

MONITOR

National Key Result Areas
NKRA
AGAINST CORRUPTION

NKRA E-NEWSLETTER
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INCULCATING **INTEGRITY**

ENGAGING YOUTHS
IN PROMOTING **INTEGRITY**

**MALAYSIA'S ANTI-CORRUPTION
EFFORTS ON THE TABLE AT IACC**



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INCULCATING INTEGRITY

Since its inception in 2010, the NKRA Against Corruption or more commonly known as the Anti-COR NKRA has collaborated with the Malaysian Anti-Corruption Commission (MACC) and the Institute of Integrity Malaysia (IIM) to enhance anti-corruption mechanisms in the public sphere.

On July 24, 2013 the Public Service Department issued a Public Service Circular calling for the setting up of an integrity unit in all government agencies to ensure the public service delivery system is disciplined, efficient, and uphold the principles of noble values, ethics and integrity.

A year later on June 3rd, 2014 the Prime Minister directed every government ministry and agency to set up its Governance and Integrity Committee (JITU) to plan and implement prevention and remedial measures to overcome weaknesses in the areas of governance and integrity.

The NKRA Against Corruption ambit in enhancing anti-corruption measures and transparency in the government sector was cascaded to the corporate sector including all levels of Malaysian society through a comprehensive anti-corruption education and awareness programme.

It went through a transformation of sort. Formerly a division under the MACC, the Anti-COR NKRA was upgraded and renamed the Integrity and Governance Division or Bahagian Integriti Tadbir Urus (BITU).

Puan Anis Rizana Mohd Zainudin took over as director on November 17th, 2014 when her predecessor

Datuk Hisham Nordin left to join the private sector. The BITU director reports directly to Senator Datuk Paul Low Seng Kuan, the Minister in the Prime Minister's Department in charge of Integrity, Governance and Human Rights.

BITU's core functions amongst others are to oversee and ensure that programmes initiated under the Anti-corruption NKRA and JITU are successfully implemented. "We are focusing more on engaging the corporate sector," Rizana said.

Among the 21 anti-corruption initiatives introduced under the GTP 2.0, sixteen has either been successfully implemented or are in the pipeline for implementation, she added. Of particular note are the following initiatives to address concerns relating to the annual Auditor-General (AuG) Report:

- Fast-tracking the tabling of the AuG Report at every Parliamentary sitting
- Establishing an Action Committee to address the AuG Report
- Establishing the AuG Online Dashboard



BITU Director Puan Anis Rizana Mohd Zainudin.

- Escalating stalled investigations into discrepancies detected in the AuG Report to the Putrajaya Inquisition

The AuG's Report was tabled at the beginning of each of the four previous Parliament sessions. Immediately afterwards, the Chief Secretary to the Government conducted a townhall session enabling the media to query and get answers directly from the Secretary-General of the

Table AG Performance Audit Report to Parliament • Separate the Performance and Financial Report • Table Performance Report at every Parliament sitting	Action Committee • Establish Action Committee after each report is tabled to Parliament • Members consist of AG + MACC + PDRM + relevant enforcement agencies	Online Dashboard • Make publicly available outstanding issues in AG report	Putrajaya Inquisition • PM to chair meeting to provide closure on outstanding issues

relevant ministry. “This is a big step towards building public trust and enhancing public accountability,” Rizana said.

To complement the MACC’s effort in establishing anti-corruption secretariats in 20 public universities and 27 teachers’ training colleges under GTP 2.0, the BITU has engaged youths in private universities and non-government organisations like Empowering Youth Endeavours (EYE), which have launched a programme called Youth for Integrity, to spread the culture of integrity among undergraduates in private universities and colleges. Through such programmes, these private higher education institutions have their own Student Integrity Officers (SIOs).

In addition, BITU has held discussions with the American Malaysian Chamber of Commerce (AMCHAM) and the Malaysia Canada Business Council (MCBC) to get their feedbacks on the proposed inclusion of a corporate liability provision in the MACC Act.

Public and Private Sector Support

The GTP anti-corruption and integrity enhancement initiatives have received wide support from both the public and private sectors. In the public sector, the Integrity Pact is an anti-corruption initiative whereby government agencies are required to insert an Anti-Corruption Clause in their procurement documents to eliminate any opportunity for corruption or abuse of power in the procurement process.

In the corporate sector, 523 companies have signed the Corporate Integrity Pledge (CIP) with the MACC. The CIP is a unilateral declaration that the corporation will not commit corrupt acts and will work towards creating a business environment that is fair, transparent and free from corruption.

Guidelines for Middlemen / Lobbyists.

The lack of transparency in political financing poses alarming risks of corruption since private donations

can easily become a channel for currying favours. Keeping a spotlight on political financing is the best way to ensure political parties are transparent in their campaign expenditure.

Towards this end, BITU have conducted series of lab sessions for middlemen and lobbyist. “We are working with the MACC and hope we can come up with a Guideline for middlemen and lobbyists by the end of the year,” the BITU Director said.

