



# **ANNUAL REPORT 2019**

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**TRANSPARENCY  
INTERNATIONAL  
MALAYSIA**

**THE MALAYSIA SOCIETY FOR TRANSPARENCY AND INTEGRITY  
(Transparency International – Malaysia)  
ROS No: PPM-007-10-28081999**

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## 2019-2021 EXECUTIVE COMMITTEE

No.	Name	Position	EXCO Meeting Attendance
1	Dr Muhammad Mohan	President	7/8
2	Lawrence Chew Seng Chen	Deputy President	6/8
3	Raymon Ram	Secretary-General	7/8
4	Kanakaraja Muthusamy	Treasurer	8/8
5	Dorai Sinna	Member	7/8
6	Noor 'Akilah Saidin	Member	7/8
7	Nurirdzuana Ismail	Member	4/8
8	Shuhairoz Shukeri	Member	4/8
9	Ir Sulaiman Haji Abdul Rahman	Member	Resigned as at 9 June 2019
10	Sivasangaran Nair	Member	Resigned as at 18 September 2019

## PRESIDENT'S MESSAGE

Dear Members, colleagues and friends,

I am humbled and honoured to write this message for the Annual Report 2019.

For the past 12 months TI-Malaysia has been through various challenges with some positive outcomes and others are still work in progress. After the outcome of the General Elections in 2018 the Pakatan Harapan government then with all its promises in the manifesto tried to drive the reform agenda. Some of its promises in the manifesto were overdone and it was simply not practical to deliver. However within 22 months the nation was shocked with the sudden resignation of our Prime Minister Tun Dr Mahathir Mohamad after his own political party “Bersatu” decided to pull out of the Pakatan Harapan coalition and the Pakatan Harapan government collapsed. A new coalition with Bersatu, PAS, UMNO, MCA, MIC and several other East Malaysian parties was put together as Perikatan Nasional and formed the government. Whether the new Perikatan Nasional is still committed to reforms and subscribes to have a clean government without corrupt politicians is yet to be seen.



Dr. Muhammad Mohan, President of TI-M

The Pakatan Harapan government started well by taking swift action on the high profile cases such as 1MDB and SRC International and arresting and charging corrupt politicians. The PH government also set up the council of eminent persons to look into the scandals in Felda, Tabung Haji, the high cost East Coast Railway Line and the gas pipeline project in Sabah. This was one of the reason for Malaysia's ranking in the Global Corruption Perception Index in 2019 to make a rebound after continuous deterioration since 2011. In 2019 Malaysia was ranked globally 51 compared to 61 in 2018 out of 188 countries.

There were also other institutional reforms such as the separation of power between the Attorney General and the Public Prosecutor and limiting the term in office for a maximum of 2 terms for the Prime Minister as promised by Pakatan Harapan. However for these two reforms to happen will require amendments to the constitution which PH government simply did not have.

TI-Malaysia engaged closely with government policy maker GIACC (Governance Integrity and Anti-Corruption Centre), MACC (Malaysian Anti-Corruption Commission) and the Law Enforcement Division of the Prime Minister's Office to look into TI-Malaysia's proposals to amend the whistle blower Protection Act 2010. This is still work in progress and we will continue to push for the amendments even with the new Perikatan Nasional government.

TI-Malaysia will continue to push for all law makers to declare their assets. As of today only those from Pakatan Harapan have declared their assets. Those from Perikatan Nasional in particular refused to declare their assets with various excuses. Recently in an ongoing trial of an UMNO politician it was revealed that he has close

to RM 1 Billion assets. This justifies the reasons why we should pursue this agenda.

Effective June 2020 the new "Corporate Liability Provision" known as Section 17A in the MACC Act (Amended) 2018 will make commercial organizations and its directors liable if any person associated with it commits a corrupt act to obtain or retain business or an advantage in the conduct of business for the commercial organization. TI-Malaysia will be holding a forum with MACC as supporting partners on this subject in March targeted specifically the CEO's and Directors in the private sector. TI-Malaysia will also be holding a training workshop jointly with the Perdana Leadership Foundation on this subject in Putrajaya in June 2020. The objective is to assist organizations especially the SMEs to be prepared with adequate procedures.

Moving forward our work has been cut out with a new government in place now. TI-Malaysia will continue to engage with the new government or any government agencies to continue with the reform agenda. The Political Funding Bill and the Independent Police Complaint and Misconduct Commission (IPCMC) were bills due for the 2nd reading in March this



year. However with the collapse of the Pakatan Harapan government it is uncertain if both the bills will ever make it for debate in parliament. Several members in the Perikatan Nasional raised strong objections to table these two bills when they were in the opposition. Given the challenges ahead TI-Malaysia will continue to closely observe all developments under the new government and continue to be vocal in highlighting any issue of concern in the area of transparency, integrity and governance.

Core funding remains a challenging issue for our movement and recently we have launched a crowd funding exercise using the IT platform in partnership with “SimplyGiving” a Singapore based organization with a branch in Malaysia that helps companies to raise funds with a moderate fee. I call upon all members to promote and donate generously towards this fund so that Transparency International Malaysia can continue its work to fight corruption in this country and build a society with integrity.

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*“TI-Malaysia will continue to engage with the new government or any government agencies to continue with the reform agenda.”*

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Best Wishes,



Dr Muhammad Mohan  
President  
Transparency International Malaysia

## INTRODUCTION

The year 2019 had been one to remember as Malaysia beat all odds in its climb to number fifty-one (51) in ranking, with fifty-three (53) points on the Corruption Perception Index (CPI). The promise of “New Malaysia” had taken off with great success even through the trials and tribulations of major economic setbacks on a global scale. We, at Transparency International Malaysia (TI-M) are also now focused and eager to see through the initiatives set forth in the National Anti-Corruption Plan (2019-2023) (NACP), launched by the Prime Minister in January 2019 in order to sustain the achievement.

