

MALAYSIA

Political system:

Malaysia is headed by the Prime Minister and a Parliament consisting of a non-elected upper house and an elected lower house. Malaysia is divided into three main regions, Peninsular Malaysia, Sabah and Sarawak. States in the Peninsular have hereditary royalty rulers in all but Negeri Sembilan, Melaka, and Penang. In the latter states, including Sabah and Sarawak, Governors are appointed by the Malaysian Government. The powers of state governments are limited by the federal constitution and under the terms of the federation, Sabah and Sarawak retain certain constitution - e.g. the right to maintain their own immigration controls.

Legislation:

Prevention of Corruption Act 1997

Main agencies involved in AC prevention, investigation, enforcement, education

Main agency(s):

- Anti-Corruption Agency Malaysia

Other:

- Malaysian Administrative, Modernisation and Management Planning Unit (MAMPU)
- Malaysia Anti-Corruption Academy (MAC)
- Institute Integrity Malaysia (IIM)

Anti-corruption strategy:

A number of institutions were established to prevent corruption in Malaysia. In 1967, the Anti-Corruption Agency (ACA) was established in Malaysia with the main purpose of eliminating corruption, and to prevent the abuse of power and malpractices. The ACA has played a significant role in combating corruption, and maintaining the integrity of government administration since its inception. Following this, in July 1971, a Public Complaints Bureau was also established to put in place a mechanism through which members of the public could lodge complaints on malpractices and abuse of power in the public service. The Malaysian Administrative, Modernisation and Management Planning Unit (MAMPU) was established in 1977 for the purpose of initiating changes in the Government's administration to ensure the creation of a modern, competent and effective public service. The Auditor General Department is responsible in ensuring that public expenditure, revenue and assets are managed and accounted for in accordance to the law and established procedures. In order to further strengthen the governance of the public sector, in 1998, the Government created a Special Committee on Government Management Integrity. This committee is chaired by the Prime Minister and has the objective of ensuring that the Government administrative machinery is competent, disciplined and is in full adherence to best practices. The Committee is also tasked to look into overcoming problems and weaknesses, especially in the financial management of the public sector, overseeing problems relating to the breach of disciplines, corruption and abuse of power.

In addressing corruption in the private sector, the Malaysian Code of Corporate Governance (MCCG) was published in 2000. In 2001, Bursa Malaysia (then known as the Malaysian Securities Exchange Berhad) enforced the Revamped Listing Requirements and implemented the Code. All private companies are required to be transparent by making disclosures on various matters as required in the listing requirements. Every company is required to include in its Annual Report, a statement concerning Corporate Governance, indicating how the principles contained in the MCCG is being applied and how far the code is being observed.

UNCAC status:

Convention signed but not ratified.

Recent developments:

In 2004, under the leadership of the current Prime Minister, the Government formulated the National Integrity Plan (NIP). For the first five years (2004-2008), the NIP has identified five priorities known as Target 2008. They are:-

- Effectively reduce corruption, malpractices and abuse of power
- Increase efficiency of the public delivery system and overcome bureaucratic red tape
- Enhance corporate governance and business ethics
- Strengthen the family institution, and
- Improve the quality of life and people's well-being

Following this the Integrity Institute of Malaysia (IIM) was formed to spearhead the implementation of the NIP.

Challenges:

- The need to strengthen awareness raising among members of the public on the dangers of corruption and the abuse of power
- Achieving Target 2008
- Strengthened measures integrity and corruption in Malaysia

UNDP's involvement:

UNDP supports the Malaysian government aspiration in achieving the NIP objectives and entered into a Memorandum of Understanding with YAB Dato' Seri Abdullah Badawi, Prime Minister of Malaysia, and the then President of IIM, Datuk Dr. Sulaiman Mahbob, in April 2005 to develop the capacity of IIM to implement the NIP.

An 18 month partnership project to support IIM implement the NIP, with emphasis on anti-corruption, began in September 2005 – key stakeholders include government agencies as well as NGOs. Among the strategic initiatives that have, to date, been achieved are:

- NIP Implementation Action Plan developed through participatory workshops
- Gender-focused and faith-based participatory workshops were carried out in addition to a successful state rollout in Negeri Sembilan.
- A National Integrity Month Campaign was also carried out.

Capacity building and staff development programme was undertaken. The following programmes were carried out through (i) Master Trainers Training Programme; (ii) Development of a Master Training Manual; and (iii) Study tours to Australia, UK and Germany. Information and knowledge dissemination was undertaken through (i) Feasibility Study of IIM resource management system and (ii) Publication of a source book and Training Manual by end February 2007.

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