“The biggest impact of the Anti-COR NKRA is that the public at large is now are more aware of the Government’s initiatives in fighting corruption. The GLCs and corporate sector have started to implement anti-corruption measures and enhance transparency in their business practices, and I am generally happy at the rate we are progressing.” she said

Enforcement Agency	Grand Corruption	Government Procurement	Education and Public Support
1. Special Committee on Corruption to answer questions concerning MACC Annual Report in Parliament	8. Engagement with judges	12. Fast-tracking access to AG Performance Audit Report for immediate action	19. Setting up of Corruption Prevention Secretariat in Teacher’s Training College
2. Executive Review Committee in MACC	9. Complete prosecution of corruption cases within one year *	13. Action Committee on AG report	20. Training of MPs
3. Project Management Office on Prevention	10. Improve political financing governance framework *	14. Auditor General’s online dashboard	21. Incorporate anti-corruption element in textbooks in primary and secondary schools
4. Monitor compliance unit activities *	11. Insertion of Corporate Liability Provision into MACC Act	15. Putrajaya Inquisition	
5. Monitor “name and shame”		16. Implementation of comprehensive integrity pact for PPP projects *	
6. Corporate Integrity System		17. Upgrading MyProcurement and Integration with related procurement portals *	
7. Streamline oversight committees		18. Guidelines for middlemen/lobbyist	



ENGAGING YOUTHS IN PROMOTING INTEGRITY

In the wake of the success in promoting anti-corruption awareness and integrity amongst youths in public universities and teacher training colleges, the Anti-COR NKRA will focus on conducting similar engagements with their counterparts in private universities and colleges.

Towards this end, Senator Datuk Paul Low Seng Kuan, Minister in the Prime Minister's Department who is in charge of governance, integrity and human rights, officiated the launch the Youth For Integrity (YFI) initiative on 25 April, organised by a non-government organisation Empowering Youth Endeavours (EYE).

"The YFI is an initiative which aims to lead the youths in Malaysia, particularly students in private higher learning institutions, towards a greater understanding and appreciation of the values of integrity," says Akram Yusof, who is assisting the EYE project by getting students involved in the YFI movement.

It regularly organises forums where prominent personalities who are at the forefront in fighting corruption and promoting integrity and noble values are invited to share their expertise and experience.

At the YFI conference launch, the Chairman of the Audit Oversight Board and Executive Director of Securities Commission Malaysia, Nik Mohd Hasyudeen Yusof and MACC Chief Commissioner Tan Sri Abu Kassim Mohamed each gave a talk on 'Regulating Good Governance Towards A Better Nation'.

This was followed by another forum on 'Building up Community & Quality of Life through Integrity' in which Malaysia Anti-Corruption Foundation President, Tunku



CENTRALITY OF INTEGRITY FOR THE NEXT GENERATION

4TH JULY 2015, SATURDAY
CSIT AUDITORIUM, UNITEN



YB KHAIRY JAMALUDDIN
MINISTER OF YOUTH & SPORTS



Aziz Tunku Ibrahim and Cynthia Gabriel, Founder of The Centre To Combat Corruption & Cronyism (C4) were the panelists. The YFI's had its second forum on 6 June, where MAHB Internal Audit

General Manager, Puan Nasrein Fazal Sultan, and Maybank Head of Sovereign Strategy, Encik Salem Ghandour gave their views and opinions on 'Why Good Governance Matters'. The forum was

complemented by a workshop session on the 'Role of Good Governance' in which Senator Datuk Paul Low Seng Kuan and his Governance Officer, Mr Alan Kirupakaran acted as moderators.

YOUTH FOR **INTEGRITY** FORUM

WHY GOOD GOVERNANCE MATTERS

PANELISTS



NASREIN FAZAL SULTAN
INTERNAL AUDIT GENERAL MANAGER
MALAYSIA AIRPORTS HOLDINGS BERHAD

SALEM GHANDOUR
HEAD OF SOVEREIGN STRATEGY
MAYBANK



EXCLUSIVE WORKSHOP*
ON ROLE OF GOVERNANCE BY:
ALAN KIRUPAKARAN
GOVERNANCE OFFICER
TO YB SENATOR DATUK PAUL
MINISTER IN THE PRIME MINISTER DEPARTMENT

Youth and Sports Minister YB Khairy Jamaluddin was invited to speak on the 'Centrality of Integrity for the next generation' at the UNITEN Auditorium on 4 July. Some 100 students and student representatives from several local private higher learning institutions attended the event, which was jointly organised with with the Malaysia Airports Berhad, NKRA Against Corruption, Malaysian Institute of Integrity (IIM) and the MACC.

The YFI is currently drafting the Club and Society Integrity Pledge which it hopes to get the clubs and societies in private universities and colleges to sign as a pledge to uphold integrity and to practice good governance.

"We believe this is important because we tend to do away with integrity in our daily life as students we often resort to plagiarism and copy-paste materials in the exams or assignment. With this pledge, students will be more aware of the issue of intellectual property and copyright," Akram said.