The achievement was boosted by the trials of major corruption cases that had unfolded when the new government took over. People are now having an eye for the abuse of power and grand corruption that was taking place at the highest levels. We must continue to push ahead and sustain the climb up by ensuring all culprits are exposed, justice prevails and measures drafted in the NACP are seen through.

Both the public and corporate sector should play its part in addressing the lack of integrity and transparency. We, at TI-M will



Mr Raymon Ram, Secretary General of TI-M

continue our advocacy and push for concerns to be addressed and measures to be enforced. The year 2019 had also been filled with TI-M organized events and advocacy projects, mainly focusing on political financing, whistle-blower protection and beneficial ownership transparency. We believe these are vital issues which need to be addressed for the foremost plan to be effective.

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*“The year 2019 had been one to remember as Malaysia beat all odds in its climb to number fifty-one (51) in ranking, with fifty-three (53) points on the Corruption Perception Index (CPI).”*

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We had also seen greater member engagement and new fund-raising initiatives take place in 2019. Taking off from discussions held at the previous Annual General Meeting (AGM), we have re-introduced quarterly newsletters for our members and called for trainers to submit their profiles in order for us to form a repository / database of experts to call upon as and when we have events organized. As fund-raising remains a constant challenge, we had also adopted creative means by way of organizing the first, one of its kind concert that saw a mix of laughter and song for a charitable purpose.

TI-M has also been on an aggressive marketing campaign since the last year. The resulting increase in online presence has led to more volunteers assisting our cause, increase in membership subscriptions and greater brand awareness.

Lastly, we would like to highlight the year that was with recognition of our Business Integrity Program (BIP) division. As June 2020 is just around the corner, enforcement of the Corporate Liability Provision (Section 17A) will be a major concern for the corporate sector. TI-M will continuously do its part to educate and prepare the

corporate sector with tools and techniques required under the Ministerial Guidelines on “Adequate Procedures” so that the risk of bribery can be mitigated.

Thank You.



Raymon Ram

Secretary General

Transparency International Malaysia



## BUSINESS INTEGRITY PROGRAM

TI-M established the Business Integrity Programme (BIP) to help businesses, governments and civil society to achieve their goals since May 2011. TI works with companies, state enterprise, government departments and charities to help them in protecting their operations against corruption. We work with a wide range of organisations, from those with significant challenges, to those with strong procedures already in place and which seek to push back the boundaries of excellence and integrity further. Much of our work is best practice and used in TI chapters across the region to enhance business and organisational integrity in a wide variety of fields.

## Awareness Training on MACC Act Section 17A



Group photo of the participants during the training

15 August 2019 - TI-M organized an Awareness Training on Malaysian Anti-Corruption Commission (MACC) Act Section 17A (Corporate Liability): Implementing Effective 'Adequate Procedures' Based on ISO 37001:2016 ABMS at Kelab Golf Perkhidmatan Awam, Selangor.

This Awareness Training was designed for managers and implementers to grasp the essence of MACC Act Section 17A and how to establish and implement an effective ISO 37001:2016 ABMS complying with Guidelines on Adequate Procedures. 20 participants attended from various organisations.

The appointed speaker, Dr Loi Khen Ming spoke on the various forms of corruptions such as abuse of function, bribery, cronyism, embezzlement, insider trading, money laundering and much more. Participants were also given a brief outlook on the MACC Act 2018, and the guidelines for adequate procedures (TRUST principle) as well. They were also given a few hypothetical scenarios as reference.

**MACC (Amendment) Act 2018 Section 17A, Adequate Procedures & ISO 37001:2016 Training Course**

**STANDARDS MALAYSIA**



**KM Loi & Associates**

**Corporate Liability & ISO 37001:2016 Course**

**Presenter : Dr KM Loi  
ISO/PC 278 Vice Chair  
ISO 37001 Technical Expert**



Dr Mohan welcomed the participants



Dr KM Loi in action as the trainer

## Top Glove Visit to TNB & Digi

TI-M assisted Top Glove in improving their anti-corruption mechanism under the Business Integrity Programme (BIP). This program was aimed at strengthening their skills and competencies in terms of managing and executing the whistleblowing mechanisms, to elevate the awareness and confidence level on existing whistleblowing framework by understanding the assurance and protection to whistle blowers as well as to generate ideas to refine the existing whistleblowing policy and procedures in accordance to best practices of other organization.

The first field visit was on 13 June to Integrity Department of Tenaga Nasional Berhad (TNB) at Crystal Plaza, Petaling Jaya. We were welcomed by Ms. Haripriya and rest of the team. Ms Haripriya shared their experiences in implementing TNB Corporate Integrity Management System (TCIMS) based on the ISO 37001:2016.

On 28 June, the second field trip was held to Digi's office in Subang Hi-Tech Industrial Park. Ms. Gowri and Ms. Ani from the Compliance Unit explained on Digi's Ethics and Integrity Framework.

We would like to thank TNB and Digi for having us at their office!



