



TRANSPARENCY
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MALAYSIA

NEWSLETTER



A NATION FREE OF CORRUPTION,
A SOCIETY BUILT ON INTEGRITY

Volume 55 (Oktober-December 2024). KDN Permit No: 11959/03/2019 (025399)



PRESIDENT'S MESSAGE

As we close the chapter on 2024, it is a fitting time to reflect on our nation's journey in combating corruption, reviving our economy, and ensuring political stability. 2024 has been marked by significant strides and notable challenges, each contributing to our collective progress and resilience.

In 2024, we witnessed the launch of the National Anti-Corruption Strategy 2024-2028 (NACS), a testament to our government's commitment to transparency and integrity. The strategy builds on the foundations laid by the National Anti-Corruption Plan 2021-2023, with a renewed focus on multi-stakeholder engagement and robust legal frameworks. MACC has been active with arrest of many civil servants for bribery and corruption but there were no significant high-profile cases brought to court and charged.

Executing the NACS, reducing government bureaucracy, having an efficient civil service and moving towards digitalization will assist to mitigate corruption in the country. All these efforts will be crucial if we want to improve our Corruption Perception Index (CPI) and restoring public trust.

Economically, Malaysia has shown remarkable resilience. Our GDP growth for the first three quarters of 2024 stood at an impressive 5.2%, driven by robust private consumption, investment activity, and a recovery in exports. The government's strategic initiatives, including the Fiscal Responsibility Act, have enhanced transparency and accountability, further bolstering economic stability. The increase in tourist receipts and the thriving manufacturing sector have also played pivotal roles in our economic revival.

Politically, 2024 has been a year of consolidation and stability. The unity government has gained momentum, securing crucial by-election victories and demonstrating effective governance. The implementation of the anti-party-hopping law has however proven to be difficult with flaws and loop holes in the act when several Perikatan Nasional Members of Parliament showed support for the prime minister which went against their party's stand and yet they could keep their seats. In any case political stability is essential for sustained economic growth and effective governance.

Recognizing the dedication of our civil servants, the government has implemented salary adjustments under the Public Service Remuneration System (SSPA), with increases of up to 15%. This long-awaited adjustment is a testament to the government's commitment to improving the welfare of public sector employees, ensuring they are adequately rewarded for their hard work and dedication.

Despite these successes, we acknowledge that challenges remain. The fight against corruption is ongoing, and continuous efforts are needed to close loopholes, improve governance and ensure the effectiveness of anti-corruption measures.

Economically, while growth has been strong, global uncertainties and domestic issues require vigilant and adaptive strategies. Politically, maintaining unity and addressing emerging risks will be crucial for sustained stability.

As we look forward to 2025, let us remain committed to these principles of transparency, integrity, and resilience. Together, we can build a Malaysia that is not only prosperous but also just and equitable for all.

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Dr Muhammad Mohan
President
Transparency International Malaysia





EDITORIAL

The Blind Spot of Integrity – Why Leaders Struggle with Conflict of Interest

2024 saw many corruption cases that arise from conflict of interest and abuse of power. Conflict of interest and abuse of power are twin maladies that have long plagued Malaysia's business, government, and political spheres. These issues not only undermine trust in institutions but also erode the social and economic fabric of the nation. Despite growing awareness and numerous high-profile cases, they remain deeply entrenched, raising critical questions.

Conflict of interest is pervasive across sectors, examples are:

- In government, officials award lucrative contracts to companies they or their relatives own.
- In politics, public office is used to consolidate personal wealth or influence.
- In business, executives exploit insider knowledge for personal gain.



Understanding Conflict of Interest

A conflict of interest arises when a leader's personal interests, financial, relational, or otherwise, could interfere with their ability to act in the best interest of their organization. While the definition seems straightforward, its application is often murky, particularly in high-pressure environments where decisions carry significant weight. Leaders often operate under the assumption that their motives are pure and their decisions are beyond reproach. This overconfidence creates blind spots, making it difficult for them to recognize that their personal interests may influence their judgment. In some cases, leaders might rationalize their actions, convincing themselves that their dual roles serve the company's benefit.

Why Leaders Struggle to Recognize or Declare Conflicts

Leaders often fail to recognize conflicts of interest due to a lack of awareness about their nuances, stemming from insufficient training. Cognitive biases, such as self-serving rationalizations, can lead them to view their decisions as fair despite clear conflicts. Additionally, cultural and organizational norms that overlook or normalize such behaviours further discourage accountability. Fear of repercussions, such as damage to reputation or perceived weakness, also prevents leaders from acknowledging or addressing conflicts of interest.

Why Does It Happen?

Conflict of interest and abuse of power occur due to the concentration of authority in individuals or groups, creating opportunities for exploitation. A lack of transparency and weak governance structures further enable unethical behaviour by limiting oversight and accountability. Cultural norms, such as nepotism and cronyism, often normalize these practices, while inadequate enforcement of existing laws allows violators to escape consequences, perpetuating the cycle of misconduct.



EDITORIAL

(continue)

Preventing Conflict of Interest and Abuse of Power

To prevent conflicts of interest and abuse of power, it is essential to strengthen governance and oversight through independent bodies, robust corporate governance frameworks, and external audits.

Transparency must be enforced by mandating public disclosure of financial interests and implementing open bidding processes to minimize favouritism. Whistleblower protection is also critical for encouraging ethical behaviour.

