

**MALAYSIA**  
**ANTI**  
**CORRUPTION**  
**FORUM**  
**REPORT**

SUNWAY RESORT HOTEL & SPA

**5 SEPT**  
**2019**

“Understanding and  
Addressing the World’s  
Biggest Problem”

Strategic  
Partners:



Corporate  
Partners:



Supporting  
Organisations:



# REPORT

5 SEPTEMBER 2019  
SUNWAY RESORT HOTEL & SPA



## MALAYSIA ANTI CORRUPTION FORUM

### ABOUT ISI

The International Strategy Institute (ISI) is a not-for-profit organisation that helps connect governments and businesses across Asia. We stand for universal ethical business values such as: equality, transparency, fair trade, and sustainable development.

Our dialogues, research and networking platforms, are designed to drive economic growth in the region. We aim to,

1. Build platforms for regional dialogue and networking opportunities that allow businesses, industry captains and governments to come together to drive economic growth of the region;
2. Provide timely research to keep our members and governments informed and updated on global trade and political issues that may have an impact on their operations;
3. Match businesses to the right investors - to ensure that the companies are paired with the right strategic investment partner

### ABOUT MALAYSIA ANTI CORRUPTION FORUM

Corruption has undoubtedly been one of the most deep-rooted, pervasive problems that has crippled economies around the world. Even in advanced economies, authorities have not been able to quell corruption completely.

The Corruption Perception Index (CPI) has last year ranked Malaysia number 61st out of 180 countries. Though this is way above notoriously corrupt countries in the Middle East, Africa, and some of its ASEAN neighbours, recent corruption cases have nonetheless propelled Malaysia into the global spotlight. With the establishment of the Malaysia Anti-Corruption Commission (MACC) and the newly launched National Anti-Corruption Plan (NACP), Malaysia is committed to tackle this problem head on.

For centuries, authorities around the world have been trying to grapple with corruption, its root cause, the conducive environment that leads it to flourish, and explore effective ways to eradicate, if not mitigate, its hold on the economy. With the advent of disruptive technology and a better understanding of the economy, brighter days are ahead of us. But this means nothing without affirmative leadership and political will.

The Malaysia Anti-Corruption Forum, brought to you by International Strategy Institute (ISI), is a platform to bring together all concerned Malaysian citizens, government authorities, the media and the private sector to discuss, exchange ideas, and formulate key proposals to be submitted to the Malaysian Anti-Corruption Commission (MACC), with the hope that Malaysia will soon be able to tackle corruption sustainably as it moves towards a high-income nation status in the foreseeable future.

# REPORT

5 SEPTEMBER 2019  
SUNWAY RESORT HOTEL & SPA



## MALAYSIA ANTI CORRUPTION FORUM

### PANEL 1: Q & A DISCUSSION

On measuring corruption in a country through the Corruption Perception Index (CPI), the panel pointed out that the Index is not based on any international standardised surveys. It relies heavily on the surveys by World Bank and other organisations. Besides that, there are a lot of artificial elements in the index due to the fact that it is based on perception rather than reality survey.

As a result, it is extremely unfair to countries that are determined to fight corruption. If the government is actively fighting corruption activities in its country, the corruption perception in the Index's survey may imply that the country is very corrupted. For example, when President Xi Jing Ping decided to fight corruption in China five years ago, thousands of officials were prosecuted but the corruption perception in China continues to go up. One of the flaws of the Index is it has a huge margin of error, which would create false perceptions on the country's level of corruption. For example, although Malaysia had dropped two point in the recent CPI, the dropped in ranking does not factor in the Index's margin of error. He suggested that the best grading system for countries on corruption is to put countries into grade A group or B group or C group, instead of an Index.

He also highlighted the irony that the top five least corrupt countries in the world such as Denmark and Iceland have no dedicated anti-corruption agencies.

On the inclusion of Whistle Blower Acts in the ASEAN region, Thailand has recently added a Whistle Blower Act in its new Anti-Corruption Act under the Thai Constitution. Under certain laws in Laos such as the criminal procedure law, there is a provision to protect witnesses and whistle blowers. In Hong Kong, the government enacted a confidential law in which the identity of complainants cannot be revealed. The law allows for 24-hour protection, as well as the change of identity.