Top Glove and TNB's Integrity Department during the field trip



Group photo with Mr Haakon Bruaset Kjoel, Digi's CEO and Digi's Compliance Department staff



## PROJECTS SUPPORTED BY MARI/USAID

### Whistle blower Protection Law Forum



L-R: Pn Norfarhana Baharudin , Dr KM Loi, Mr Jesper Stig Andersen, Dr Muhammad Mohan, YB Datuk Liew Vui Keong, HE Christiano Maggipinto, Ms Amy Patanasinth, Tan Sri Abu Kassim, Mr Chew Phye Keat, Tn Roslan Mat Noor

Transparency International Malaysia and Malaysia Reform Initiative (MARI) supported by USAID program organized a forum themed "Whistle blower Protection Law: The OECD Countries' Experiences and How Malaysia Can Move Forward" at The Ritz-Carlton Kuala Lumpur on 30 October 2019.

There were two sessions, Panel Discussion 1 and Panel Discussion 2. Topic for the Panel Discussion 1 was Whistle blowers Protection Practices in OECD Countries where TI-M invited:

- Italian Ambassador, HE Christiano Maggipinto
- Ambassador of the Royal Norwegian Embassy, HE Gunn Jorid Roset, and
- Deputy Head of Missions for the Royal Danish Embassy, Mr Jesper Stig Andersen

The objective of this session was to understand and learn about the best practices of the whistle blowers' protection practices especially in Denmark, which is the top country in the Corruption Perceptions Index (CPI), Norway which has led the way in best practices and Italy whose background is similar to Malaysia.

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

Meanwhile for the Panel Discussion 2, the panellists pointed out changes that could be made to revamp the current Whistle blower Act 2010 in line with the new government. The panellists were Tuan Roslan Bin Mat Nor from the Malaysian Anti-Corruption

Commission (MACC), Mr. Chew Phye Keat from Raja, Darryl & Loh (RDL) Advocates and Solicitors, and Puan Nurfarhana Baharudin, the Legal Advisor to the Prime Minister's Department (BHEUU).

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

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



Dr Mohan delivered the welcoming remarks



Mr Phye Keat shared his points with the audiences



First session started with the discussion on the OECD's Countries' Experiences in implementing Whistle blower Protection Act



Dr KM Loi moderated the second session with Mr Phye Keat, Tn Roslan Mat Nor and Pn NurFarhana as the panellists.



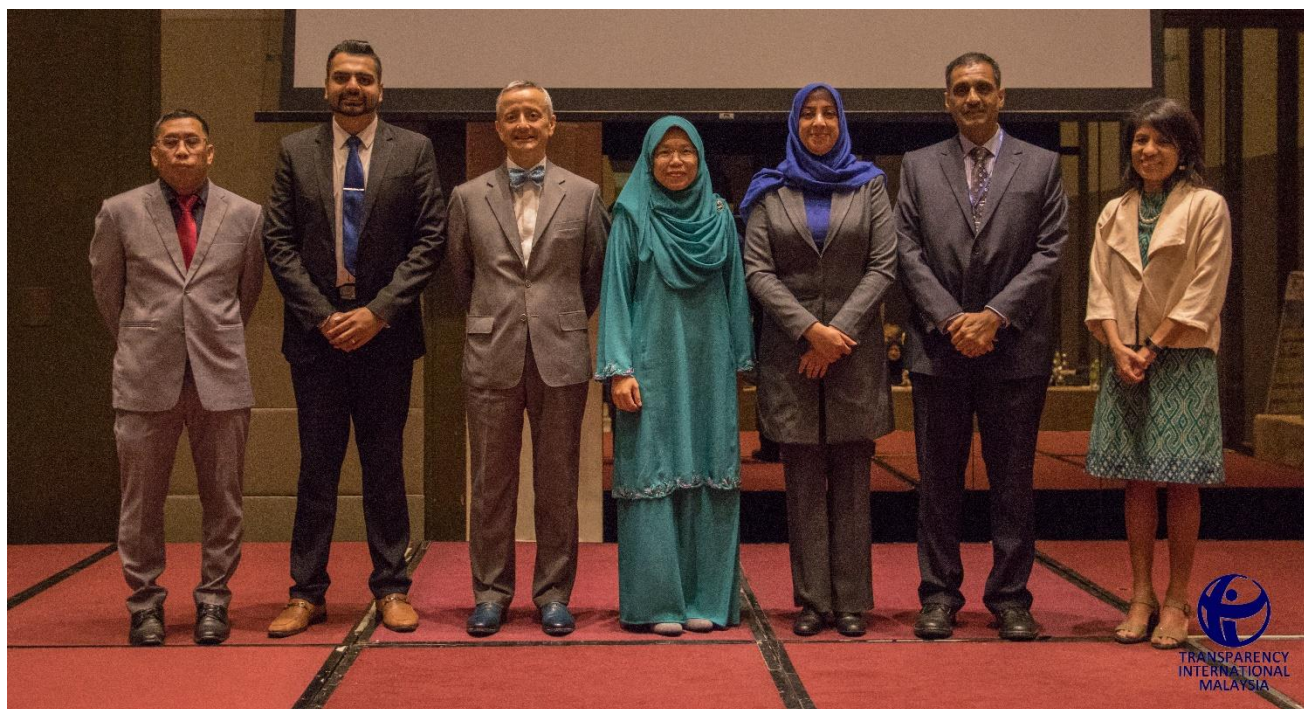
Audiences attended the forum



YB Datuk Liew Vui Keong delivered his closing remarks



## Beneficial Ownership Transparency Forum



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

TI-M organized a forum themed ‘Unmasking the Corrupt through Beneficial Ownership Transparency’ in collaboration with Malaysia Reform Initiative (MARI) and supported by United States Agency for International Development (USAID). The forum was held on 12 December 2019 at Sheraton Imperial Hotel Kuala Lumpur, and was aimed at analysing the Beneficial Ownership provision in Malaysia by taking the examples of the foreign approaches, recent establishment of beneficial ownership reporting framework by Companies Commission of Malaysia (CCM) as well as how Malaysia can move forward.

