mobilize large audiences, spread awareness, and foster nationwide movements to demand integrity from governments and corporations.

### **iii. Passion for Social Justice**

One of the defining characteristics of today's youth is their deep commitment to social justice. Their passion for a more just and equitable world makes them natural allies in the fight against corruption. Their youthful energy can be harnessed in the fight against corruption, driving a cultural shift toward greater accountability and integrity in both the public and private sectors.

Young people have the power to drive a cultural shift that prioritizes ethics over greed, transparency over secrecy, and justice over exploitation. By empowering them with the knowledge, tools, and platforms to fight corruption, we can ensure that the next generation leads us into a future where integrity is the foundation of both public life and business in Malaysia.

***EULIS RACHMATIAH ISKANDAR***





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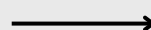
# BOOK LAUNCH

TRANSPARENCY INTERNATIONAL MALAYSIA LAUNCHED A BOOK *"THE SIN OF CORRUPTION: A RELIGIOUS PERSPECTIVE"*.



On 13 June 2024, Transparency International Malaysia organized a book launch event for "The Sin of Corruption: A Religious Perspective" at the Putrajaya International Convention Centre (PICC). The event, attended by 115 participants, was inaugurated by the Honorable Tan Sri Azam Baki, Chief Commissioner of MACC.

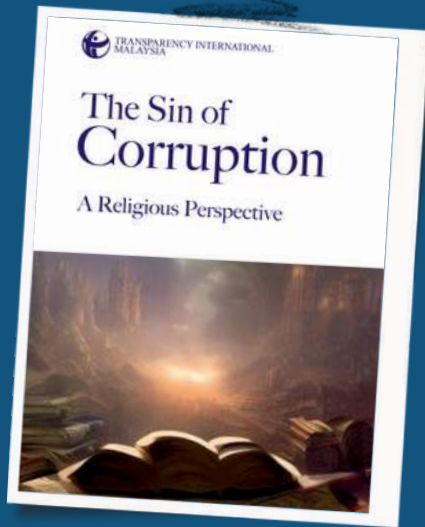
This book explores the view of corruption as a sin across six different religions: Islam, Christianity, Buddhism, Hinduism, Sikhism, and Taoism. It took two years for the authors, editors, and production team to complete this work, and it is now finally launched.







## GALLERY OF BOOK LAUNCH EVENT





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# CLIMATE GOVERNANCE INTEGRITY PROJECT (CGIP)

## MALAYSIA'S VOLUNTARY CARBON MARKET (VCM): ARE THERE GAPS LEADING TO CORRUPTION AND BAD SOCIAL OUTCOMES?



On 14 June 2024, Mr Ho Yi Jian presented a talk on Malaysia's voluntary Carbon Market (VCM) as part of his research effort for TI-Malaysia's Climate Governance Integrity Project (CGIP) at Sunway University. Mr Ho Yi Jian is our lead researcher for this CGIP project, funded by the Waverley Street Foundation. The session focused on the following points:

- The potential risks associated with a nascent VCM, including leakage, fraud, and negative social impacts
- Best practices for ensuring integrity and social impact based on international reports and case studies
- Gaps in existing guidelines for the Malaysian VCM





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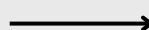
# INTERNATIONAL ANTI-CORRUPTION CONFERENCE (IACC) IN VILNIUS LITHUANIA

## Future Proofing Business: The Integrity Advantage of ESG



Dr Muhammad Mohan participated in the International Anti-Corruption Conference (IACC) in Vilnius, Lithuania from 18 until 21 June 2024. He was invited as a speaker for a session on **Future Proofing Business: The Integrity Advantage of ESG**.

The discussion highlighted on fostering a strong culture of integrity through key elements such as diversity, ethical leadership, and risk management, while highlighting the impact of geopolitical tensions, particularly between the US and China, on supply chain risks, corruption, and human capital. The UN Global Compact's Transformational Governance principles were emphasized as a framework for ethical business practices, including the integration of ESG. Concerns about AI's role in business integrity, such as data privacy and biases, were raised, along with challenges in ESG reporting due to differing standards across organizations, highlighting the need for a global standard.





