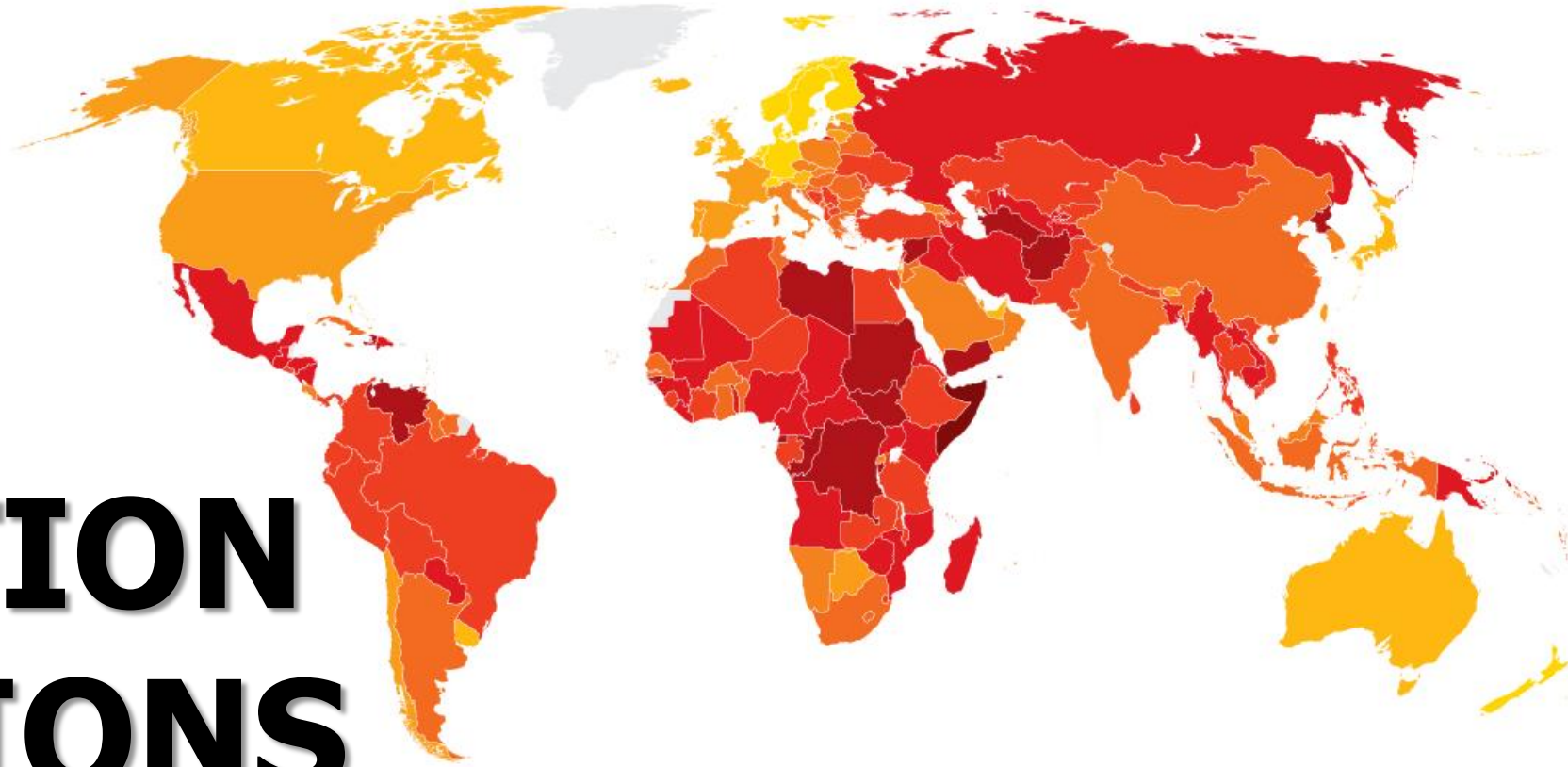


# CORRUPTION PERCEPTIONS INDEX



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Dr Muhammad Mohan | President, TI-Malaysia  
15 September 2023