Clear policies and codes of conduct defining conflicts of interest and abuse of power should be developed and supported by regular training. Public awareness campaigns must educate citizens on the impact of conflict of interest and abuse of power, empowering them to hold leaders accountable. Lastly, imposing significant legal and financial penalties on offenders, regardless of status, is crucial to deter unethical practices.

The Path Forward

Malaysia has made progress in combating corruption and addressing conflicts of interest, with the Malaysian Anti-Corruption Commission (MACC) playing a pivotal role. However, systemic change requires a collective effort from all sectors of society.

Leaders in government, business, and politics must embrace transparency and accountability as non-negotiable principles. Simultaneously, the public must remain vigilant, demanding ethical leadership and rejecting attempts to normalize abuse of power.

EULIS RACHMATIAH ISKANDAR



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CPI SPECIAL TASK FORCE

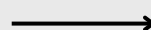
TI-M's involvement as part of the task force



The Special Task Force for the Corruption Perception Index (CPI) established focus groups led by several government agencies.

The objectives of the focus groups is to study various surveys that are used for the CPI scores for Malaysia and recommend appropriate actions to be taken to the National Governance Planning Division of the Malaysian Anti-Corruption Commission, which serves as the secretariat for the Special Task Force on CPI.

The task force comprises public and private agencies, business chambers, and non-governmental organizations. On 3 October 2024, Dr Muhammad Mohan, President of Transparency International Malaysia, was selected to be in the task force and received a letter of appointment from the Chief Secretary to the government to provide expert advise.





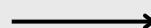
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MARITIME ANTI-CORRUPTION NETWORK (MACN) MEMBER MEETING IN KUALA LUMPUR



On 3 October 2024, Dr Muhammad Mohan spoke at the Maritime Anti-Corruption Network (MACN) Fall Members' Conference in Kuala Lumpur. During the fire chat Dr Muhammad Mohan urged the marine industry network in Malaysia to speak up when they see wrong doings occurring.

MACN covered several topics, from the importance of reporting and transparency to stronger whistleblower protections. The conference reinforced the organization's commitment to ethical practices for a resilient maritime sector.





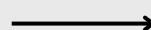
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STUDY EXCHANGE VISIT WITH TI-CAMBODIA

TI-CAMBODIA BUSINESS INTEGRITY AND CORPORATE INTEGRITY SYSTEM STUDY VISIT TO MALAYSIA



Transparency International Malaysia was honoured to host the Delegation of Transparency International Cambodia (TI-Cambodia) from 6 to 10 October 2024. The delegation, led by Mr. Dara Rith, Business Integrity Program Manager, and Mr. Tong Soprach, Corporate Integrity System Manager, visited Malaysia to explore best practices in Corporate Integrity Systems and Business Integrity programs across various sectors. During their visit, they engaged with key government agencies and TI-Malaysia's corporate members to deepen their understanding about Malaysia's corporate integrity frameworks, focusing on institutional roles and compliance with the Companies Act 2016 and the Malaysian Anti-Corruption Commission Act 2009 (Act 694).





GALLERY OF TI-CAMBODIA VISIT

The delegation also visited prominent institutions, including Institut Integriti Malaysia (IIM), the Malaysian Anti-Corruption Commission, UN Global Compact Network Malaysia & Brunei, UEM Edgenta Berhad, Securities Commission Malaysia, Bursa Malaysia, Sime Darby, and Rasuah Busters. These engagements offered invaluable insights into anti-corruption policies, risk mitigation strategies, and practical methods for implementing Corporate Integrity Systems. The productive discussions and sharing of best practices provided TI-Cambodia with strategic knowledge and actionable approaches to strengthen corporate governance and foster a culture of transparency and accountability among companies in Cambodia.



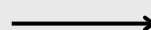


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FGV INTEGRITY DAY



On 30 October 2024, Transparency International Malaysia (TI-M) proudly co-organized FGV Holdings Berhad's successful Integrity Day, which welcomed over 200 participants, including FGV's senior management, employees, and partners. The event marked the launch of the second review of FGV's Organizational Anti-Corruption Plan (OACP), a significant step in strengthening their commitment to integrity and ethical practices. TI-M was pleased to support FGV's mission to enhance Conflict of Interest management as part of their good governance initiatives.





The Integrity Day program featured a lecture by Tan Sri Hj Abu Kassim, Perdana International Anti-Corruption Foundation (PIACCF) Chairman, and followed with a panel discussion on Conflict of Interest and Related Party Transactions. The session was moderated by FGV's Group Chief Governance Officer, Mr. Suzari Said, and the panel included prominent speakers such as Dr. Muhammad Mohan, President of TI-M, alongside senior representatives from SD Guthrie Puan Suhailah and Bank Islam Berhad, Puan Nadia TI-M applauds FGV's efforts and commitment toward transparency, accountability, and robust governance.





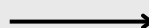
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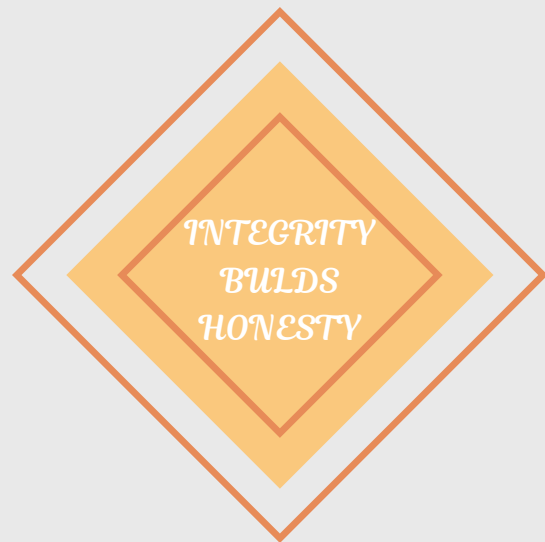
MINI INTEGRITY CONVENTION BY PKNS



On 5 November 2024, Transparency International Malaysia (TI-M) partnered with the Selangor State Development Corporation (PKNS) to host a Mini Integrity Convention. The event brought together TI-M corporate members, PKNS subsidiaries, and employees for an enriching discussion on integrity. The program featured an excellent lecture by Tan Sri Abu Kassim on "Integrity and Conflict of Interest," which set the tone for the day by emphasizing the importance of ethical decision-making in mitigating conflicts of interest.