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## ENGAGEMENT WITH AXIATA GROUP BERHAD



On June 24, 2024, Transparency International Malaysia (TI-M) enjoyed a pleasant conversation at the office of Axiata Group Berhad. We talked about TI-M's persistent advocacy work in combating corruption across Malaysia throughout the session and shared our extensive knowledge of corporate program expertise. We also looked at various possibilities for collaborating between TI-M and Axiata Group Berhad.

We are excited about the prospects of our new corporate member, Axiata Group Berhad, and look forward to achieving great things together.





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# INCORPORATING BUSINESS INTEGRITY, GOVERNANCE AND CORPORATE LIABILITY IN ENTERPRISE WORKSHOP

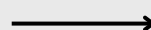


On 16 July 2024, Transparency International Malaysia (TI-M), in collaboration with the United Nations Office on Drugs and Crime (UNODC) and The Integrity Unit & Ombudsman Sarawak (UNIONS), organized a half-day workshop titled "Incorporating Business Integrity, Governance & Corporate Liability in Enterprise" for the Sarawak State Legislative Assembly.

We express our heartfelt gratitude to our distinguished speakers for their insightful presentations. We also thank the participants for their attentive presence and diligence throughout the workshop. We hope the participants have gained valuable knowledge and will apply these insights within their organizations to combat corruption effectively.



Dr Muhammad Mohan presenting The Sin of Corruption, A Religious Perspective book to The Honorable Dato Murshid DiRaja Dr. Juanda Jaya, Deputy Minister in the Premier's Office (Integrity & Ombudsman) (left) and Tan Sri Hj Abu Kassim, Former Chief Commissioner of the Malaysian Anti-Corruption Commission (MACC) (right) as tokens of appreciation.





# SPEAKERS FOR DUN TRAINING



**TAN SRI HJ ABU KASSIM**



**DR MUHAMMAD MOHAN**



**RAYMON RAM**



**VICKRAM RAGUNATH**



**SHANTA HELENA**

**1- TAN SRI HJ ABU KASSIM, FORMER CHIEF COMMISSIONER OF THE MALYSIAN ANTI-CORRUPTION COMMISSION (MACC)**

*TOPIC: HOW INSTITUTIONS SAY NO TO CORRUPTION*

**2- DR MUHAMMAD MOHAN, PRESIDENT OF TI-MALAYSIA**

*TOPIC: COMPANY DIRECTORS: ROLES, RESPONSIBILITIES & FIDUCIARY DUTIES*

**3- RAYMON RAM, MANAGING PRINCIPAL AT GRAYMATTER FORENSIC ADVISORY**

*TOPIC: S17A & CORPORATE LIABILITY FOR DIRECTORS & LEGAL PERSONS*

**4- VICKRAM RAGUNATH, NATIONAL PROGRAMME OFFICER AT THE UNITED NATIONS OFFICE ON DRUGS AND CRIME (UNODC)**

*TOPIC: INTERNATIONAL BEST PRACTICES ON BUSINESS INTEGRITY*

**5- SHANTA HELENA DWARKASING, HEAD OF PROGRAMMES AT THE UNITED NATIONS GLOBAL COMPACT NETWORK MALAYSIA AND BRUNEI (UNGC)**

*TOPIC: BUSINESS INTEGRITY AND ESG COMPLIANCE*









## ENGAGEMENT WITH TOP GLOVE



Our President, Dr Muhamamd Mohan, along with Exco Members Ms. Eulis Rachmatiah and Ms. Chuah Yean Ping, visited one of our respected Corporate Members, Top Glove. During the meeting, we discussed the current state of corruption in Malaysia and its ranking in the Corruption Perception Index. We also had the opportunity to present our book, 'The Sin of Corruption: A Religious Perspective,' to them. It was indeed an engaging session and we hope to further strengthen the partnership between Transparency International Malaysia and Top Glove through various collaborations!



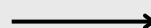
# COLLECTIVE ACTION UPDATE (JULY 2024)



The Collective Action report for Marang was submitted to Majlis Daerah Marang (MDM) on 1st July 2024. This meeting was attended by the Yang DiPertua Tuan Haji Lukema Meri Bin Salleh @ Abdul Latif, Encik Mohd Yusof Bin Salleh (Secretary), MDM officers, and representatives from the Monitoring Teams.



Among the results shared were: Fix-Rate data calculated before and during the 4-month monitoring period, results of the pre-and post-perception survey conducted with sample residents from the three zones, and additional pre- and post-survey comparisons by gender, age, academic qualification, and workplace (public or private). The 6-month extension to the monitoring period will end in August 2024. MDM expressed their satisfaction with the overall results and value of the program to the residents in the three pilot zones.