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

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*“Beneficial Ownership Information has to be reported 6 months before the effective date.”*

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

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

For Malaysia to move forward, Mr Raymon believes that we need to have a well-established BO registry in place. Among the suggestions were:-

- Risk assessments to be conducted so that high-risk companies are scrutinized further, as resources cannot be allocated to monitor all companies, making targeted options the most efficient method;
- Open source and publicly available information, as well as



L-R: Dr Muhammad Mohan, Pn Latheefa Koya & Mr Shane Perkinson, USAID Country Representative

- An accurate timeline of BO information submitted so that all stakeholders can have access to updated and verified information.

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





Mr Dean Thompson, Charge d’Affairs of US Embassy in Malaysia delivered his keynote address



The Head of Economic Section of French Embassy, Mr Emmanuel presented the French framework for BO



Mr Raymon Ram, Secretary-General of TI-M talked about the structure of BO



Tuan Faizal Sadri from MACC explained on the challenges in addressing BO



Representative from CCM, Puan Norhaiza Jemon briefed on the new reporting framework that will be enforced by CCM



During the Q&A Session



## GIAT COALITION

### Strategic Meeting

A strategy meeting was held on 3 June 2019 between the Good Governance, Integrity, Accountability and Transparency (GIAT) coalition members at JW Marriott, Kuala Lumpur. The coalition consisted of Transparency-International Malaysia (TI-M), Centre to Combat Corruption and Cronyism (C4), Institute for Democracy and Economic Affairs (IDEAS), Citizens Network for a Better Malaysia (CNBM), Friends of Kota Damansara, Sinar Project, PROHAM and MyPJ.

The meeting's agenda were to discuss the future direction of the coalition, the focus of upcoming programs, social media engagement strategies, and the empowerment of members under the collective power of GIAT, while also maintaining the independence and professionalism of each organization. GIAT will serve as a credible and responsible coalition working on issues related to the governance framework in Malaysia.



Brainstorming session took place during the meeting



GIAT members discussed and planned for the future direction of the coalition

## With Speaker of the House and Parliament Research Team

GIAT members met with Tan Sri Mohd Arif, Speaker of the House and the Parliament research team today to bring forward the GIAT agenda and our role as civil societies in pushing for reform and good governance at the parliamentary level.



GIAT members with Speaker of the House, Tan Sri Mohd Arif and the Parliament research team

## Meeting with Reform Caucus

The GIAT Coalition met with the Reform Caucus chaired by DS Anwar Ibrahim on 2 December 2019. After presenting our concrete recommendations to the caucus, that asset declaration should also include business interests and making political financing transparent, as part of MPs' code of conduct for good governance, there was a myriad of responses, some in support and mostly not. GIAT will continue to have dialogues and push for reforms.



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

## INTERNATIONAL ANTI-CORRUPTION (HARA) DAY 2019

A total of 100 volunteers, along with delegates from 11 NGOs, including Transparency International Malaysia, Center for Combating Corruption and Cronyism (C4), and corporate partner, Top Glove Corporation Bhd jointly celebrated 2019 International Anti-Corruption (HARA) Day under the theme ‘United Against Corruption’ at the common market located at Precint 8, Putrajaya on 7 December 2019.

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

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



Dr Mohan signed the board as part of the official opening HARA 2019



Working committee involved for HARA 2019



## TRANSPARENCY INTERNATIONAL MALAYSIA'S 21ST ANNUAL GENERAL MEETING



On 30 March 2019, Transparency International Malaysia (TI-M) held its 21<sup>st</sup> Annual General Meeting (AGM) at the Royal Selangor Club, Kuala Lumpur. The meeting started at 10.00am, after the quorum of 22 members were achieved, and eventually increased to 38 members before the end of the meeting. As per the requirements of the bylaws of the constitution, a new lineup of executive committee was elected.

TI-M would like to congratulate and welcome the 2019–2021 line-up of Exco members.

There were some changes in the leadership wherein Dr Muhammad Mohan (the former Secretary-General of TI-M) succeeded Dato' Sri Akhbar Satar as the new President of TI-M. Dato' Sri Akhbar has served the Society for a maximum period of 3 consecutive terms (6 years) as President. Mr Lawrence Chew Seng Chen is the new Deputy President, Mr Raymon Ram, the Secretary-General and Mr Kanakaraja Muthusamy has been re-elected as Treasurer.

The Executive Committee (Exco) members elected for the same period are Ir Sulaiman Haji Abdul Rahman, Puan Nurirdzuana Ismail, Mr Sivasangaran Nair, Mr Dorai Sinna, Puan Noor 'Akilah Saidin and Puan Shuhairoz Shukeri.

TI-M would like to express our deep gratitude and appreciation for the contribution, commitment and compassion to the previous Exco of 2017-2019: Dato' Sri Akhbar Satar (former President), Tan Sri James Alfred (former Deputy President), Mr Mohd Yunos bin Yusop (former Exco), Mr Chew Phye Keat (former Exco) and Mr Nicholas Tan Check Foong (former Exco). Their generous efforts in combatting corruption has assisted TI-M in making valuable improvements to our mission and goal in striving for a better Malaysia.

The new Exco will continue to strive for a better nation and broaden our anti-corruption initiatives and stakeholder engagements. TI-M will continue to advocate works in relation to integrity and anti-corruption.



## CORRUPTION PERCEPTIONS INDEX 2019

Transparency International Malaysia released the official results of Transparency International’s Corruption Perceptions Index for the year 2019. CPI is a global index that measures the perceived levels of public sector corruption in over 180 countries/territories around the world according to experts and businesspeople. CPI uses over 13 different data sources and a minimum of 3 to determine a country’s perceived corruption level by scoring them from 0-100 (the lower the score, the higher perceived level of corruption).