In line with PKNS's belief that "Honesty builds Integrity", the second session included a panel discussion chaired by Ms. Eulis Rachmatiah Iskandar, TI-M's Exco Member. The esteemed panellist—Ms. Hajah Nurhayati Dato Nordin (CEO, Rasuah Busters), Mr. Mohd Rais Ramli (Director, Business Sector Integrity Centre, Institut Integriti Malaysia), and PKPj Tuan Zuhairy Zaidel (Head of Governance Investigation, MACC)—shared expert insights on the origins, implications, and management of Conflict of Interest, supported by real-life cases.



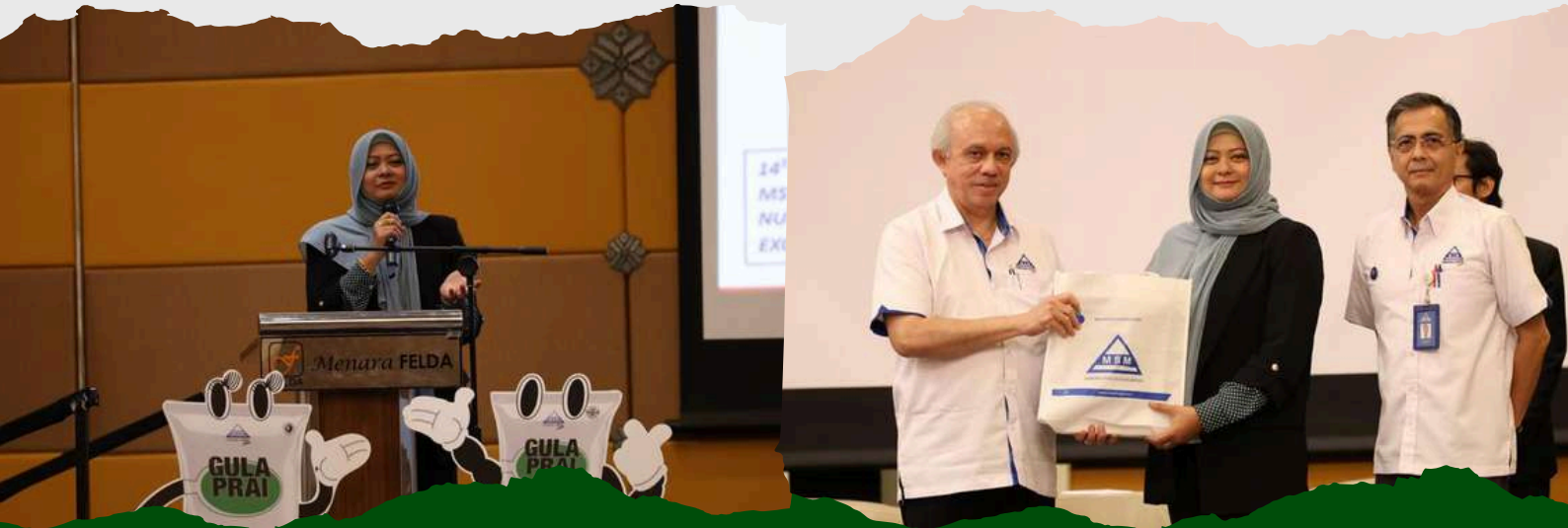




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MSM INTEGRITY SYMPOSIUM 2024

HOSTER BY MSM GROUP'S CORPORATE GOVERNANCE & RISK
MANAGEMENT (CGRM)



On 14 November 2024, MSM Group's Corporate Governance & Risk Management (CGRM) hosted the MSM Integrity Symposium 2024 in conjunction with the National Integrity Month. This year's theme, "Teguh Integriti Kukuh Pertiwi", underscored the critical importance of integrity in building a strong, unified nation. Our Exco Member, Ms Nurirdzuana Ismail, was one of the speakers at the symposium, and she presented "Integrity in investment: What does it mean, and why does it matter?" and was involved with a dialogue session with other corporate integrity experts.

We applaud MSM's steadfast commitment to good governance, as outlined in the MSM Anti-Bribery Policy Statement, which includes seven comprehensive policies designed to ensure ethical conduct and uphold the highest standards of integrity across all levels of the organization.





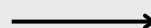
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DKSH COMPLIANCE DAY



DKSH Malaysia held their Compliance Day on 14 November 2024, with the theme "Your Integrity – Our Priority". Dr Muhammad Mohan delivered a short lecture on "Organizational Integrity Starts with Me", encouraging all to take ownership of ethical standards and constantly reminding the participants that those who uphold their integrity will always be rewarded at the end of the day.

We are thankful for this collaboration and hope DKSH personnel benefitted from this talk.