On preserving the integrity of the investigation against corruption, countries such as Hong Kong, Malaysia and Singapore only allow the anti-corruption agency the power to investigate, and not to prosecute. The separation of power is good for check and balance as officers will be able to investigate the evidence objectively.

On the state of Malaysian police, the Royal Malaysia Police has a problem of controlling the perception among Malaysians as the public have a very low perception towards the RMP. Besides that, the RMP are understaffed and under budget, whilst are responsible to make the country safe. The panel suggested that CPI and CRI (Corruption Reality Index) should go hand in hand when assessing the state of corruption in the country. He highlighted that crimes in Malaysia are going down, but perception of the crime is going up, especially with the widespread of fake news and biased media reporting.

# REPORT

5 SEPTEMBER 2019

SUNWAY RESORT HOTEL & SPA



## MALAYSIA ANTI CORRUPTION FORUM

### PANEL 2: ACHIEVING THE RIGHT RELATIONSHIP BETWEEN GOVERNMENT AND BUSINESS

Caroline Ong (Moderator)  
Country General Manager (Malaysia), Leaderonomics

Jeroen Michels  
Policy Analyst, Public Governance Directorate  
Organisation for Economic Co-operation and Development (OECD)

Jeroen Michels warned that 'undue influence' in political party financing and lobbying to governmental institutions would result in serious problems. This is when special treatment in favour of one's interest is exercised. As a result, the public interest would be undermined, creating a distortion in the distribution of resources in the economy as well as public trust.

In fact, inappropriate influence-peddling by lobbyists is a big problem for OECD countries. Lobbying is a legitimate practice in the government, public officials are encouraged to meet with multiple stakeholders and refrain from receiving any gifts from interest groups. However, problems arise when there is a lack of transparency in the government which can lead to favouritism over whom the government officials meet with.

Lobbying regulations started in 1940s in the US, and subsequently across many countries. There are several ways the government can adopt transparency, among which lobbyists can get registered and recorded when dealing with the government; public officials and permanent advisory bodies can make their personal agendas public. However, only one third of OECD countries have made their advisory board fully transparent.

Private funding to political parties is common in OECD countries, especially funding towards election campaign for candidates. In fact, 65 percent of OECD countries have allowed private donations. Meanwhile, half of OECD countries have banned anonymous contributions to political parties and political candidates. Also, 90 percent of OECD countries have regulations against conflict of interest.

The 'revolving door' phenomenon or the 'post-public employment' can pose a serious problem to the government as it opens the door to employment for government officials after they retired from public office. Thus, many OECD countries have applied a 'cooling-off period' after office, in which senior public officials and politicians cannot be hired by companies from 6 months to two years after the end of public office.

Haridas S Krishnan Nair  
Chairman, Business Ethics Institute of Malaysia (BEIM)

Haridas stressed that corruption is not a Malay, Chinese or Indian problem, but an international problem that can undermine democracy in society. After 61 years of BN rule, Malaysians are witnessing day by day the scale of the rot created from the previous government.

There are several types of corruption in the government but the most serious of which is extortion. An extortion happens when the document submitted by the company to the government remains in the hands of the officer in power and not moving, even though the document fits all the criteria required. The officer in power would extort the company unless a 'consideration' is given.

As a result, despite having developed good transformation plans (2004) and integrity plans (2010), Malaysia has not gone up the global ranking in the Transparency Index and Corruption Perception Index.

The rot is deep in the government institutions and the 'rezeki' received varies in thousands from month to month. Some indications are from RM10,000 to RM32,000 per month. Corruption is rooted in the Malaysian society and the syndicate is strong, for example, religious leaders accounts for 31 percent of the corruption cases in the country.

Haridas also warned the danger of symbiotic relations between businesses and the government, especially in the property development sector. He criticised the government-linked companies (GLCs) as infested with corruption because 'it is not in the business of the government to be in business'. He urged the government to address the corruption in GLCs, stressing that there are currently 35 GLCs managing 68,000 other companies. Both government and businesses need to be held accountable to prevent the vicious cycle of kleptocracy. High profile corruption cases by Najib Razak and Zaid Hamidi reflected the nexus between politics and money.