In 2019, Denmark and New Zealand tied for first place with a score of 87, followed by Finland (86), Singapore (85), Sweden (85) and Switzerland (85). On the other end, Somalia became the most highly corrupted country with a score of 9, followed by slightly better scores in South Sudan (12), Syria (13) and Yemen (15). Just like CPI 2018, more than two-thirds of countries have a score below 50 and the world average for CPI remains at 43.

TI also revealed that the majority of countries are showing little to no improvement in battling corruption. Further analysis also showed that corruption is more prevalent where money flows freely into electoral campaigns where governments mostly listen to the wealthy and the well-connected people. This year it also showed that top-scoring countries on the CPI such as Denmark, Switzerland, and Iceland are not immune to corruption. These countries are one of the cleanest in the world in public sectors, but in private sectors money laundering is prevalent. Multiple scandals in 2019 demonstrated that transnational corruption is often facilitated and enabled by the seemingly clean Nordic countries.



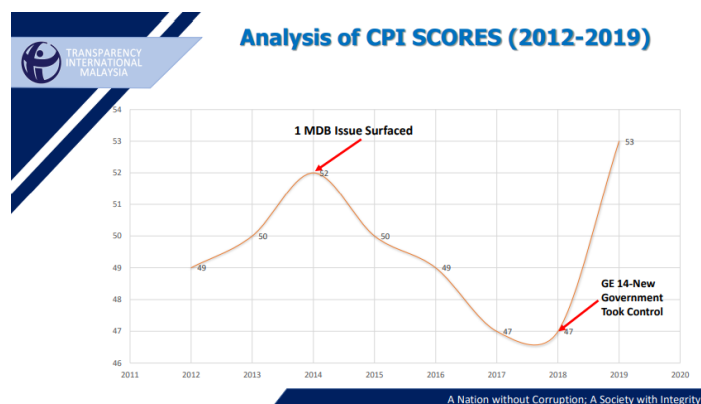
**SURVEYS USED**

	2018	2019
1 Bertelsmann Stiftung Transformation Index 2020	37	53
2 Economist Intelligence Unit Country Risk Service 2019	55	55
3 Global Insight Country Risk Ratings 2018	47	59
4 IMD World Competitiveness Center World Competitiveness Yearbook Executive Opinion Survey 2019	47	56
5 Political and Economic Risk Consultancy Asian Intelligence 2019	41	46
6 The FRS Group International Country Risk Guide 2019	41	41
7 World Economic Forum Executive Opinion Survey 2019	66	62
8 World Justice Project Rule of Law Index Expert Survey 2019	45	49
9 Varieties of Democracy (V-Dem) 2019	47	60
<b>Total</b>	<b>426</b>	<b>481</b>
<b>Aggregate CPI Score</b>	<b>= 481/9</b>	
	<b>= 53</b>	



In the Corruption Perceptions Index 2019, Malaysia improved exponentially as it jumped 10 ranks, from 61 to 51 and improved the score from 47 points to 53 out of 100. Malaysia now ranks third in the ASEAN region, just behind Singapore, and Brunei. Malaysia also comes 5<sup>th</sup> when it comes to Islamic countries, behind the UAE, Qatar, Brunei and Saudi Arabia. The CPI score for this year reflects the government's efforts to tackle corruption, as the CPI score is one of the best in Malaysian history.

TI-Malaysia commends the swift actions by the government that was taken upon many corruption scandals, such as 1MDB, SRC and FELDA, as well as allowing more media freedom and the extensive National Anti-Corruption Plan (NACP). However, we still have concerns regarding the culture of money politics, amending Whistle-blower Protection Act and transparency in government agencies and departments.



TI-Malaysia recommends the following to further combat corruption:

1. Early closure of high profile graft cases like SRC, Sabah Watergate, and 1MDB.
2. Ensure successful implementation of the NACP and make disclosures on the progress of the 115 initiatives.
3. Re-open past cases by the Malaysian Anti-Corruption Commission (MACC) to be done without fear or favor.
4. Strong political will for institutional and legal reforms.
5. Release the Institutional Reforms Committee report.
6. Enact the Freedom of Information Act across all states,

to replace the Official Secrets Act.

7. Provide greater transparency when public projects are awarded (Mega Projects).
8. Amendments of the MACC Act on the appointment of the Chief Commissioner through parliament.
9. Amendment to the Whistle-blower Protection Act 2010 to widen the reporting channels for the public and strengthen the protection for whistle-blowers.
10. Enactment of the asset declaration law to compel all lawmakers including the opposition and public officials to declare their assets and made accessible to the public.
11. Make provision in the current MACC Act to incorporate provisions to compel companies to declare the Ultimate Beneficial Ownership.
12. Improve communication with the public and build a consultative type of administration to update on progress made regularly.

We believe that these 12 recommendations will allow Malaysia to progress further in battling corruption and wishes that CPI 2020 would be even more fruitful than this year.



