



## TRANSPARENCY INTERNATIONAL – MALAYSIA

(MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY (ROS: 1649) )

*TI-Malaysia promotes good governance, integrity and transparency in Malaysia through advocacy, education, information and research*

---

### PRESS STATEMENT

2 November 2011. Issued in conjunction with the worldwide launch of the Transparency International Bribe Payers Index (BPI) 2011.

#### Malaysia's 2011 BPI results

Bribing public officials when doing business abroad is a regular occurrence, according to a survey of 3,000 business executives from developed and developing countries.

Transparency International's 2011 Bribe Payers Index, released today, ranks 28 leading international and regional exporting countries by the likelihood of their firms to bribe abroad. Companies from Russia and China, who invested US \$120 billion overseas in 2010, are seen as most likely to pay bribes abroad. Companies from the Netherlands and Switzerland are seen as least likely to bribe (see annex).

The countries were selected on the basis of their level of outward flow of goods and services and investment and in total they represent almost 80% of global value in these areas.

Malaysia recorded a score of **7.6 over 10**, with 10 indicating the perception that companies from that country are unlikely to engage in bribery when doing business abroad, and 0 indicating these companies are likely to pay bribes. Malaysia's score was below the global average of 7.8 for the 28 countries and ranks joint 15 together with Hong Kong, Italy and South Africa.

One of the key findings of the survey is that bribery between companies across different sectors is seen as just as common as bribery from firms to public officials. Bribery is most common in the Public Works, Contracts and Construction Sector.

While previous surveys for the last decade had shown that Malaysian companies are increasing refraining from bribery in their overseas business, Malaysia's score for 2011 that is near the global average indicates that more could be done to prohibit bribery as a matter of practice when doing business abroad. With the increasing tightening of anti-bribery legislations in many developed and developing countries Malaysian multinational companies or their employees are at a high risk of being caught and charged for corruption.

Furthermore, reputational risk from cross border corruption can adversely affect Malaysia's image.

TI-M proposes that the government can take further initiatives namely:

- To continue to diligently implement the United Nations Convention Against Corruption (UNCAC) including the criminalization of bribery
- To strengthen the regulatory framework on the private sector to meet international accepted practice of good governance and ensuring integrity compliance through the adoption of an integrated corporate integrity system that includes the enforcement of anti-bribery policy

- To amend current legislation to allow prosecution of a company when its employee is prosecuted for corrupt practices
- Enforce strong deterrent fines

TI-M reiterates its call to the government to show strong political will “without fear or favour” to vigorously fight corruption, both locally and internationally. 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. TI-M urges the government to complement its present activities by instituting the recommendations made by TI-M.

*Issued by*

Transparency International Malaysia

Datuk Paul Low, President

Contact No.: +6017 876 2550

*Note: The full TI 2011 BPI Report is available at <http://bpi.transparency.org/>*



# TRANSPARENCY INTERNATIONAL – MALAYSIA

(MALAYSIAN SOCIETY FOR TRANSPARENCY AND INTEGRITY (ROS: 1649) )

TI-Malaysia promotes good governance, integrity and transparency in Malaysia  
through advocacy, education, information and research

## ANNEX: 2011 BPI RESULTS

Rank	Country/Territory	Score	Number of observations	Standard Deviation	90% Confidence interval	
					Lower bound	Upper bound
1	Netherlands	8.8	273	2.0	8.6	9.0
1	Switzerland	8.8	244	2.2	8.5	9.0
3	Belgium	8.7	221	2.0	8.5	9.0
4	Germany	8.6	576	2.2	8.5	8.8
4	Japan	8.6	319	2.4	8.4	8.9
6	Australia	8.5	168	2.2	8.2	8.8
6	Canada	8.5	209	2.3	8.2	8.8
8	Singapore	8.3	256	2.3	8.1	8.6
8	UK	8.3	414	2.5	8.1	8.5
10	USA	8.1	651	2.7	7.9	8.3
11	France	8.0	435	2.6	7.8	8.2
11	Spain	8.0	326	2.6	7.7	8.2
13	South Korea	7.9	152	2.8	7.5	8.2
14	Brazil	7.7	163	3.0	7.3	8.1
15	Hong Kong	7.6	208	2.9	7.3	7.9
15	Italy	7.6	397	2.8	7.4	7.8
15	Malaysia	7.6	148	2.9	7.2	8.0
15	South Africa	7.6	191	2.8	7.2	7.9
19	Taiwan	7.5	193	3.0	7.2	7.9
19	India	7.5	168	3.0	7.1	7.9
19	Turkey	7.5	139	2.7	7.2	7.9
22	Saudi Arabia	7.4	138	3.0	7.0	7.8
23	Argentina	7.3	115	3.0	6.8	7.7
23	UAE	7.3	156	2.9	6.9	7.7
25	Indonesia	7.1	153	3.4	6.6	7.5
26	Mexico	7.0	121	3.2	6.6	7.5
27	China	6.5	608	3.5	6.3	6.7
28	Russia	6.1	172	3.6	5.7	6.6
	Average	7.8				