# REPORT

5 SEPTEMBER 2019

SUNWAY RESORT HOTEL & SPA



## MALAYSIA ANTI CORRUPTION FORUM

Haridas is skeptical of the effectiveness of the new National Anti-Corruption Plan 2019-2023 (NACP), part of the reasons is the lack of NGO involvement in the Plan. It is important to get NGOs on board with the government, as NGOs would challenge the establishment on any policy weaknesses.

Pakatan Harapan was given the mandate to govern because many Malaysians wanted change. It would be a disappointment if the new government squandered the new plan. In the last five years, NGOs such as C4, Suhakam, and many more have contributed tremendously in fighting corruption, but they were never invited to be part of the current government's advisory board for anti-corruption.

He suggested the government to set up an anti-corruption ombudsman that reports directly to the parliament and whose office include a strong whistle blowing unit that can assure confidentiality. He warned that if the ombudsman is to report to the Prime Minister Office instead, public complaints will not be taken seriously if the complaints are too severe or if they would implicate top officers.

On the other hand, Haridas also criticised that some officials tend to hide behind technology instead of addressing the public complaints. He cited a personal experience in which after filing in an online complaint to the Education Ministry's website, he has yet to receive any response from the Education Ministry regarding his complaint despite waited for the last 15 weeks.

### PANEL 2: Q & A DISCUSSION

The Corporate Liability Act only covers corruption and misconduct by corporations and not by government officials. The lack of accountability and enforcement is due to the mediocre government and civil service forces in Malaysia.

On the importance of integrity in the public and private sector, the government needs to put a case that integrity is good for businesses and economic development. A shared agenda to combat corruption can play an important role in relationship and trust building between the government and the public. For example, Austria has a dedicated electronic complaint system for whistle blower reporting in which the system is encrypted and the officer in charge can go back and forth to talk to the complainant. However, the Austrian model may not be applicable to countries with no rule of law or limited trusted institutions.

GLCs have become a source of financing and cronyism. Some top officials are getting paid RM1 million a month for salary. It is worth noting that 42 percent of the local stock market exchange consists of GLCs. The government ought to invest its funds towards the B40 group to level up their socio-economic well-being. As per the recent UN report on Malaysia's high poverty rate, the government should increase the poverty line to reflect the current reality. The government must also ensure the Malaysian Statistics Department is transparent and open to public scrutiny, especially regarding statistics on the Bumiputras. Moreover, the government must address the fund leakages in foundations and societies under the NACP because many of the funds do not reach the B40 group.

On the company's preparedness for the Corporate Liability Act, more than one million SMEs in Malaysia are not prepared to respond to the Corporate Liability Act. Unlike MNCs and GLCs, most of the SMEs lacked the capacity and resources. Henceforth, the government must ensure that the voices of SMEs are represented, and they are equipped for the market economy.

On the role of civil society organisations (CSO), many CSOs have played an important role as watchdogs, however, CSOs should expand its role of advocacy in the government under the NACP and analyse the effectiveness of the NACP targets. The space for CSOs is shrinking due to the lack of meaningful governmental engagement with CSOs, such as through technical partnerships and civil education.

Haridas is skeptical of the effectiveness of the new National Anti-Corruption Plan 2019-2023 (NACP), part of the reasons is the lack of NGO involvement in the Plan. It is important to get NGOs on board with the government, as NGOs would challenge the establishment on any policy weaknesses.

Pakatan Harapan was given the mandate to govern because many Malaysians wanted change. It would be a disappointment if the new government squandered the new plan. In the last five years, NGOs such as C4, Suhakam, and many more have contributed tremendously in fighting corruption, but they were never invited to be part of the current government's advisory board for anti-corruption.

He suggested the government to set up an anti-corruption ombudsman that reports directly to the parliament and whose office include a strong whistle blowing unit that can assure confidentiality. He warned that if the ombudsman is to report to the Prime Minister Office instead, public complaints will not be taken seriously if the complaints are too severe or if they would implicate top officers.

On the other hand, Haridas also criticised that some officials tend to hide behind technology instead of addressing the public complaints. He cited a personal experience in which after filing in an online complaint to the Education Ministry's website, he has yet to receive any response from the Education Ministry regarding his complaint despite waited for the last 15 weeks.