## COLLECTIVE ACTION

State Governance Meeting/Mesyuarat Tatakelola Negeri (MTKN)



The Collective Action report for Marang was also submitted to MTKN #2, 2024, on 8th July 2024, which is the Terengganu state-level meeting to discuss matters related to governance and integrity. The State Secretary chaired the meeting, and representatives from state agencies, including MACC, attended. The Marang results, including the Fix-Rate and pre- and post-perception surveys, were shared at the meeting. The meeting also saw a live demonstration of the PowerBI Dashboard, highlighting the issues reported and the current status. In addition, a short video showed feedback from selected program participants. The State Secretary noted the results of the Collective Action pilot program and recorded his appreciation for its completion. The YDPs of Dungun and Marang were invited to give feedback on the program in their respective districts. YDP Dungun noted the strong involvement of the local community in the three zones (A, C, and D) and looked forward to expanding the Collective Action program to other zones. YDP Marang stated that the program positively impacted zones A, C, and E communities.



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# INTEGRITY TALK ON CORPORATE LIABILITY: WHO CAN BE PUNISHED?

In collaboration with TI-M's Corporate Member, State Development Corporation of Selangor (PKNS)



Our distinguished Exco Member, Ms. Eulis Rachmatiah gave an Integrity Talk on Corporate Liability to the subsidiary companies of our Corporate Member, State Development Corporation of Selangor (PKNS). The event was held on 18 July 2024 at PKNS' headquarters in Shah Alam.



We would like to thank PKNS for the thoughtful invitation. We hope this talk not only enhance PKNS' determination to uphold Integrity and Transparency within its subsidiaries but also inspire a culture of ethical practices and accountability, which eventually lead to their sustainable growth and endless success!



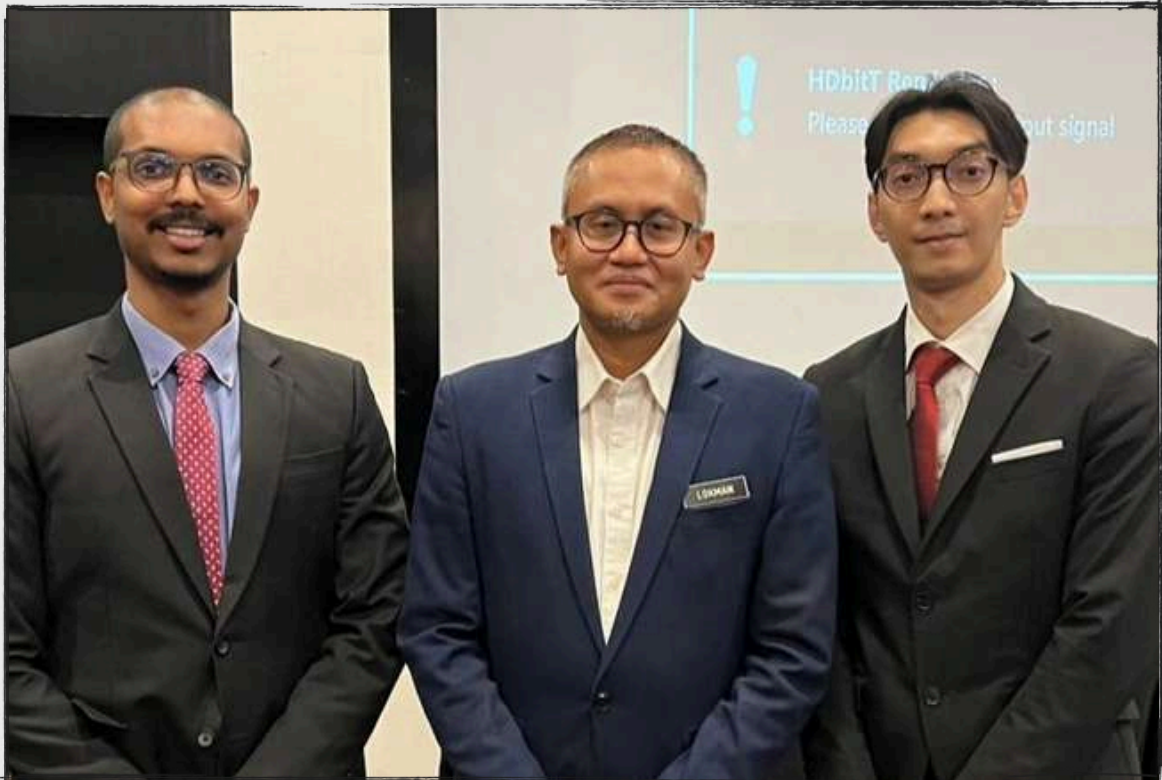




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## NATIONAL ANTI-CORRUPTION STRATEGIES (NACS)