### CPI 2019: ASEAN SCORE & RANK

ASEAN COUNTRIES	Country Score		Rank	
	2019	2018	2019	2018
Singapore	85	85	4 ↓	3
Brunei	60 ↓	63	35 ↓	31
Malaysia	53 ↑	47	51 ↑	61
Indonesia	40 ↑	38	85 ↑	89
Thailand	36	36	101 ↓	99
Philippines	34 ↓	36	113 ↓	99
Vietnam	37 ↑	33	96 ↑	117
Myanmar	29	29	130 ↑	132
Laos	29	29	130 ↓	132
Cambodia	20	20	162 ↓	161

A Nation without Corruption; A Society with Integrity



### CPI 2019: ISLAMIC COUNTRIES SCORE & RANK

ISLAMIC COUNTRIES	Country Score		Rank	
	2019	2018	2019	2018
UAE	71	70	21	23
Qatar	62	62	30	33
Brunei	60	63	35	31
Saudi Arabia	53	49	51	58
Malaysia	53	47	51	62
Oman	52	52	56	53
Jordan	48	49	60	58
Senegal	45	45	66	67
Tunisia	43	43	74	73
Bahrain	42	36	77	99

A Nation without Corruption; A Society with Integrity

## POLITICAL FUNDING FORUM



L-R: Dr Muhammad Mohan, MP Tony Pua, Dr Klaus Paehler, HE Karin Mossenlechner, Dato' Sri Akhbar Satar, Tan Sri Abu Kassim, Mr Thomas Fann & Prof Terrence Gomez

Transparency International Malaysia jointly hosted a half-day forum with the Embassy of the Kingdom of the Netherlands in Malaysia on 21 March 2019 at JW Marriott Hotel, Kuala Lumpur. The forum had two sessions where the first Session saw the EU member countries sharing their experiences on Political Funding. The next session was on Political Funding in Malaysia, where we are and how we can move forward. Currently, there are no laws to regulate political funding, the panel members were divided in their views on regulating political funding.

The forum began with a welcoming message by TIM's President, YBhg Dato' Sri Akhbar. He felt that political financing laws are crucial in reducing corruption and urged the government in regulating political funding in the country.

Then moved to its first panel discussion. The session was on "Political Finance Regulations in Europe" and the panellists were from The Kingdom of the Netherlands, Germany and Norway shared their respective country's regulations on political funding, which covered sources of fund, legislation and



recommendations to improve the current legislation.

In the first session, we were pleased to have HE Karin Mossenlechner, Ambassador at the Embassy of the Kingdom of the Netherlands in Malaysia, Dr. Klaus Paehler, former Country Director in Malaysia for Konrad-Adenauer-Stiftung (Germany as well as Mr Erlend Sannes Hadland, Deputy Head of Mission's, Royal Norwegian Embassy in Malaysia as our panellists. The discussion was moderated by Chew Phye Keat, Exco member of TI-Malaysia.

Next was the second panel session discussing on "Political Funding in Malaysia - The Way Forward". The panellists comprised of a well-known academia, Prof. Edmund Terence Gomez, a professor of Political Economy, Faculty of Economic & Administration from the University of Malaya, Mr Tian Chua, Vice President of PKR and a former MP. The regulator, Datuk Azhar Azizan Harun, the Chairman of Election Commission, gave everyone an insight onto the legislation of political funding in

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*"Money politics will continue to exist if there is no regulations."*

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Malaysia and discussed at length the roles of EC in regulating the funds.

The session was moderated by Mr Thomas Fann, Chairperson of Bersih 2.0. It was a good session with discussions and views relevant to the subject were aptly shared by Mr Tian Chua with regards to political funding in the current political climate in the country.

The forum ended with closing remarks by Tan Sri Abu Kassim, Director General of the National Governance, Integrity and Anti-Corruption Centre (GIACC) who shared that money politics will continue to exist if there is no regulation on political funding. GIACC is currently working on political funding bill which is expected to be completed by end 2020.

## FUNDRAISING CONCERT

TI-M organized a fundraising concert titled 'Towards a Brighter Tomorrow, An Afternoon of Laughter and Songs' at Damansara Performing Arts Centre on 22 September 2019. This concert was one of the TI-M initiatives to raise funds to remain sustainable and pursue our dream of making Malaysia a nation free of corruption and a society with integrity. TI-M worked with Voice of Hope KL (VOHKL) and stand-up comedian, Monti for this noble cause.



TI-M President, Dr Mohan with the performers

Although it was the first time that TI-M organized such an initiative, it received good response from the public. Many came forward to express their support to the work that we do in Malaysia.

## ASIA-PACIFIC REGIONAL MEETING

TI-M honoured to be the co-host for the 2019 Transparency International Asia Pacific Regional Meeting on 25 – 27 June 2019 at Port Dickson. The theme for this year is **“Innovating Faster than the Corrupt”**.

The meeting started with a presentation by one of the leading journalists who investigated and uncovered the infamous 1MDB corruption scandal, Mr Gunasegaram. Then, continued with the development updates from each chapter.



Group photo of participants during the Transparency International Asia Pacific Regional Meeting

Second day followed with a discussion on Vision 2030 and Governance Review regulating the shared understanding on the insight and the opportunities for TI in the coming decade. Some of the suggestions were on improving the Corruption Perception Index for every chapters in Asia Pacific and creating space to speak up at the International Anti-Corruption Conference. Great conversation took place on the thematic global advocacy priorities; Dirty Money and Political Integrity. Among the discussed were advancing the Beneficial Ownership Provision as well as reviewing the Anti-Money Laundering Law.



L-R: Delia Ferreira Rubio (Chair of TI), Dr Mohan (President of TI-M), and Patricia Moreira (Former Managing Director of TI)



Mr Raymon Ram briefed on the development of TI-M during past 6 months



Mr Gunasegaram delivered his presentation on the 1MDB grand corruption scandal



Adlina (left) and Phearong (TI-Cambodia) discussed the current corruption issue



## GOVERNMENT RELATIONS

### IPCCM

TI-Malaysia was invited by the Bar Council Task Force on IPCCM (Independent Police Complaints and Misconduct Commission) to attend the Roundtable Discussion on IPCCM on 30 May 2019. Dr. Muhammad Mohan attended on behalf of TI-M. It was a closed-door meeting attended by various government and non-governmental departments and agencies.