# REPORT

5 SEPTEMBER 2019  
SUNWAY RESORT HOTEL & SPA



## MALAYSIA ANTI CORRUPTION FORUM

### WELCOMING REMARKS

Cheah Chyuan Yong  
Chairman, International Strategy Institute (ISI)

Malaysia needs to address deep-rooted corruption in the Malaysian society. Establishing strong laws coupled with good implementation are important to combat corruption, however, the government needs to address deep-rooted problems such as low salary in the police force and the lack of ethics education in schools. Cheah Chyuan Yong stressed the importance for the society to combat corruption by citing a quote from the UN Secretary General, 'corruption will beget more corruption and in return will create the culture of impunity'.

### OPENING KEYNOTE ADDRESS

v

YB Dato' Seri Anwar bin Ibrahim  
President, Parti Keadilan Rakyat

Dato' Seri Anwar commended the country's remarkable transformation in combatting corruption, it showed that Malaysians unanimously hate corruption.

From normative civilisation to modern society, there has been a surge in corruption, states in decline and degeneration happened throughout the millennia, with a prominent in the rise and fall of the Roman Empire. Civilisation becomes vibrant because of its zeal for justice and fairness. Popular political historian Hussein Alatas had written books on the sociology of corruption highlighting corruption in the public services in Malaysia.

He warned that corruption will persist unless there is a strong political will and leadership among political leaders, as well as an incorruptible anti-corruption agency. During his post as an acting Prime Minister in the 1990s, Anwar had pushed for an anti-corruption Bill in the government.

Hong Kong during the 1970s and 1980s was very corrupted and was ran by triad. However, Hong Kong's anti-corruption agency managed to eradicate corruption within five years through ethical governance. New York City's authorities also managed to eradicate corruption in the city within mere ten years. He called for the Malaysia authorities to push for real reforms instead of slogans and campaigns.

Anwar stressed that the entire anti-corruption drive by Pakatan Harapan should not be seen as 'vengeance' against the past administration, instead it is a commitment towards long term corruption eradication, as well as instilling fear to top civil servants against corrupt practices. If a public servant or minister has administered wealth beyond his means, he must be held accountable. Some public servants displayed their wealth with opulence and style, in fact, some of them even started to get smart and park their money somewhere else.

The Pakatan Harapan anti-corruption drive should be judged by whether it can stop the corruption at present. Some officers practice 'lubrication' -- they would intentionally delay an official submission or request unless the company or individual pays a bribe, many businessmen are forced to adhere to such bribery when doing business.

Anwar equated corruption as a form of chauvinism of the rich and corrupt against the poor and working class. He called for tougher actions and reforms against corruption to end the culture of greed in Malaysia, so as to have the media to refocus the attention to fundamental problems of our country, for instance climate change, racism and religious bigotry, poverty and inequality.

# REPORT

5 SEPTEMBER 2019  
SUNWAY RESORT HOTEL & SPA



## MALAYSIA ANTI CORRUPTION FORUM

### SPECIAL PRESENTATION: DEPLOYING DIGITAL TECHNOLOGY TO COMBAT CORRUPTION

Dato' Ts. Dr. Haji Amirudin Bin Abdul Wahab  
Chief Executive Officer, Cybersecurity, Malaysia

Dato' Amirudin cautioned that the lack of technology-adoption by the Malaysian government is a serious issue that may result in an increased cybercrime activity. It is vital that technology be secured to avoid the abuse of power and to ensure it is a trusted tool.

Malaysia is moving into a more interconnected cyberspace, by 2030 there will be 7.5 billion internet users worldwide. A study by Gartner showed that by 2020 there will be a convergence of new technology into cyberspace such as the Internet of Things (IoT), fintech and data to data connectivity. On the other hand, a study by World Economic Forum found out that data fraud and cyber-attacks will be two of the top five global risks. Technological risks are evolving, posing advanced and persistent threats such as espionage and organised cybercrime.

Cisco 2018 Asia Pacific study discovered that cyber frauds in Malaysia are the highest among cybercrime activities. There are serious data breaches in Malaysia, including hacking into government systems. The government must apply confidentiality and integrity to ensure information are secured.