Engagement Session and Workshop



Justin Jarret, Assistant Manager of TI-M, and Asyraf Shaadan, Project Executive of TI-M, attended the “Sesi Libat Urus dan Bengkel Strategi Pemberantasan Rasuah Nasional/National Anti-Corruption Strategies (NACS) Bersama Badan Bukan Kerajaan (NGO) dan Pengamal Media” on the 24th of July at Cita Ballroom, Cyberview Resort & Spa, Cyberjaya. The engagement session and workshop were held in two parts. The first session was for media only, and the second was for NGOs. This was done to prevent any conflict between the media and NGOs. The event started with the opening speech by YBhg. Dato’ Idris bin Zaharudin. This was followed by a session to elaborate on each of the five strategies and 60 sub-strategies in the NACS by Tuan Lokman.



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# A ROADMAP TO BENEFICIAL OWNERSHIP TRANSPARENCY IN MALAYSIA

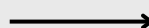
Organized by the International Republican Institute (IRI) with  
TI-Malaysia as a supporting partner



Mr Raymon Ram, TI-M's Secretary General was invited as a moderator at the International Republican Institute's event on "A Roadmap to Beneficial Ownership Transparency in Malaysia" at the Renaissance Hotel. held on August 7-8, 2024. As the moderator, Mr Raymon facilitated the discussion with some of Malaysia's leading voices against corruption on "Investigating Local & Transnational Corruption Using Beneficial Ownership Data".



One of our individual member, Mr Muhammad Nazri Shaidon, Head of AML Training and Advisory & Certified Financial Investigator, Malaysia Law Enforcement was also part of the panel discussion. His session was focused on Fostering Understanding of Beneficial Ownership Transparency (BOT) in the Private and Civil Society. He shared his knowledge and experience how the industries can be involved in the implementation of BOT.







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## 10TH NATIONAL PROCUREMENT CONFERENCE

Organized by the Malaysian Institute of Corporate Governance (MICG) & Commerce Dot Com Sdn Bhd



Mr Raymon Ram, TI-M's Secretary General, was invited to a panel discussion on "Revolutionising Governance Through Digital Procurement." The discussion was held during the Malaysian Institute of Corporate Governance's collaborative event with Commerce Dot Com Sdn Bhd at the 10th National Procurement Conference.

During the discussion, Mr Raymon Ram talked about whether digital technologies can genuinely prevent fraud and corruption within procurement processes. He shared insights and examples from his work, emphasizing the transformative potential of these technologies when applied strategically, particularly in government procurement. The discussion also touched on the anticipated Public Procurement Act and how digital tools could be integral to its successful implementation.

TI-M was also invited as a supporting partner of the event. TI-M's role was to help promote the conference to our stakeholders on our website and social media.



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## ENGAGEMENT WITH MINISTRY OF UNITY

Transparency International Malaysia visited the  
Ministry of Unity Malaysia



Transparency International Malaysia (TI-M) recently met with Dato Aaron Ago Anak Dagang, the Minister of National Unity, to discuss potential collaboration on promoting anti-corruption efforts nationwide. During the visit, TI-M presented our newly launched book, *The Sin of Corruption: A Religious Perspective*.

Our discussions focused on how TI-M and the Ministry of National Unity can work together to amplify the book's key messages throughout Malaysia. In particular, we explored ways to support the Ministry in fulfilling its role under Strategy 3, Sub-strategy 7 of the National Anti-Corruption Strategy (NACS), which emphasizes the importance of collective voices in combating corruption. This alignment between the Ministry's goals and TI-M's mission presents a valuable opportunity for close and impactful collaboration. We hope to be able to foster close partnerships with the Ministry of Unity in the future!