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CONSULTATION WITH CIVIL SOCIETY ON THE MALAYSIA-UNITED NATIONS COOPERATION FRAMEWORK 2026-2030



UNITED NATIONS
MALAYSIA, SINGAPORE,
BRUNEI DARUSSALAM

CONSULTATION WITH CIVIL SOCIETY ON THE MALAYSIA-UN COOPERATION FRAMEWORK 2026-2030

25 NOVEMBER 2024

9.30 AM - 12.30 PM

BALLROOM 2, LEVEL 3D, SHERATON PETALING JAYA HOTEL
JALAN UTARA C, PETALING JAYA, MALAYSIA, 46200

On 25 November 2024, Dr. Muhammad Mohan participated in the Consultation with Civil Societies on the Malaysia-UN Cooperation Framework 2026-2030. This pivotal meeting brought together diverse stakeholders to provide insights and recommendations that will shape the strategic priorities for the UN Cooperation Framework with Malaysia over the next five years. TI-Malaysia was privileged to contribute to this critical dialogue.

The Cooperation Framework is the primary agreement between the Government of Malaysia and UN agencies, funds, and programs operating within the country. This consultation offered a platform for addressing shared challenges and exploring collaborative solutions to meet national priorities. TI-Malaysia remains committed to working closely with UN agencies to align its initiatives with national goals and the Sustainable Development Goals (SDGs) for a more equitable and sustainable future.



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INDO-PACIFIC REGIONAL MEETING

TRANSPARENCY INTERNATIONAL, 17 CHAPTERS FROM INDO-PACIFIC REGION

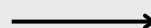


Transparency International Malaysia (TI-M) representatives attended the Indo-Pacific Region Meeting in Bangkok. Our Assistant Manager, Mr Justin Jarret, showcased TI-M's top three project highlights for 2024, aligning with our core strategic thrusts: Political Governance, Corporate Governance, and Public and Civil Governance. His presentation highlighted TI-M's impactful initiatives, underscoring our commitment to promoting transparency and accountability in Malaysia.



Additionally, our Project Executive, Mr. Asyraf Shaadan, presented strategic recommendations to the TI-Defense team on improving systems within Malaysia's Ministry of Defense (MINDEF) from TI-M's perspective.

The strategies and achievements shared during the meeting will inspire and benefit the attending chapters and foster greater regional collaboration in the fight against corruption.

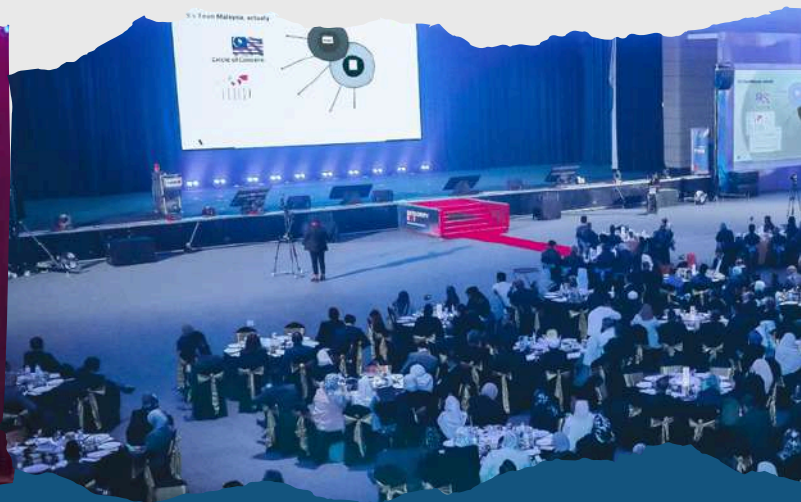




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INTEGRITY DAY EVENTS BY TI-M'S CORPORATE MEMBERS

Organized by Telekom Malaysia & UDA Holdings Berhad

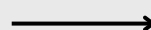


We attended Telekom Malaysia's Integrity Day on 7 November 2024, which was exhilarating. TM embraced a diverse approach to realize its "Integrity at Heart" theme. The day featured expert presentations on good governance and corporate best practices, insightful case studies on Section 17A, a powerful poem recital, and a theatre performance illustrating the consequences of accepting and rejecting bribes. This extraordinary and innovative approach effectively conveyed the severe repercussions of corruption and bribery. Kudos to TM for such a compelling and impactful event!



We had the privilege of attending UDA Holdings' Integrity Day on 28 November 2024, and we applaud their efforts in organizing such a meaningful event. The speakers were phenomenal, sharing real-life experiences about the consequences of bribery from both sides – those who were caught and those who worked to identify and nab the corrupt. It was a powerful and eye-opening session.

We hope these stories serve as a valuable lesson for the staff at UDA Holdings to abide by the law and uphold the highest standards of integrity in their work—a big thank you to UDA Holdings for fostering a culture of honesty and diligence.





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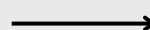
THE CELEBRATION OF 2 YEARS MADANI GOVERNMENT