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INTERNATIONAL  
MALAYSIA

# WHAT IS THE CPI?

A global (180 countries/territories)  
aggregate Index (up to 13 different data sources)  
capturing perceptions (experts/business people)  
of corruption (abuse of power for private gain)  
in the public sector (public officials and institutions)

# WHAT DOES THE CPI MEASURE?



- Bribery
- Diversion of public funds
- Enforcement of integrity mechanisms
- Commitment to fight corruption
- Restriction on freedom of expression
- Use of public office for private gain
- CSO access to information
- State capture
- Prosecution of corrupt officials
- Excessive red tape/bureaucracy
- Legislation on financial disclosure
- Legislation on beneficial ownership
- Legal protection for whistleblowers

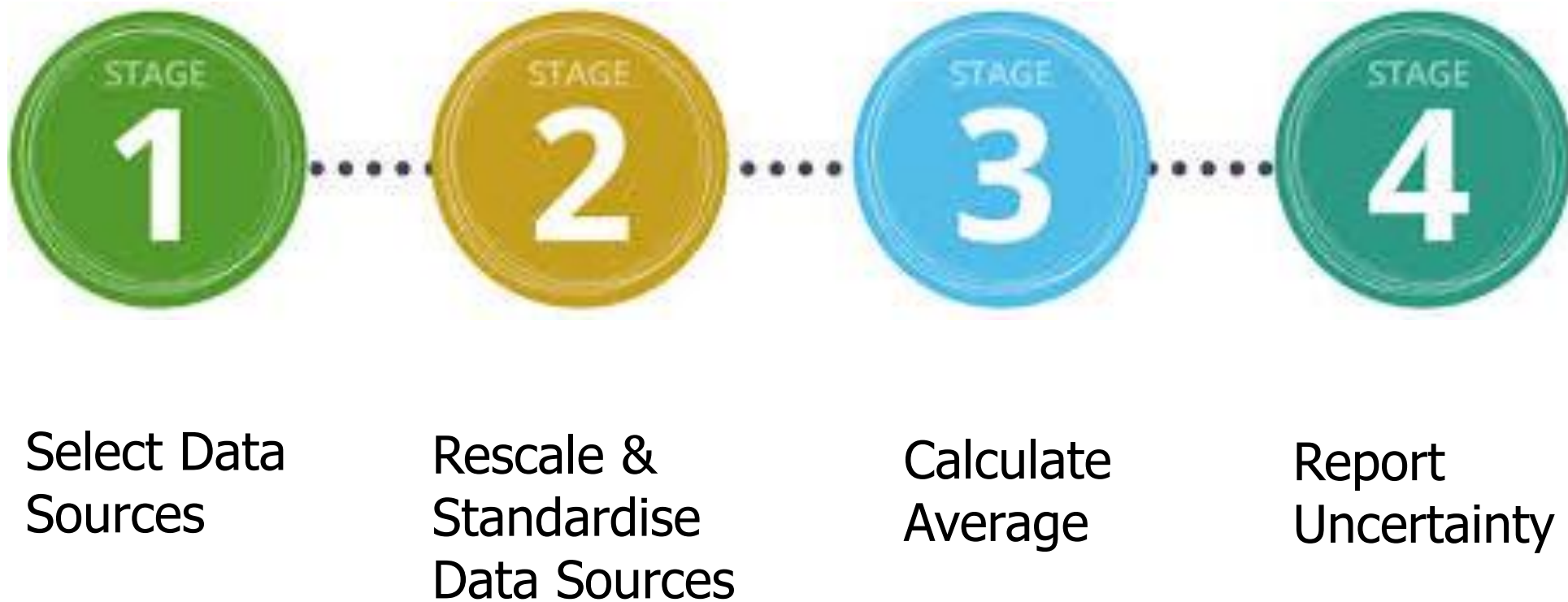


- Citizens' perceptions or experience on corruption
- Tax fraud
- Illicit financial flows
- Enablers of corruption
- Money Laundering
- Any type of private sector corruption
- Informal economies and markets

# SURVEY SOURCES



# METHODOLOGY



*Note: Minimum three (3) survey sources are required to qualify to assessed on the year's CPI*

# EXTERNAL AUDIT



Conducted by European Commission  
Joint Research Centre

"the Corruption Perceptions Index (CPI), besides being appealing for reasons of transparency and replicability, is also conceptually and statistically coherent and with a balanced structure (i.e. the CPI is not dominated by any of the individual sources)"

Results also provided statistical justification for the use of simple average across the sources.