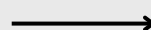
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## COURTESY VISIT BY THE DELEGATION OF UZBEKISTAN



Transparency International Malaysia was honoured to receive a courtesy visit from a Delegation from Uzbekistan. During the visit, we discussed how TI-Malaysia operates and our contribution and ongoing efforts in combating corruption in Malaysia. We highlighted our flagship event, the Corruption Perception Index (CPI) report, and our close cooperation with the government and other civil society organizations in advancing legal reforms. The Delegation of Uzbekistan comprised, H.E. Dr Akmal Burkhanov, Director of the Anti-Corruption Agency (Head of Delegation), H.E. Mr Jakhongir Shirinov, Member of Parliament, Chairman of the Committee of the Legislative Chamber of Oliy Majlis on Anti-Corruption and Judicial Affairs, Mr Inoyat Shukurov, First Deputy Head of the Department for combating economic crimes under the General Prosecutor's Office, Mr Sherzod Saparov, Chief Inspector of the Department for work with complaints, public relations and international cooperation of the Anti-Corruption Agency, Mr. Shohruh Abdullaev, Interpreter and Mr. Elbek Saidov, First Secretary Embassy of Uzbekistan in Malaysia (based in K.L.).

TI-Malaysia look forward to explore potential future collaborations with the Anti Corruption Agency in Uzbekistan.





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# ROUNDTABLE SESSION ON INTEGRITY IN THE EMERGING CARBON MARKETS IN MALAYSIA

## Climate Governance Integrity Project (CGIP) on Voluntary Carbon Market in Malaysia



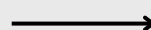
Transparency International Malaysia organized a half-day Roundtable on Integrity in the Emerging Voluntary Carbon Markets in Malaysia on 19 August 2024 at Crystal Crown Hotel, Petaling Jaya. This session is a part of our ongoing Climate Governance Integrity Project, led by our Lead Researcher, Mr Ho Yi Jian. The project focuses on assessing corruption risks and Gender Equality and Social Inclusion (GESI) impacts of evolving emissions trading schemes in Malaysia, particularly emphasizing the newly launched Voluntary Carbon Market (VCM) by Bursa Malaysia in 2023.



◆ Prof Leong Yuen Yoong, Director of Sustainability Studies, UN Sustainable Development Solutions Network, Professor Sunway University, presented on The Extent of Decarbonisation Pathways and the Potential Impact of Carbon Removals.

◆ Dr Pieter M. Stek, Senior lecturer, Research Center, Asia School of Business, presented on Comparative and Regional Outlook on Voluntary Carbon Markets.

◆ Mr Ho Yi Jian, Research Analyst, UN Sustainable Development Solutions Network (Asia HQ), Sunway University, presented on Best Practices and Lessons Learned from Climate Finance Projects.







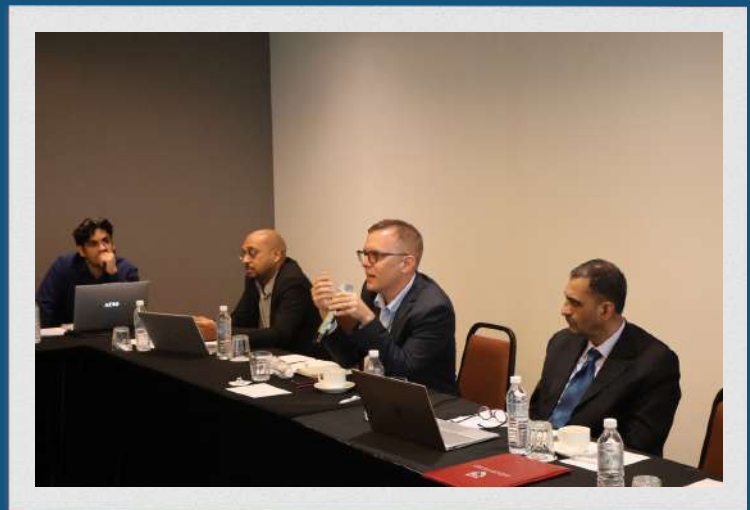
## **ROUNDTABLE SESSION ON INTEGRITY IN THE EMERGING CARBON MARKETS IN MALAYSIA**



The Roundtable was designed to facilitate a deeper review of our preliminary research paper on anti-corruption policy recommendations and strategies to address social gaps based on the feedback and insights provided by attendees during the Roundtable. We invited a diverse group of stakeholders, including conservationists, indigenous and gender activists, regulators, environmental journalists, industry players, interested think tanks and academics, to share their perspectives on Carbon Market Practices in Malaysia.