Konvensyen Nasional Reformasi Perkhidmatan Awam tahun 2024



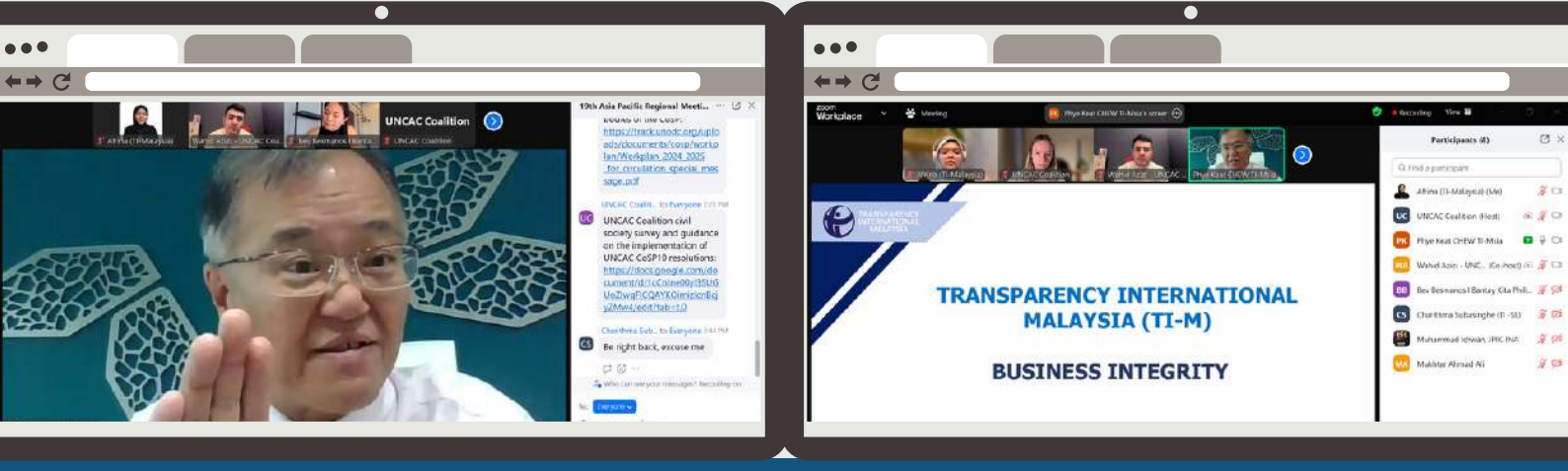
As a contributing Civil Society Organization, Transparency International Malaysia (TI-M) was honoured to have our president, Dr Muhammad Mohan, attend the 2-Year Madani Government Celebration on 23 November 2024. The event highlighted the progress and initiatives led by Prime Minister Datuk Seri Anwar Ibrahim, showcasing the government's achievements and commitment to nation-building.

We extend our heartfelt congratulations to the Madani Government and express our hope that it will continue to support civil society organizations in their endeavours. We urge the government to prioritize critical legislative reforms that can positively influence Malaysia's Corruption Perceptions Index (CPI) global ranking and contribute to building a corruption-free nation for the betterment of all Malaysians.





19TH UNCAC COALITION ASIA PACIFIC REGION MEETING

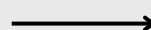


On 28 November, Mr. Chew Phye Keat, an Exco Member of Transparency International Malaysia (TI-M), represented the organization at the UNCAC Coalition's 19th Asia-Pacific Regional Meeting. The meeting centred on "Promoting Integrity: The Role of Businesses in Anti-Corruption." Given TI-M's active involvement in advancing Business Integrity, Mr Phye Keat was invited to share insights with other Asia-Pacific UNCAC members, highlighting Malaysia's progress and challenges in this critical area.

In his presentation, Mr Phye Keat addressed how Business Integrity continues to be an endemic issue in Malaysia. He detailed TI-M's advocacy efforts, particularly leveraging the Corporate Liability Provision under Section 17A of the MACC Act 2009 to drive corporate accountability. Additionally, he emphasized TI-M's ongoing push for legal reforms, such as amending the Whistleblower Protection Act 2010 to strengthen protections for whistleblowers. The session showcased TI-M's pivotal role in promoting ethical business practices and fostering a culture of integrity in Malaysia's corporate landscape.

Other legislative reforms that will benefit the Business Integrity spectrum in Malaysia include:

- **Election Offences Act 1954** – includes sanctions against corruption.
- **MACC Act 2009** – include Misconduct in Public Office (MIPO) provision to hold public officials accountable for their actions.
- **Political Financing Act** – to address money politics during elections and as a scheme for corruption.
- **Procurement Act** – to improve transparency and governance in the public procurement process.
- **Ombudsman Act** – to enact an independent Ombudsman's office with powers to sanction the public to report wrongdoings and maladministration.
- **Asset Declaration Act** – to compel politicians and high-ranking public officials to declare their assets and make them accessible to the public.





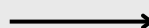
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HUMAN RIGHTS FESTIVAL 2024



Celebrating Our Participation at the Human Rights Festival 2024! ✨ 🎈

On Sunday, 8 December 2024, we proudly participated in the Human Rights Festival 2024 at MyTown, organized by the Malaysian Bar Council. As an anti-corruption NGO and part of the Transparency International chapter, this event allowed us to connect with a diverse audience and share our mission against corruption in Malaysia. We discussed our advocacy efforts, engaged in insightful conversations about the corruption landscape, and gained valuable perspectives across different age groups. Additionally, we networked with other civil society organizations working on various rights issues, which was truly inspiring. We extend our heartfelt thanks to the Malaysian Bar Council for this opportunity and look forward to continuing our fight for transparency, integrity, and justice! 🤝







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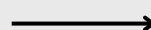
WORLDWIDE HOLDINGS BERHAD INTEGRITY TRAINING



On 5 December 2024, Ms. Eulis Rachmatiah, an esteemed Exco Member, led an insightful Integrity Talk titled "Anti-Corruption Challenges in the Business Environment," organized by Worldwide Holdings. The event took place at Teratai Hall, Level 1, Mercu Worldwide.

The primary goal of this session was to enlighten the workforce on the significance of maintaining integrity within the workplace. It emphasized their crucial role in combating corruption, not only within the organization but also within the broader community.