Group photo after the Roundtable Discussion on IPCCM

The objective of the Roundtable Discussion was to discuss the development and direction of IPCCM. TI-Malaysia also issued a press statement on 9 May urging the Royal Malaysian Police to embrace the IPCCM in order to improve their image as well as to bring in overdue reforms.

### National Mirror Committee

TI-Malaysia was invited to attend the briefing by Malaysian Standards Department, the policy making body for establishing the handbook for standards on ISO 37001:2016. Exco members were also encouraged to become members of the 5 working groups which are:

WG1- Guidance for Governance of Organizations (ISO 37000)

WG2- Anti Bribery Management System (ISO 37001)

WG3-Whistleblowing Management Systems (ISO 37002)

WG4-Compliance Management System (ISO 37301)

WG5- Anti-Fraud

Dr Muhammad Mohan represented TI-Malaysia.



Distinguished participants from GIACC, MACC, TI-M and other organisations

## National Anti-Financial Crime Centre



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

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

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

## MEMBERSHIP

Category	December 2019	December 2018
Individual	73	69
Corporate	14	13
<b>Total</b>	<b>87</b>	<b>82</b>

## SECRETARIAT AND INTERN

No.	Name	Position
<b>Secretariat</b>		
1	Nuradlina binti Adnan	Manager
2	Maria Christina Stephenson	Accounts/Admin Executive
3	Nurizzati binti Mohamad Nor	Project Officer
<b>Intern</b>		
1	Fatimath Rayya Ibrahim	Intern

The following staff and interns left the organization in 2019. We thank them for their services.

No.	Name	Position
1	Chak Tze Chin	Senior Manager
2.	Gerry Timothy Paul	Project Officer
2	Pong Yu Chin	Intern
3	Tsai Yun Chieh	Intern



## ACTIVITIES, MEETINGS AND EVENTS

No.	Dates	Events / Activities	Venue	Participant(s)
1.	21 February 2019	C4 Panel Discussion Conflict of Interest: Analysis and Recommendations on Preventing Political Patronage and Corruption in Malaysia	Aloft, Kuala Lumpur	Dr Mohan, Adlina, Izzati
2.	23 February 2019	SSI Social Theme Event: Corruption	Midlands Convention Centre, Shah Alam	Dr Mohan, Izzati
3.	18 March 2019	Sharing Session BICA with SIEMENS	SIEMENS CP Tower	Dr Mohan, Tze Chin, Adlina, Izzati
4.	21 March 2019	Political Funding in Malaysia: The European Experience	JW Marriott, Kuala Lumpur	All
5.	25 March 2019	Procurement and Integrity Forum	Hotel Istana, Kuala Lumpur	Dr Mohan, Adlina, Izzati, Yu Chin
6.	30 March 2019	21 <sup>st</sup> Annual General Meeting	Royal Selangor Club	All
7.	9 April 2019	Courtesy Meeting with Mr Harry Tan	NUTP Headquarter	Dr Mohan, Izzati
8.	9 April 2019	Corporate Integrity Pledge	MACC Auditorium, Headquarter	Adlina, Yu Chin
9.	10 April 2019	MIM Crucial Conversations	Hotel Istana, KL	Mr Raymon, Dr Pola, Adlina, Izzati, Gerry
10.	12 April 2019	Malaysian Insight interview	Office	Dr Mohan
11.	15 April 2019	Maxis Safety Day briefing	Maxis Tower	Adlina, Izzati
12.	17 April 2019	EXCO Meeting	Office	Exco Member

13.	19 April 2019	TI-Ukraine Visit	Office	Adlina, Izzati
14.	30 April 2019	Maxis Safety Day 1	Maxis Tower	Adlina, Izzati
15.	2 May 2019	Maxis Safety Day 2	Maxis System Operations Centre-Sg Besi	Adlina, Izzati, Yu Chin
16.	7 May 2019	Maxis Safety Day 3	Maxis Sunway Pinnacle	Yu Chin
17.	8 May 2019	Maxis Safety Day 4	Maxis Subang High-tech	Yu Chin
18.	16 May 2019	TI-Cambodia Visit	Office	Adlina, Izzati, Yu Chin, Claire
19.	3 June 2019	GIAT Coalition Meeting	JW Marriot	Claire
20.	12 June 2019	Meeting with EU	Tan & Tan Tower	Adlina
21.	13 June 2019	Top Glove field trip visit to TNB	TNB's Integrity Department, Crystal Plaza	Izzati, Claire
22.	14 June 2019	Courtesy Meeting with Obama Foundation	TI Office	Adlina, Izzati
23.	17 June 2019	Meeting with National Secretariat Sustainable Public Procurement	TI Office	Adlina, Claire
24.	24 June 2019	Suhakam Meeting	Dewan Saksama, Legal Affair Division Building, Presint 3, Putrajaya	Mr Lawrence
25.	25- 27 June 2019	Transparency International Asia Pacific Regional meeting	Avillion Hotel, Port Dickson	Dr Mohan, Mr Raymon, Adlina, Izzati
26.	28 June 2019	Top Glove field trip visit to Digi	Digi Office, Subang Hi-Tech	Izzati, Claire
27.	23 July 2019	IDFR Cultural Appreciation Day	Dewan Tun Hasmah	Izzati, Claire