We successfully gathered constructive feedback during the session and gained the expert insights we hoped for. The session has been instrumental in refining our research findings and sharpening our focus.





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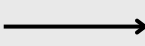
# MALAYSIAN CASE STUDIES LAUNCH

BY UNITED NATIONS GLOBAL COMPACT NETWORK MALAYSIA & BRUNEI (UNGCMYB)



As a supporting partner, TI-Malaysia applauds the United Nations Global Compact Network Malaysia & Brunei (UNGCMYB), Monash University and courageous participating companies for their hard work and dedication in producing these impactful case studies.

TI-M hopes that this publication will be a valuable guide and an encouraging mechanism for all companies in Malaysia to integrate TRUST principles within their organization and take proactive measures to uphold integrity and develop a transparent, accountable, and sustainable business.







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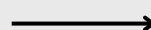
## COURTESY VISIT BY THE ANTI-BRIBERY COMMITTEE JAPAN (ABCJ)



Transparency International Malaysia (TI-M) was honored to host the Anti-Bribery Committee Japan (ABCJ) for an engaging discussion on the state of corruption in Malaysia. Japan, ranked 16th globally with an impressive score of 73 on the Corruption Perception Index (CPI), is actively studying anti-corruption efforts across ASEAN. During their fact-finding mission, the ABCJ delegation sought to understand how organizations in the region tackle corruption locally.

We shared TI-M's role as an independent body driving legal reforms and combating corruption in Malaysia, highlighting our work and impact over the years. The exchange sparked meaningful dialogue on how the missions of TI-M and ABCJ align, opening up opportunities for collaboration in the fight for transparency and integrity.

The delegations of ABCJ that were present were Mr Kengo Nishigaki (Representative Partner) and Mr Nobuhiro Matsuo (Counsel) from GI&T Law Office LC, Dr Shinya Fujino (Associate Professor) from Reitaku University, Mr Takeshi Naito (Attorney) from Uchito & Otsuka Law Office, Mr Akira Takeuchi (Certified Fraud Examiner) and Mr Nobuhide Tanaka (Attorney) from Proact Law Office, and, Mr Kosuke Maemura (CPA, CFE Director) from GrantThornton.





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## COLLECTIVE ACTION WORKSHOP IN BANGKOK



On August 29, 2024, Alan Kirupakaran represented Transparency International Malaysia at a Collective Action Workshop in Bangkok, co-organized by the OECD and Basel Institute of Governance. The workshop's objective was to build on the previous Asia Pacific Collective Action forum held in 2023 and share experiences on the various Collective Action (CA) models currently being implemented in the region. Highlights included Thailand's use of Integrity Pacts to enhance project transparency, resulting in \$77 million in savings, and Hong Kong's ICAC approach, which combines awards, financial incentives, and robust public-private partnerships to promote integrity in the private sector.

The discussions also emphasized key strategies for engaging SMEs, such as providing accessible anti-corruption tools and proactive outreach through gatekeepers. As Malaysia prepares for its ASEAN chairmanship in 2025, there is a push to include Collective Action in regional initiatives. Upcoming events, including an OECD workshop in Bhutan and a Basel webinar on CA e-learning tools, will continue to support these efforts.



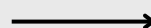


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# INTEGRITY TALK AT VELESTO ENERGY BERHAD'S BUSINESS PARTNER INTEGRITY DAY



Ms. Eulis Rachmatiah was invited as a representative of Transparency International Malaysia to give a talk at Velesto Energy Berhad's Business Partner Integrity Day on 9 September 2024. Velesto organized the event to uphold their commitment to ethical practices and transparency within and with their business partners. The event discussed best practices, shared ideas, and reaffirmed their commitment to their business partners to ensure high standards of transparency, accountability, and ethical conduct.





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## POWER BI TRAINING AT MAJLIS DAERAH MARANG

Enhancing Dashboard Management



On September 11, 2024, Transparency International Malaysia, represented by Asyraf Shaadan and Alan Kirupakaran, conducted a training session at Majlis Daerah Marang. The training focused on creating and managing the Collective Action dashboard using Microsoft Power BI. The session aimed to empower Majlis Daerah Marang with the skills necessary to utilize the dashboard effectively, thereby supporting the sustainability of Collective Action initiatives. By the end of the training, participants successfully developed their dashboards, enhancing their ability to manage and report on Collective Action efforts independently.