Many criminals are using technology for corruption opportunities, such as the use of dark web and cryptocurrencies. The dark web accounts for the majority of internet activities, including all the illicit underground activities such as internet hacking and hiring of hitman. The dark web is difficult to trace and could be used by officers to commit corruption and crimes. Meanwhile, hacking and the manipulation of digital database in the public service system are also serious security threats.

Technology can be used to fight corruption through open governance, transparency and eliminate red tape. It can help to detect, prevent and eradicate corruption through AI, blockchain, etc. Blockchain is a peer to peer network that cannot be altered or fabricated, it is also decentralised and encrypted. It can be a good feature for anti-corruption because the technology is transparent and traceable. Blockchain has been used in Honduras to fight for land rights and in Sweden to combat cybercrimes.

The current government has set up the NCSP to protect Malaysia's cybersecurity through good governance and international cooperation. However, Malaysia needs to adopt a holistic approach for cybersecurity and collaborate with all agencies in the government, as well as the community. It must leverage technology through an adaptive approach instead of a reactive approach as part of a layered defensive mechanism.

The government can detect and combat corruption through cyber forensic. Cyber forensic can help to extract the online digital trace of criminals whenever they go online. The Cybersecurity Malaysia is working closely with the police, MACC and other expert-agencies to detect corruption activities on the internet through cyber forensic investigation.

On the other hand, it is vital to reveal, prevent and predict corrupt practices through predictive strategies. This can be achieved through big data analytics, AI and data mining. He emphasised the need to create an AI brain for cyber security analytics. In fact, criminals also used this for their own criminal activities, hence the police must be one step ahead.

Dato' Amirudin warned that technology should not be used for quick fixes, even though the authorities must be fast to adopt new technologies. Digital technology is a double-edged sword, it can be both an enabler for corruption and anti-corruption activities. In sum, the authorities need to adopt holistic solutions beyond technology, these include: thorough processes and apparatus, well-informed and trained people, strengthened inter-agency cooperation and public private partnership.



# REPORT

5 SEPTEMBER 2019  
SUNWAY RESORT HOTEL & SPA



## MALAYSIA ANTI CORRUPTION FORUM

### PANEL 3: UNDERSTANDING THE IMPLICATIONS OF THE CORPORATE LIABILITY LAW

Rosli Dahlan (moderator)  
Partner, Lee Hishammuddin Allen & Gledhill

Datuk Paduka Muhammad Juanda Abdul Rashid  
Consultant (Ethics and Compliance)

When discussing the importance of an Act for corporate liability, Datuk Paduka Muhammad Juanda cited an influential case involving the global oil company Shell in Nigeria. In 1998, Nigeria was opening its doors for exploration, but it was owned by one of the politicians in Nigeria and many companies were unsure who is in charge with the licensing. Shell claimed that it gave US\$1.3 billion to the Nigerian government as payment but the Nigerian public claimed it was a bribe to a Nigerian former minister. The total oil value was worth US\$9 billion hence US\$1.3 billion was considered a small amount of bribe for Shell.

Malaysia is recognised as one of the pioneers on corporate liability law. In fact, having adequate guidelines and measures are important to prevent bribery between businesses and government officials. The procedure should inculcate the TRUST principles:

- 1) Top level commitment
- 2) Risk assessment
- 3) Undertake control measures
- 4) Systematic review, monitoring and enforcement
- 5) Training and communication

In the US, many American companies abroad have paid up to USD300 million to foreign government to 'grease the wheels' in order to be awarded business contracts and tenders. The Foreign Corrupt Practices Act was introduced by President Jimmy Carter in 1977. One of the first cases charged under the Act is the bribery to Sir Albert Henry, Prime Minister of Cook Island, with the amount of \$337000 from postage stamp revenue for Henry's reelection campaign. As a result, businessman Finbar Kenny was charged in 1979 under the FCPA violations.

Zakaria Mohamad Nor  
Head of Mechanical, Electrical & Automotive Section, Management System Certification, SIRIM QAS International Sdn. Bhd

SIRIM created the ISO 37001 ABMS (Anti Bribery Management System) as a tool to prevent, detect and respond to bribery and corruption practices in companies. Bribery is a worldwide phenomenon which can lead to problems in socio-governance, businesses, loss of property and societal issues.

