



PRESS STATEMENT

1 December 2011. Issued in conjunction with the worldwide launch of the Transparency International Corruption Perceptions Index (CPI) 2011.

Malaysia's 2011 CPI Dips

For the 3rd consecutive year, Malaysia has shown a decline in its CPI score. Its 2011 score of 4.3 is slightly lower than the 4.4 recorded in 2010, and is significantly lower than the government's benchmark of 4.9. Malaysia's country ranking has also declined to 60th (of 183 countries) from 56th last year. Although the CPI decline for the last two years is marginal (0.1 for 2010 and 2011), the lack of improvement in Malaysia's CPI ranking is a cause for concern.

While the government has launched a number of initiatives to address corruption including recently the Corporate Integrity Pledge for the business sector, the CPI results show that our leaders and public institutions are not doing enough to combat corruption, especially "grand corruption". Elements of state capture which facilitate "grand corruption" are still prevalent. These include the continuing and snowballing practice of awarding mega projects and contracts without open tenders or competitive bidding, limited access to information which contributes to a culture of secrecy and lack of transparency, allegations of inflated pricing in military purchases and the continued close nexus between business and politics in Malaysia.

TI Malaysia's Recommendations

1. Pursue corruption cases of officials at the highest levels to restore confidence that the Government is really serious about the fight against corruption. The lack of "Big fish" convictions to emphasise commitment to fighting corruption is a concern.
2. Fundamentally amend the scope of the OSA and introduce a federal Freedom of Information Bill
3. Enhance the autonomy and independence of the MACC and provide the necessary resources to professionalize their workforce
4. Improve the protective framework to encourage more whistleblowers to come forward

5. Apply stiffer penalties for corruption convictions, including a percentage of turnover for private companies
6. Fully implement the Integrity Pact in all government procurement exercises
7. Implement Reforms for Political Financing as proposed by TI-M in its Memorandum to the Government
8. Implement the core Electoral Reforms that have been submitted to the Parliamentary Select Committee on Electoral Reforms

Corruption Barometer (CB)

Malaysia's 2011 CB results are about the same as last year's. 40% of the public perceives that corruption levels have stayed the same over the past three years, and will remain the same for the next three years. The police and political parties have been identified as the most corrupt institutions, with the police as the most frequent recipient of bribes in the past 12 months. However, the percentage of respondents who had paid bribes has encouragingly plummeted from 9% in 2010 to 1.2% this year. In addition, almost 50% of the respondents continue to believe that the Malaysian government is effective in fighting corruption. This exceeds the government's benchmark of 38%. These results indicate that day-to-day bribery at the lower levels or "petty corruption" is being addressed.

While petty corruption is decreasing, the more debilitating "grand corruption" as reflected in the CPI results continues to plague the nation.

TI-M therefore reiterates its call to the government to show strong political will in the fight against corruption, notably "grand corruption". Given Malaysia's aspiration to be a high income and developed country by the year 2020, the commitment to fight corruption must be clear and firm. A high income economy can only be achieved where there are efficient delivery systems, where the organs of government and institutions govern and manage the country and its resources with integrity, transparency, accountability and good governance, in the interest of the nation and its citizens.

Issued by

Transparency International Malaysia
Josie M. Fernandez, Secretary General

Contact No: +6012 233 6351

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