## Conflict, peace and security

Corruption can undermine political, social and economic stability, and ultimately threaten peace, safety and security as a whole. Corruption also creates a fertile ground for organized criminal activities, even terrorism, as criminals are aided in their illegal activities by the complicity of corrupt public officials.





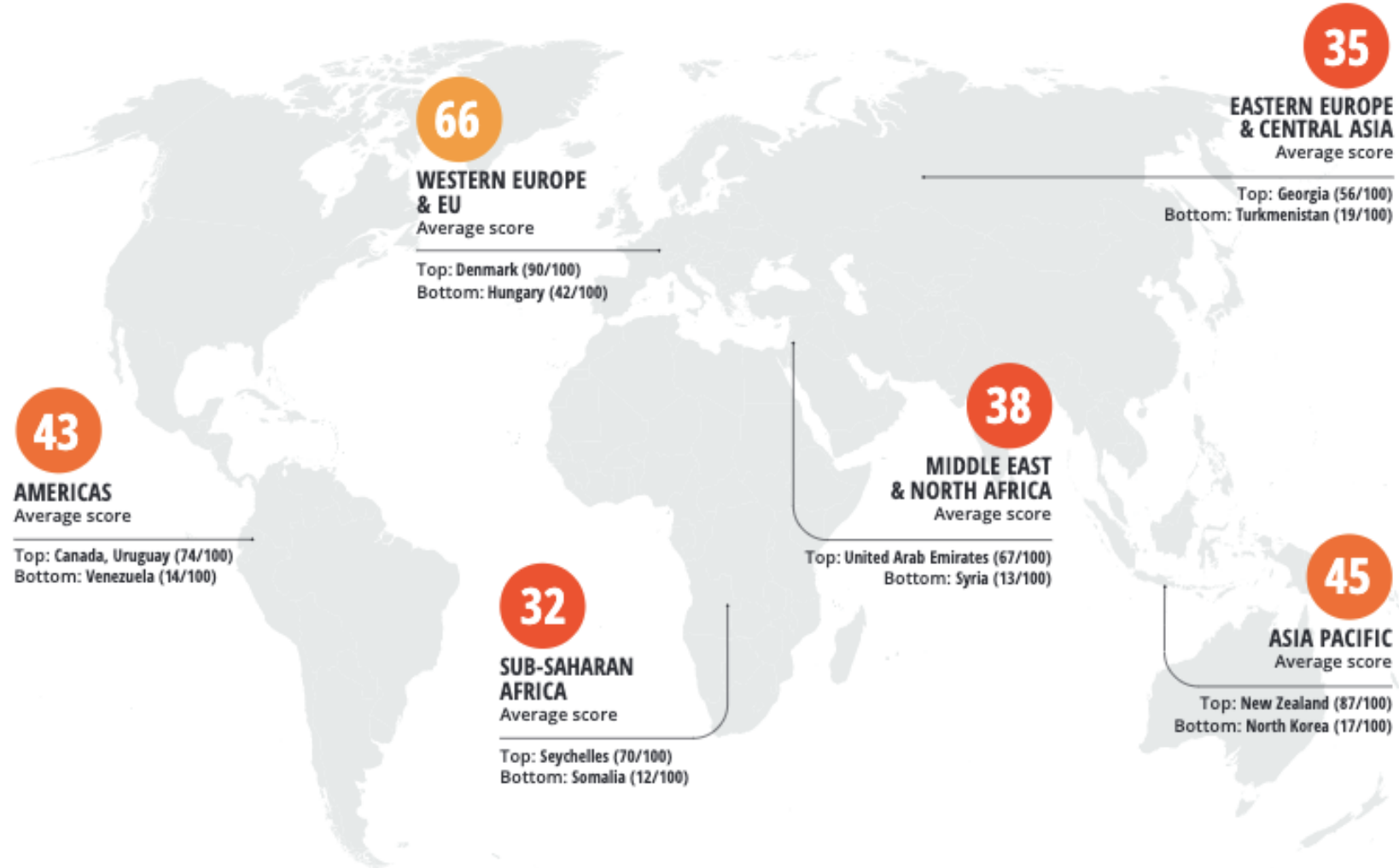
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# 2022 RESULTS