This session aimed to empower employees with the knowledge and tools necessary to uphold ethical standards and foster a culture of transparency and accountability.



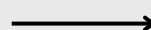


MEETING WITH THE MINISTRY OF DEFENCE



The meeting chaired by Mr Kamarul Hafidzan Bin Kamaruddin included an opening speech by Dr Muhammad Mohan, who introduced Mr Choo Yi Kang and the role of Transparency International – Defence and Security (TI-DS). Mr. Choo presented on the Governance Defence Integrity Index (GDI), discussing high defence spending countries, GDI pillars, the assessment process, a new Gender Indicator, and associated risks. A question was raised by Ms Nurulhuda Binti Ismail from the Ministry of Defence about Malaysia's GDI grade, explaining the lack of relevant documentation from MINDEF impacting the grade. It was suggested by Leftenan Kolonel Zainal Abidin Bin Abd Aziz and Ms Nurulhuda that MINDEF should set up a task force to address GDI and governance issues, ensuring accurate future grades. The discussion highlighted the importance of collaboration and transparency in improving defence governance.

Besides that, TI-Defense & Security recently published a report titled *Unlocking Access: Balancing National Security and Transparency in Defence*. The report, examines the challenges and best practices in fostering transparency in defence budgets, procurement, and policymaking, using case studies from Armenia, Guatemala, Malaysia, Niger and Tunisia. The report can be obtained through TI-M's website.





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BUKIT TAGAR SITE VISITS

Voluntary Carbon Market (Climate Integrity and Governance Project CGIP)



As part of TI-Malaysia's Voluntary Carbon Market (VCM) research project, we conducted field visits to Bukit Tagar on 19 and 26 November and 5 December 2024. Our focus was on the Bukit Tagar Sanitary Landfill (BTSL) project featured in the Bursa Carbon Exchange Handbook. Led by our dedicated lead researcher, Mr. Ho Yi Jian from Sunway University, these visits were aimed to gather valuable data for our report preparation.

We explored the nearby settlements of Ladang Tagar 2 and 3, located within a 5km radius of the Bukit Tagar CDM Landfill Project site. During our visit, we engaged with the local communities to assess the social impact of the VCM project. Our inquiries focused on their awareness of the VCM initiative in Bukit Tagar and how it has affected or involved them.

The communities in both settlements cooperated fully, allowing us to collect the essential data needed for our report. This collaborative effort provided us with crucial insights and ensured that our research reflects the real-world impacts of the VCM project.





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INTERNATIONAL ANTI-CORRUPTION DAY 2024 (HARA)

with the Malaysian Anti Corruption Commission (MACC),
PAKAR & United Nations Office on Drugs & Crime (UNODC)



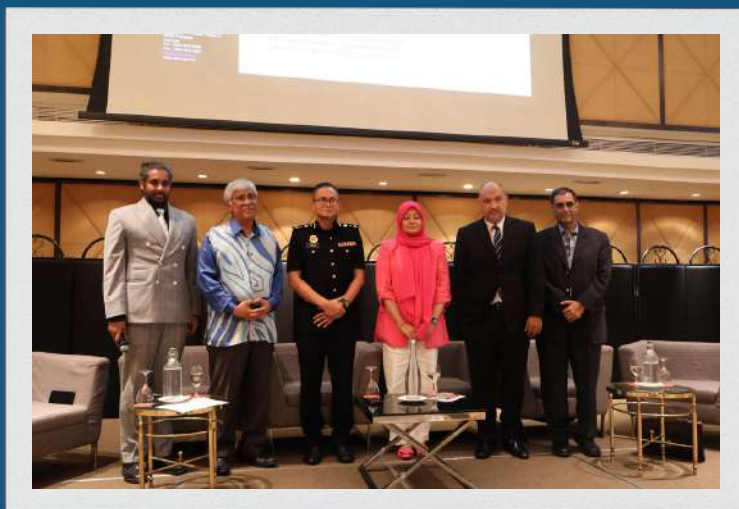
On 9 December 2024, we were honoured to celebrate International Anti-Corruption Day with our valued stakeholders. TI-M participated in the HARA 2024 celebration at ANGKASA, organized by the Malaysian Anti-Corruption Commission (MACC) and PAKAR. Dr Mohan was a panellist in the forum on "Cabaran Masa Depan Integriti & Antirasuah – Dimana Hala Tuju NGO," where he shared TI-M's perspective as an NGO dedicated to fighting corruption and the challenges we face in our advocacy work.





IACD / HARA 2024 GALLERY

TI-M was also invited on the same day to the United Nations Office on Drugs and Crime (UNODC) 's IACD 2024 celebration, themed "Uniting with Youth Against Corruption: Shaping Tomorrow's Integrity." Dr. Mohan also spoke in a panel discussion on the National Anti-Corruption Strategy (NACS) and the future of integrity in Malaysia.





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FELDA INTEGRITY SYMPOSIUM 2024



In conjunction with International Anti-Corruption Day (HARA), FELDA organized an Integrity Symposium at Menara FELDA on 10 December 2024.

TI-M's Exco Member, Mr Alan Kirupakaran, was one of the speakers for the Integrity Forum themed "Normalization of Corruption, Destruction of Integrity". This program opened the eyes to the dangers of corruption that can threaten moral values in society.

This event reflects FELDA's commitment to upholding the principles of integrity and rejecting all forms of corruption. May this noble effort be an exemplary model in strengthening Malaysia's trust and integrity culture.