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MALAYSIA'S ANTI-CORRUPTION EFFORTS ON THE TABLE AT IACC

By Mohd Azhar Ibrahim



Senator Datuk Paul Low Seng Kuan.
BERNAMA Images

The Malaysian Anti-Corruption Commission (MACC) will host the 16th International Anti-Corruption Conference (IACC) from September 2 – 4 in Putrajaya. Held in collaboration with Transparency International, the 3-day conference carries the theme 'Ending Impunity: People, Integrity, Action' and aims to support, empower and engage people from a broad spectrum of society in over 130 countries to stand up against corruption. Its objectives are to showcase game-changing anti-corruption solutions and the people behind them, engage new audiences in the fight against corruption, and promote a culture of integrity in all sectors of society to achieve sustained, positive change.

People in the public and private sectors, civil society, and youth organisations will converge to look for ways to strengthen anti-corruption measures, enhance transparency and accountability, and put an end to impunity from corruption by bringing the corrupt to face the full measure of the law. "More than 1,000 anti-corruption fighters will meet and take stock of where we are in the global war against corruption and where we need to be," Minister in the Prime Minister's Department, Senator Datuk Paul Low Seng Kuan said. Participants will share best practices and discuss the latest developments in initiatives and tools to resolve corruption.

Sharing Best Practices

As host, the MACC will bring to the table Malaysia's achievements and success in fighting corruption. Malaysia has put in place regulations and processes, which have been assessed as compliant with global standards. Malaysia's anti-corruption initiatives under the Government Transformation Programme have received positive reviews from the United Nations Office against Drugs and Corruption (UNODC). On February 7, 2014, the UNODC released its review findings on Malaysia's

compliance with recommendations made in the United Nations Convention Against Corruption. The report listed 23 good practices in fighting corruption in Malaysia— the highest number out of 168 countries reviewed. To promote good governance and integrity in the civil service, the Government has established 800 integrity units spread across every government ministry, agency and government-linked corporations (GLCs). Each integrity unit is helmed by a Certified Integrity Officer (CeIO) trained at the Malaysia Anti-Corruption Academy. These CeIOs will carry out the necessary restructuring programme to enhance governance and integrity in their particular ministry, agency or GLC.

Ratcheting Up Governance And Integrity

Low chairs the national level Governance and Integrity Committee or JITU, and reports matters concerning governance and integrity to the cabinet. As the minister in charge of governance and integrity, he collaborates with each minister or chief minister to put in a transformation programme to enhance governance and integrity at the state and federal ministries. "No other country in the world is tackling the issue of governance, integrity and corruption in a holistic manner like Malaysia is doing," said Low.

Low played a leading role in promoting the fast tracking of the annual Auditor-General's Report (AuG Report) and the townhall session that ensue after the presentation of the AuG Report in parliament. These townhall sessions allow the media to question the secretary-general directly on any non-compliance issues in his ministry highlighted in the AuG Report. Since the townhall session will shed light on how the ministry spends public fund, it follows that each ministry will be more prudent in managing its expenditure. The former Transparency International Malaysia (TI-M) president has lobbied for the inclusion of a Corporate Liability Clause in the MACC Act to make a corporation liable for any act of corruption by its employee in the course of promoting its business, as he believes this will dampen the private sector's tendency to bribe government officials.

The Integrity Pact is another anti-corruption initiative whereby government agencies are required to insert an Anti-Corruption Clause in their procurement documents to eliminate any opportunity for corruption or abuse of power in the procurement process. Some 523 companies in the corporate sector have signed a Corporate Integrity Pledge (CIP) with the MACC. The CIP is a unilateral declaration that the corporation will not commit corrupt acts and will work towards creating a business environment that is fair, transparent and free from corruption. A further 500 companies

involved in the construction sector have formed an Anti-Corruption Coalition to specifically deal with corrupt practices peculiar to the industry. They include enforcement agencies, master builder associations, engineers, architects, quantity surveyors, material suppliers, and the Construction Industry Development Board. The Malaysian Institute of Integrity is presently working on setting up similar coalitions for the pharmaceutical and medical industries, including their supply and logistic chains.

'Baptism of Fire'

However, despite these achievements, recent developments in the country have placed Malaysia – particularly the MACC – in the cross hair of the international community especially Transparency International. The country faces an unprecedented test of its governance at the highest level. Key regulatory and enforcement officials have either been abruptly transferred or promoted away, putting investigations to a halt. An inter-agency task force in the thick of investigating financial irregularities was disbanded. MACC and other regulatory enforcement officers are harassed. Consequently, this has cast a pall on the independence of the institutions concerned.

According to Low, the MACC is undergoing its baptism of fire. Do they have the courage to stand their ground and continue their investigations despite the pressure and interference?

"We have to learn and understand what happened, why it happened, what the consequences are, and how to prevent them in future," Low said. The test that lies before regulators and enforcement agencies, especially the MACC, is to what extent they are able to maintain law and order, uphold integrity, and do what is right and necessary according to the mandate given to them, he said.

Conference participants would no doubt want to see how the MACC measures up to these challenges.

When you want to fight corruption, you must show you can deal with the big fish. If you only focus on education and prevention, you are wasting your time.

Tony Kwok, former ICAC Commissioner