28.	31 July 2019	Kafe Demokrasi by IDE	Institut Darul Ehsan	Izzati
29.	1 August 2019	Workshop 'Towards Better Whistleblower Protection in Malaysia'	Putrajaya International Convention Centre	Dr Mohan, Mr Chew Phye Keat, Adlina, Izzati
30.	5 August 2019	Malaysia Reform Initiative (MARI) Roadshow	GTower Hotel	Dr Mohan, Izzati
31.	15 August 2019	Awareness Training on MACC Act Section 17A	Kelab Golf Perkhidmatan Awam	All
32.	16 August 2019	Meeting with Puan Bismillah	Internexia Sdn Bhd	Dr Mohan, Izzati
33.	6 September 2019	Interview session between Mr Lawrence and SinChew Daily Newspaper	Office	Mr Lawrence, Izzati
34.	10 September 2019	Technical Meeting for Fundraising Concert	Damansara Performing Arts Centre (DPAC)	Izzati
35.	13 September 2019	UTeM Finance Seminar	Bayview Hotel, Langkawi	Dr Mohan
36.	22 September 2019	Fundraising Concert	Damansara Performing Arts Centre (DPAC)	All
37.	25 September 2019	CISM Talk	MACC Headquarters	Raymon, Adlina
38.	1 October 2019	Courtesy Meeting with Netherlands Embassy	Netherlands Embassy Office	Dr Mohan
39.	1 October 2019	Courtesy Meeting with France Embassy	The Intermark Tower	Dr Mohan, Izzati
40.	2 October 2019	Courtesy Meeting with The Embassy of Denmark, Malaysia	Wisma Denmark	Dr Mohan, Izzati
41.	3 October 2019	Courtesy Meeting with Italy Embassy	Italy Embassy Office	Dr Mohan, Adlina, Izzati



42.	23 October 2019	First Meeting HARA	MACC Headquarter	Adlina, Izzati
43.	30 October 2019	Whistleblower Protection Law Forum	The Ritz-Carlton	All
44.	8 November 2019	Meeting with US Embassy	US Embassy	Dr Mohan, Adlina, Izzati
45.	18 November 2019	Second Meeting HARA	MACC Headquarter	Adlina, Izzati
46.	29 November 2019	Meeting with INTEGRITI Business Development Section Team	INTEGRITI Office	Raymon, Adlina, Izzati
47.	30 November – 1 December 2019	Social Media Marketing Workshop by MARI & TechSoup	ISpace, TTDI	Izzati
48.	7 December 2019	HARA 2019	Pasar Presint 8, Putrajaya	Dr Mohan, Adlina, Christina, Izzati
49.	12 December 2019	Beneficial Ownership Forum	Sheraton Imperial Kuala Lumpur Hotel	All

# GALLERY



Launch of Corporate Integrity Pledge with MACC



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



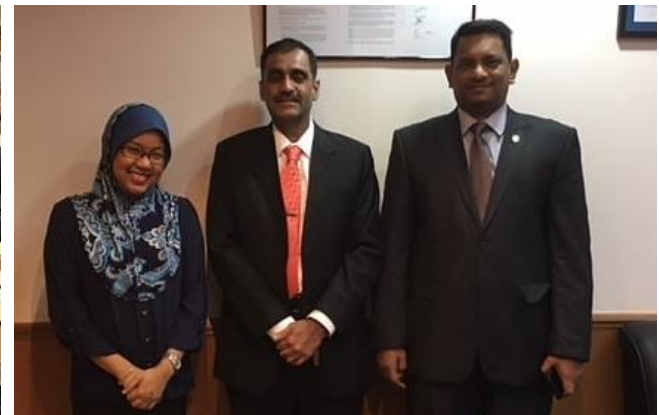
GIAT members and Integrity and Standard Compliance Department



Dr Mohan with Mr Dadang Trisasongko, Secretary-General of TI-Indonesia



Dr Mohan in the Meeting with Parliamentary Select Committee



Meeting with Bar Council (Adlina, Dr Mohan and Dato Fareed, President of Bar Council)





Puan Shuhairoz talked on National Anti-Corruption Plan during the seminar in Malacca



Mr Raymon Ram shared the Beneficial Ownership framework in Malaysia during the 'Corrupt Money Flows' forum in Berlin



Initial meeting TI-Malaysia with Malaysian Institute of Integrity (IIM)



Mr Raymon Ram at Malaysian Technical Cooperation Program (MTCP) 2019: Economic Planning and Management Course.



Mr Raymon Ram at UNI P&M World Conference



Mr Raymon Ram with other participants during the forum on 'Clean Government Transparency Taiwan 2019'





Dr Mohan at Fraud and Corruption: Internal Control and Prevention in Public Sector during the Universiti Teknikal Malaysia Melaka (UTeM) Finance Seminar in Langkawi, Kedah



Dr Mohan at Annual National Procurement and Integrity Forum



Dr Mohan, Mr Phye Keat and other presenters at the workshop on 'Benchmarking Whistle blower Protection in Malaysia'



Dr Mohan, Wong Shau Ning (BFM) and YB Nik Nazmi during the breakfast grill on BFM



Mr Raymon Ram during the Forensic Investigation and Fraud Analytics Conference



Dr Mohan with Tan Sri Nik, Executive Director of Perdana Leadership Foundation



TI-Malaysia and Obama Foundation meeting on 'Together Tackling the Youth Problem'.



TI-Ukraine Visit, Ms Anastasiia Krasnozhon, Adlina and Izzati



Visit from Mr. Elankovan, Chair of TI-Sri Lanka (Open Space for Advancement)



Visit from Swedish National Public Procurement Secretariat



Visit from TI-Cambodia



Meeting with INTEGRITI to discuss the Strategic Plan for 2020



## **MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY**

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