COURTESY VISIT TO NEW ZEALAND EMBASSY



On 16 December 2024, Transparency International Malaysia (TI-Malaysia) was honoured to visit the New Zealand High Commission. Our team had the opportunity to meet with Dr Sharmila Bernau, the Deputy High Commissioner of New Zealand in Malaysia. The primary purpose of the visit was to present our newly launched book, "The Sin of Corruption: A Religious Perspective."

During the meeting, Dr Muhammad Mohan, President of TI-Malaysia, shared valuable insights and updates on our ongoing advocacy work. Key topics discussed included advancing the Political Financing Act, amendments to the Whistleblower Protection Act 2010, and the crucial separation of powers between the Attorney General and Public Prosecutor. Dr. Mohan emphasized the importance of these reforms in strengthening Malaysia's governance and integrity framework.

The discussion was highly productive, shedding light on the current political dynamics in Malaysia and exploring potential areas of collaboration. We expressed our hope for future partnerships between TI-Malaysia and the New Zealand High Commission, aiming to work together for the betterment of the nation.



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INSIGHT 2024/2025 - MALAYSIA'S CORRUPTION CRACKDOWN

By Channel News Asia (CNA)



[Link to the full video: *Insight 2024/2025 - Malaysia's Corruption Crackdown*](#)

Dr. Muhammad Mohan, the President of Transparency International Malaysia, was interviewed by Channel News Asia (CNA) to discuss Malaysia's Corruption Perception Index (CPI). Dr. Mohan highlighted that Malaysia's CPI has experienced significant highs and lows over the past decade, reflecting shifts in political leadership and public perception.

He explained that the CPI, has fluctuated significantly in Malaysia due to political and governance changes. Notably, the 2014 1MDB scandal caused a sharp decline in Malaysia's CPI, reflecting public distrust after revelations of large-scale financial misconduct.

However, when the Pakatan Harapan (PH) government came to power in 2018, the CPI improved due to their push for reforms. This progress stalled when the PH government collapsed in 2020, and public perception deteriorated under subsequent administrations.

Dr. Mohan emphasized that addressing corruption requires both systemic reforms and societal changes. Structural reforms, such as improving wages for civil servants, are essential to reduce vulnerabilities to corruption. Moreover, tackling corruption as a behavioral issue involves fostering ethical values, public awareness, and strong leadership to build a culture of integrity and accountability in Malaysia.



EU Whistleblower Protection: Falling short when it matters most

Three years on: Are whistleblowers any safer in the EU?

16 December 2024

Imagine reporting serious misconduct at work, expecting justice, and instead losing your job. That's exactly what happened to Jan Benýšek, the head of the insolvency division at the Czech Ministry of Justice. After raising **concerns** about his superior's alleged interference in insolvency exams, the government, acting on the recommendation of the Minister, approved the termination of Benýšek's position. This decision was widely **regarded as a retaliatory measure** against his whistleblowing activities.

Benýšek's case highlights a troubling reality: Three years after the EU Whistleblower Protection Directive's deadline, many member states are still failing to safeguard those who expose wrongdoing.

Whistleblowers: A crucial line of defence

Whistleblowers play an essential role in rooting out corruption, misconduct, and practices that threaten public safety, the environment, and EU finances. By speaking up, they help tackle societal challenges and save millions of euros. They often do so at immense personal and professional risk. Protecting them is not just an ethical obligation – it's a practical necessity for fostering transparency and accountability across Europe.

Adopted in 2019, the EU Whistleblower Protection Directive was a landmark step aimed to address this goal. It requires member states to establish safe and confidential channels for whistleblowing, guarantee protection against retaliation, and ensure fair compensation for reprisals. Yet, as Benýšek's story illustrates, the reality often falls short of these promises.

Case in point: The Czech Republic's gaps

In early 2023, the Czech Republic adopted a law transposing the EU directive. Yet, when Benýšek reported the alleged misconduct of his superior, Deputy Minister of Justice Antonín Stanislav, he was sidelined. His position was eliminated through an "organisational restructure" – a tactic critics say is notoriously used by Czech politicians to dismiss unwanted state employees.



Though Benýšek challenged his dismissal, the courts **ruled** that retaliation protections did not apply to structural changes, despite the Directive’s explicit prohibition of “any form of retaliation,” including layoffs, dismissals or “equivalent measure.” Ironically, the Ministry of Justice, the institution tasked with upholding whistleblower protection, failed to deliver meaningful action. In the end, Benýšek succeeded in a subsequent selection process for his old job, but this was driven more by public pressure than by legal protections.

A widespread problem across the EU

Sadly, Benýšek’s ordeal is not unique. Transparency International’s **2023 review** of whistleblower protection laws in 20 member states found critical gaps. Updates from the remaining member states reveal an alarming trend: 25 out of 27 countries still require urgent amendments to meet the directive’s minimum standards in at least one of the four areas reviewed. None have adopted all of the directive’s higher, optional protections, underscoring the widespread need for reform.

The European Commission’s **July 2024 report** reinforces these findings, highlighting significant shortcomings:

- **Limited scope:** Whistleblower protections should cover a wide range of offences, from corruption to environmental violations. Yet, only 12 countries have laws with an adequate scope. Nations like Greece, Hungary, and Romania fail to cover all forms of corruption under their whistleblower protection laws, leaving considerable gaps in ensuring comprehensive oversight.
- **Weak penalties:** Violations of whistleblower protections must come with serious consequences. However, nine countries do not penalise all forms of retaliation, obstruction of reporting, or breaches of confidentiality.
- **Inadequate compensation:** Fair compensation is crucial for whistleblowers facing retaliation. Yet, only 11 countries guarantee both full financial compensation and non-financial remedies, such as reinstatement to their original roles, and eight countries ensure full financial compensation alone. This leaves many whistleblowers in other EU member states vulnerable and hesitant to come forward. Ensuring access to both forms of redress is vital to achieving justice and mitigating the professional and personal harm whistleblowers often endure.



