

CLOSING ADDRESS

YB DATUK SERI SAIFUDDIN NASUTION BIN ISMAIL MINISTER OF DOMESTIC TRADE AND CONSUMER AFFAIRS

MALAYSIA ANTI-CORRUPTION FORUM: "TOWARDS ZERO TOLERANCE FOR CORRUPTION"

ON

5TH SEPTEMBER 2019

AT

SUNWAY RESORT HOTEL AND SPA PETALING JAYA

SALUTATION

YBrs. Mr Cheah Chyuan Yong

Chairman of the International Strategy Institute (ISI)

Distinguished guests, ladies and gentlemen,

Assalamualaikum and a very good evening to all,

- It gives me great pleasure to join all of you here today at the Malaysia Anti-Corruption Forum. I am very pleased to see such an encouraging gathering of eminent business leaders, government officers and NGO leaders who are all committed to furthering one of the main priorities of the Pakatan Harapan government, which is to eradicate corruption from Malaysia.
- Forums such as this will help maintain the momentum and discussion on the government's crusade against corruption so that it reaches every part of society. I would like to commend the organiser, the International Strategy Institute (ISI) for this initiative.
- 3. Corruption is recognised as one of the world's greatest challenges and an obstacle for sustainable development. The poorest in all societies are the ones hit the hardest, as corruption benefits the corrupt and wealthy while siphoning away funds for social and infrastructure development. Corruption robs the world's poor off billions of dollars every year as it increases inequality and unfairness, hampers economic development and drives up prices for products and services.

- 4. The impact on the private sector is also considerable corruption hinders economic growth, distorts competition and presents serious legal and reputational risks. Corruption is very costly for businesses as well. With the extra financial burden estimated to add 10% or more to the costs of doing business in many parts of the world. The World Bank has stated that *"bribery has became a 1 trillion dollar industry".*
- 5. The Pakatan Harapan government is unwavering in our commitment to combat corruption. Various measures have been taken by the government and the Malaysian Anti-Corruption Commission (MACC) to stamp out corruption in this country and these efforts have begun to bear fruits.
- 6. Malaysia has improved its position on Transparency International's Corruption Perception Index, Reporters Without Borders' World Press Freedom Index and advanced nine places to 15th spot out of 190 countries in the World Bank's Doing Business 2019 Report. In all those indexes, corruption is a key indicator.

Ladies and Gentlemen,

- In the midst of this ongoing battle against corruption, I would like to elucidate on the roles that three important stakeholders must play for our crusade against corruption to succeed.
- 8. **First, the role of leaders.** Corruption is incipient in every society and must be continuously purged. Leadership by example in the highest echelons of the government is critical in achieving a state where citizens do not condone corrupt practices.

- 9. As the saying goes, "a fish rots from the head". The reverse must also be true. Only when the core leadership of a country is clean, can corruption be gradually diminished. Leaders must be committed to integrity and embody accountability and anti-corruption.
- 10. This is a principle that leaders in the Pakatan Harapan government take to heart. All Pakatan Harapan Members of Parliament have made asset declarations to MACC. We have also taken this a step further by publishing the information online on <u>mydeclaration.sprm.gov.my/</u>, where it is accessible to all.
- 11. Personally, I have also declared my assets to the public through Invoke Malaysia even before the General Elections. I did so because I firmly believe that leaders must be fully accountable and transparent with the people and I will happily continue to do so.
- 12. The Pakatan Harapan government have also adopted a no-gift policy, where cabinet ministers are not allowed to accept gifts valued more than RM 500, other than flowers, food and fruits. Late last year, I received a painting as a gift during an event. As I estimated that the painting was worth more than RM 500, I auctioned it off on the spot to raise funds for charity.
- 13. Through these ongoing efforts, it is hoped that the rest of the nation can see the dedication and commitment of our current leaders to combat corruption and embody the same principles in their lives.

Ladies and Gentlemen,

- Second, the role of the government. Recent data released by MACC revealed that 46.3% out of the 4,860 individuals detained for graft from 2014 to June 2019 were civil servants. This is a grave cause for concern.
- 15. Most of the graft cases involved staff from the procurement sector and 53.4% out of the 4,860 individuals detained were aged 40 and below. Further, a study conducted by MACC revealed that 22.1% of respondents from the civil service said that they were willing to receive bribes if they had power or position.
- 16. This shows that there is an urgent need for the government to institutionalize anti-corruption efforts. In January this year, Tun Dr Mahathir unveiled a five-year National Anti-Corruption Plan (NACP) which reflects the people's aspirations for a greater corrupt-free nation that promotes transparency, accountability and integrity. The NACP is an aspiration for Malaysia to be "known for her integrity and not corruption".
- 17. However, we must do much more. Anti-corruption must also be institutionalized in every Ministry and agency. At the Ministry of Domestic Trade and Consumer Affairs, we pride ourselves for being one of the first ministries to receive and develop an Organizational Anti-Corruption Plan based on the NACP, which will be launched at the end of September.

18. We have formulated 94 anti-corruption initiatives which will be carried out via the OACP (Organisational Anti-Corruption Plan) such as the implementation of a whistleblower policy to provide channels for anonymous reporting and a reward system for those who report cases of corruption, a prohibition on accepting support letters issued by influential persons when carrying out official duties, a prohibition on receiving gifts, decentralization of decision making through delegation of power to committees and the provision of financial education for officers who are in debt.

Ladies and Gentlemen,

- 19. **Third, the role of the people.** The fight against corruption could not be mounted, let alone be won by policies, campaigns, laws and punitive measures imposed by the government alone. The fight against corruption must involve every member of society.
- 20. This is the most important aspect as in a democracy, true power lies with the people. During the last general election, Malaysians overwhelmingly voted to change the government due to dissatisfaction with multiple unresolved corruption scandals. All those leaders are on trial today.
- 21. I urge all of you to continue to hold us accountable. Be ever vigilant and unforgiving to any instances of corruption. Feel free to report any acts of corruption to the MACC regardless of who committed it. Cooperate with the government by reporting using existing channels and criticize us publicly and freely if there is no action taken.

22. It is only when there is strong, vocal and unwavering public opposition towards corruption, that the government is forced to be ever-vigilant. We are here to serve you, remember that you have the power and hold us accountable to that promise.

Ladies and Gentlemen,

- 23. Malaysia has to keep fighting corruption wherever it exists and however difficult it may be. This is because creating a corrupt-free nation is not only for you and me in the present but for the future generation.
- 24. Together, we can build strong institutions and a legacy that will outlast all of us so that no matter which Government is in power and no matter who is in office, they will be held accountable to the system and the people. Only by working together, can we create a corruption-free Malaysia and ensure a better future for our children.
- 25. Before I end my speech, I would like to once again congratulate the organiser, the International Strategy Institute (ISI) for this wonderful forum. I hope that all of you will take the many lessons and insights gained from today's discussions back with you and embody it in your lives.
- 26. We have to keep our own house clean as no one else can do it for us. On that note, **I declare the Malaysia Anti-Corruption Forum closed**.

Thank you. Wabillahi Taufiq Walhidayah Wassalamualaikum Warahmatullahi Wabarakatuh