# **Translate the National Anti-Corruption Strategy into Action**

**By Dr Muhammad Mohan & Ms Cynthia Gabriel**

15 July 2024

Civil society organisations (CSOs) welcomed with some reservations the launch of Malaysia's National Anti-Corruption Strategy 2024-2028 (NACS) last month by Prime Minister Datuk Seri Anwar Ibrahim. The NACS is an extension or continuation of the National Anti-Corruption Plan 2019-2023 (NACP), the nation's first ever comprehensive anti-corruption framework.

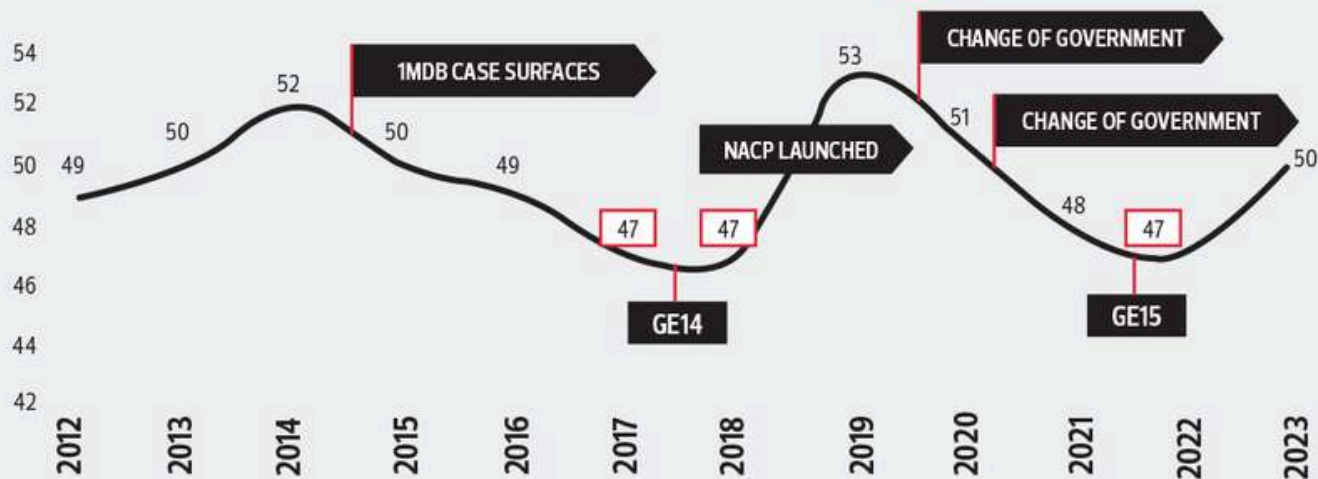
The NACP had 115 initiatives to be implemented over a five-year period. Despite the pandemic and rocky period that followed, from 2020 onwards, the NACP reportedly achieved an amazing 77% of its deliverables.

The NACS document briefly laid out several factors that contributed to the delay in completing the other initiatives. The process of trying to amend the constitution without a two-thirds majority by all the governments in the last five years was a major setback in achieving the NACP's target. CSOs would definitely support the detailed publication to parliament that 77% of the deliverables have indeed been completed, or even a confirmation by the Auditor-General's Office of the claim made.

The NACS explains that corruption practices manifest because of various underlying factors. Administrative failure, deficient internal controls, non-compliance with regulations, conflict of interest, inadequacies within law enforcement agencies and insufficient anti-corruption measures are the primary causes. This is based on the Malaysian Anti-Corruption Commission's (MACC) findings in 2024. Even more shocking, MACC chief commissioner Tan Sri Azam Baki disclosed that on a macroeconomic scale, the detrimental impact of corruption in Malaysia is profound, culminating in losses amounting to a staggering RM277 billion in economic output from 2019 to 2023. This figure is equivalent to the gross domestic product of Johor and Penang combined.

One of the key elements for the success of action plans and strategies for governments, regional cooperation groups, CSOs and international organisations around the world is that all deliverables ought to be Specific, Measurable, Achievable, Realistic and Timely, or SMART. While the NACS broadly documents the strategies that the government wants to achieve in the short, medium and long term, these deliverables have to be transparently monitored with measurable outputs over a specified period of time.