Zakaria pointed out that ABMS is considered as a third-party standard compliance framework, and is part of the strategic initiatives under the NACP to prevent corruption. Among the programs under ABMS include the "pledge to practice" to strengthen the company's resolve towards becoming a graft-free organisation. That is because business leaders and company stakeholders have the responsibility to combat corruption. However, applying ABMS alone would not be able to fully address corrupt practices in a company.

Joyce Lim Wan Cheak  
Partner, Forensic and Integrity Services, Ernst & Young

In Malaysia, the MACC Acts only cover individual offenders (MACC Act 2009 Section 17), on the other hand, the Corporate Liability Act covers commercial organisations including board members. Joyce Lim highlighted the importance of ethical culture and 'walk the talk'. She explained, many local companies do not have the lines of defenses to prevent and detect corruption activities in the company:

- 1st Line of Defense: Risk Enabler
- 2nd Line of Defense: Compliance and Integrity Unit
- 3rd Line of Defense: Internal Audit
- 4th Line of Defense: Governing Bodies

Most companies lack adequate procedures to detect and respond to corruption as they do not consider it as common risks. However, businesses with strong internal control environment would inculcate good policy and procedure framework, whistle



# REPORT

5 SEPTEMBER 2019  
SUNWAY RESORT HOTEL & SPA



## MALAYSIA ANTI CORRUPTION FORUM

Most companies lack adequate procedures to detect and respond to corruption as they do not consider it as common risks. However, businesses with strong internal control environment would inculcate good policy and procedure framework, whistle blowing channel, procurement, strong operation and finance, third-party due diligence framework, as well as adequate training and communication.

Earnst & Young does periodic compliance assessment for companies to detect bribery expenses. Such expenses can be detected from the company's finance and procurement, such as gifts and entertainment payments. These payments are usually used to expedite certain processes. It can be as small as RM50 or RM100, as long as the government does not give any receipt. The Corporate Liability Act in Malaysia can also be applied to other countries when doing business.

Joyce Lim urged for the companies' leadership to embrace new ethical cultures that would force its people to analyse their business ethics. For example, companies can inculcate web-based learning for staff and train them not to allow gifts and other bribes in the company. When bribery occurs, it should be addressed immediately. However, strong ethical leadership is important for the TRUST principles to work. Sales and revenue targets should not be the only key or determinant for the company's bottom line.

### PANEL 3: Q & A DISCUSSION

On addressing the 1MDB donation case, the panel cited a case in 2011 involving Siemens when it was discovered that the company was bribing the government of Argentina to secure US\$1 billion worth of project to develop identity cards. Under the provision of gratification in the Anti-Corruption Act, the law included expenses for games, entertainment and donations. Hence, it is defined that the donation to 1MDB can be considered as bribery.

On adopting the ISO 37001 compliance, although it is merely an option for companies to adopt the ABMS compliance framework, it is considered a good third-party compliance framework that would boost the stakeholders' confidence over the company's credibility and accountability, especially when bidding for tenders from the government. However, companies are still not safe from any potential corrupt practices. Thus, it is important for companies to constantly and diligently monitor and audit any irregularities.

### SPECIAL ADDRESS "UNDERSTANDING AND ADDRESSING THE WORLD'S BIGGEST PROBLEM"

Tan Sri Abu Kassim Mohamed  
Director General, National Centre for Governance, Integrity and Anti-Corruption (GIACC)

The MACC was formed in 2009 under Tan Sri Abu Kassim's leadership during the height of the 1MDB corruption. Citing the FBI statements in the US Department of Justice (DOJ) press release, Tan Sri Abu Kassim clarified that MACC has put its efforts and was committed to investigate the 1MDB case. MACC has five committees at that time in which one of the committees was tasked to monitor all the investigation done by MACC.

Post-GE14, the new Pakatan Harapan government is pushing for greater reforms with the introduction of 115 initiatives that touch on the root of corruption. Among which 35 of them are on political reforms. He stressed that many countries fail to reform because they do not address the root of corruption -- which involves politicians. Currently, Malaysian politicians are no longer allowed to be the chair or head of any GLCs. He added that the reform is beyond the 'normal reform' because it encompasses the whole governmental structure reform.