Real stories, real stakes

Cases like Benýšek’s expose the gaps in legal protections, but they also demonstrate how courageous whistleblowers persist despite the odds. In Ireland, for instance, a 2023 case set a powerful precedent. A massage therapist, denied pay and let go after refusing to provide “sexual services” to clients and her boss, reported her employers despite her vulnerable position as a non-EU worker. Recognising the significant emotional and professional harm she endured, an adjudication officer awarded her an unprecedented €91,000 – five years’ pay – far exceeding standard financial loss compensation.

This landmark decision shows authorities can align rulings with the directive’s intent, ensuring whistleblowers receive fair treatment.

The importance of gender and vulnerability considerations

Protecting whistleblowers requires an inclusive approach, recognising that individuals from marginalised groups often face heightened risks. For example, women, migrants, or those in precarious work environments may encounter unique barriers to reporting wrongdoing. The Irish case illustrates how considering factors like gender, nationality, and economic vulnerability can lead to fairer, more effective outcomes. By tailoring protections to account for these dynamics, member states can make whistleblowing safer and more accessible for all.

What needs to change?

Protecting whistleblowers can’t just be a tick-box exercise. Member states must act decisively to plug the gaps in their laws and align fully with the directive. This includes:

- Expanding the scope of protections to cover all relevant offences.
- Imposing meaningful penalties for any violation of whistleblower rights.
- Ensuring robust remedies, guaranteeing both full financial compensation and non-financial remedies, such as reinstatement for those who faced retaliation.

But Governments cannot act alone. Stakeholders across the board – courts, businesses, public institutions, and civil society – must step up.

Most whistleblowers initially report concerns internally. This makes it essential for organisations to create safe, effective mechanisms for handling such reports. Transparency International is helping organisations achieve this with practical tools, including best-practice guidelines and a self-assessment framework for internal whistleblowing systems.

Courts and adjudication bodies play a critical role in interpreting and enforcing whistleblower protections. When rulings are aligned with EU standards, as seen in the Irish case, they not only deliver justice but also set a powerful precedent for other jurisdictions.

The path forward

Benýšek’s story is a stark reminder that whistleblowers can’t afford half-measures. Their courage fuels accountability and transparency, and they deserve comprehensive, enforceable protections. As citizens, we must demand more from our governments. Transparency International will continue to monitor and report on progress and advocate for stronger laws and better enforcement.

Only by fully implementing the EU Whistleblower Protection Directive and adopting best practices can we ensure that those who speak out are heard, protected, and empowered to make a difference. After all, a fairer EU begins with safeguarding those who risk everything to uphold the public good.

TI-MALAYSIA IN THE NEWS

OCTOBER, NOVEMBER, DECEMBER

Malaysia should reform Whistleblower Protection Act immediately, says anti-graft watchdog

By Sarikita Jayaraman / theedgemalaysia.com

12 Nov 2024, 02:15 pm



Photo by Low Yen Yeing/The Edge

KUALA LUMPUR (Nov 12): Malaysia should immediately reform the Whistleblower Protection Act 2010 (WPA), and implement other long-overdue legal changes, an anti-graft watchdog said on Tuesday.

Exclude corruption, money laundering cases from house arrest bill, says TI-M

FMT Reporters - 08 Nov 2024, 11:44:54

Transparency International Malaysia says failure to address this will overturn the hard work done to prosecute criminals.

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replies 0 up after 3 days found dead in labapok 0 no more debate over Bersih's elections, all in all, says Malaysian 0 Pinning has peragang



In his 2023 budget speech, Prime Minister Anwar Ibrahim said the government will draft a new Act allowing house arrest as an alternative punishment for certain offences.

PETALING JAYA: Corruption and money laundering cases should be excluded from the proposed house arrest bill, regardless of the convict's status, says an anti-graft group.

Transparency International Malaysia (TI-M) said the government should go beyond mere promises and implement clear mechanisms to prevent the house arrest legislation from being misused to benefit VIPs and convicts involved in serious crimes and public interest offences.

Bentuk unit integriti dalam PBT

NURUL HUDA HUSAN

28 Oktober 2024 08:00am

Masa membaca: 2 minit



TI-M wants greater transparency in defence spending

By Jazal Hassan - December 13, 2024 @ 11:23am



Lindung pemberi maklumat asas strategi pencegahan rasuah efektif - TI-Malaysia

08 Nov 2024 @ 11:15am



Melindungi pemberi maklumat adalah asas kepada strategi pencegahan rasuah yang efektif

KUALA LUMPUR: Transparency International Malaysia (TI-Malaysia) menggaris baring bahawa memelihara perlindungan penuh kepada pemberi maklumat, yang mereka namakan sebagai kepada strategi pencegahan rasuah yang efektif

Presidennya, Dr Muhammad Mahfuz, berkata tanpa perlindungan yang mampan, individu mungkin bimbang daripada

Face to face with TI-Malaysia chief: 'Governance, governance...'

By GERALDINE TONG

FOCUS

Sunday, 27 Oct 2024



Report suspicious activity in political party accounts, banks urged

FMT Reporters - 17 Dec 2024, 12:59 PM

This is among Transparency International's recommendations to ensure integrity in political financing.

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