# Malaysia's Corruption Perceptions Index Score (2012–2023)



We urge the National Governance Planning Division of the MACC to collaborate with the relevant government agencies, institutions and CSOs on each of the 60 strategies, to put up a publicly accessible dashboard with quantifiable baselines, targets and milestones that are reviewed on a fixed periodic basis, with links to the completed activities, roadblocks and reports.

It is only when the progress is transparent and accessible, and seen by all of society that public perception of the government's commitment to eradicating corruption will improve, resulting in a positive impact on the nation's Corruption Perceptions Index in the long term. The prime minister has set an ambitious target of achieving a global ranking of 25 by 2033.

That requires Malaysia to score about 68–70 points out of 100. As at 2023, our score is 50 points and our global rank is 53. It is crucial to have government stability, consistent policies, acceleration of institutional reforms and the political will to fight corruption if Malaysia wants to achieve the target within the next 10 years. For the past 12 years, we have been struggling to maintain our scores above 50 (see chart) and the reason for this is the failure of the political leadership to have clear affirmative strategies and action plans to accelerate law reforms on public procurement and political financing, strengthen whistleblower protection, ensure the independence of MACC, parliamentary reforms and a separation of powers between the attorney general and public prosecutor.

In the interest of independence and transparency, it is vital that the agencies responsible for the deliverables under each strategy should not be the sole party monitoring or reporting on their progress. This task should be shared with external and independent parties such as CSOs, community-based organisations, the Bar Council and academics. This will ensure that no stone is left unturned in ensuring the integrity of deliverables. It will also prevent any allegations by critics that the deliverables are a mere box-ticking exercise.

Notwithstanding the encouraging show of commitment by the Madani government towards the anti-corruption initiative with the launch of the NACS, CSOs remain concerned with some of the changes observed between the NACP and NACS.





There remain some perceived gaps that raise serious concerns. One key area is the removal of the separation of powers of the attorney general and the public prosecutor under NACP initiative 4.1.2. This separation of powers has been studied by various government committees since 2018, with none of the reports made publicly accessible. Two years into the Madani government's tenure, there has yet to be a timeline provided to the rakyat on the separation, and now this initiative is glaringly absent from the NACS.

Another key area is NACP initiative 1.2.7, on the introduction of term limits for the prime minister, chief minister and menteri besar.

A timeline, road map and clear explanations to the rakyat on the next step forward is necessary. Unwarranted delays in such and other key reforms affect the confidence of the rakyat. Foreign investors would also need to be confident about the country's stability and good governance. The public coffers and the stability of the government could be hurt if the same "secrecy models" are used. Key to this is the announcement of an Access to Information Law that is expected to be conceived much earlier than expected.

A corruption-free Malaysia remains a pipe dream, and we can only work towards this goal with a collective action approach involving government, business and civil society. The setting up of various caucuses between civil society groups and business chambers would be an important stepping stone towards a more open, accountable government.

Together we will achieve a nation without corruption, a society with integrity.

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# TI-MALAYSIA IN THE NEWS

JULY, AUGUST, SEPTEMBER

9/25/24, 12:52 PM Two laws can help solve the problem highlighted in A-G's Report | The Star

## 'Two laws can help solve the problem highlighted in A-G's Report'



NATION

Friday, 05 Jul 2024

PETALING JAYA: Two legal reforms are needed to effectively end the perennial cases of mismanagement and misgovernance that keep appearing in every edition of the Auditor-General's reports, say anti-graft experts.

These would be amending laws that deal with graft to include a misconduct in public office (MiPO) component and enacting a Freedom of Information Act (FOIA), they said.

## Menuju Kedudukan Ke-25 CPI: Perjuangan Malaysia Memerangi Rasuah

20/08/2024 02:18 PM



## Use independent experts for migrant system audit, says anti-graft group

Jason Thomas - 07 Jul 2024, 07:45 AM

Human resources minister Steven Sim says his ministry will launch an internal audit to investigate discrepancies in the system.

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FMT Reporters - 19 Sep 2024, 04:22 PM

Transparency International Malaysia says an agreement should be signed with independent experts to monitor and publicly report on the project's progress.

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FMT Reporters - 21 Aug 2024, 12:24 PM

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By Amalina Kamal - September 20, 2024 @ 11:00am