On the other hand, the police need to strengthen its integrity unit, he raised the issue where one integrity officer oversees every 120 police officers, akin to one teacher managing a very large classroom. The Royal Malaysia Police must come out with a new reform proposal to address the problem.

He also highlighted that the new reforms would emulate the ICAC in Hong Kong in which the MACC would only report to the Special Parliamentary Committee regarding corruption as part of accountability to the public. The report will be laid out and discussed in the parliament. Recently, the government has agreed for the Parliamentary Select Committee to vet candidate to be the head of MACC.

The MACC is also tasked to formulate the Constitution amendments regarding the role termination for MACC head, which must be done differently from an ordinary civil servant. The reform would allow a judge to dismiss or terminate the MACC head if he/she is found to have committed any misconduct.

The MACC reform would only be possible with full support from the Malaysian parliamentarians as presently, Pakatan Harapan only have a simple majority support in the parliament.

Tan Sri Abu Kassim did not comment further on the former Chief Minister of Sarawak's 30 years tenure involving the allegation of massive deforestation in Sarawak. He said there were insufficient evidence to warrant any court case against the former Chief Minister of Sarawak. The new MACC Chief commissioner has however informed that he will 'look into this matter'.

# REPORT

5 SEPTEMBER 2019  
SUNWAY RESORT HOTEL & SPA



## MALAYSIA ANTI CORRUPTION FORUM

### PANEL 3: Q & A DISCUSSION

On addressing the 1MDB donation case, the panel cited a case in 2011 involving Siemens when it was discovered that the company was bribing the government of Argentina to secure US\$1 billion worth of project to develop identity cards. Under the provision of gratification in the Anti-Corruption Act, the law included expenses for games, entertainment and donations. Hence, it is defined that the donation to 1MDB can be considered as bribery.

On adopting the ISO 37001 compliance, although it is merely an option for companies to adopt the ABMS compliance framework, it is considered a good third-party compliance framework that would boost the stakeholders' confidence over the company's credibility and accountability, especially when bidding for tenders from the government. However, companies are still not safe from any potential corrupt practices. Thus, it is important for companies to constantly and diligently monitor and audit any irregularities.

### CLOSING KEYNOTE ADDRESS "TOWARDS ZERO TOLERANCE FOR CORRUPTION"

YB Datuk Seri Saifuddin Nasution bin Ismail  
Minister of Domestic Trade and Consumer Affairs Malaysia

Corruption is one of the greatest challenges in the world, it hits hard on the poor and hamper economic development. It has become a worldwide Billion Dollar industry resulting in a costly impact on the private sector in which businesses are forced to add 10 percent of the actual cost of doing business. Reporters Without Borders have placed Malaysia at the 15th spot in ease of doing business.

Datuk Seri Saifuddin stressed that leaders should not condone corruption, only when the core leadership of the country is clean that the country would be corrupt-free.

Datuk Seri Saifuddin Nasution has previously declared his assets to the public to INVOKE Malaysia prior to the GE14. It is part of the effort by the government to be fully transparent to the public. Most of the Pakatan Harapan politicians have also declared their assets to the MACC and the information can be viewed publicly at MyDeclaration.my.

Furthermore, the new government has adopted a no gift policy for civil servants unless they are flowers, food and fruits. Datuk Seri Saifuddin Nasution narrated a recent event where he received a painting from the event organiser. Since the painting was worth more than RM500, he decided to auction it off to the public and managed to raise RM20,000 for charity.

However, he pointed out that most of the graft cases involving civil servants were through public procurement. Integrity is a huge problem among local public servants, it was surveyed that 22 percent of Malaysian civil servants would accept bribes.

He further addressed that the Malaysian Prime Minister Tun Mahathir Muhamad will be developing and launching a new anti-corruption plan in September to promote transparency and integrity. Under the plan, the government has formulated 94 initiatives including a whistle blower policy.

The Malaysian public must play a vital role and be unforgiving in fighting against corruption. Many of the corrupted leaders are on trial today because of the people's power to demand change, adding that no matter who is in office, the leaders would be held accountable.