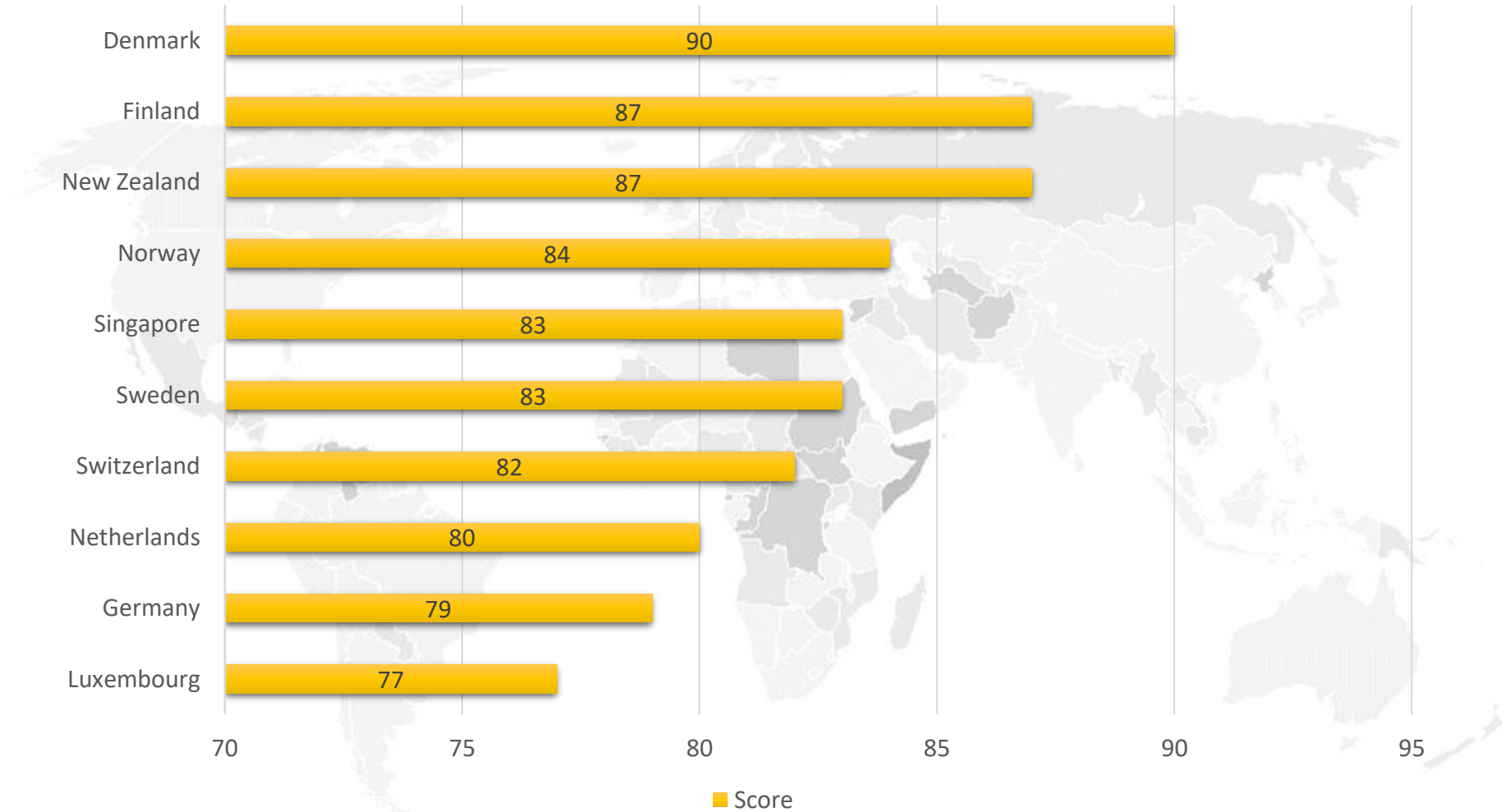


# REGIONAL AVERAGES

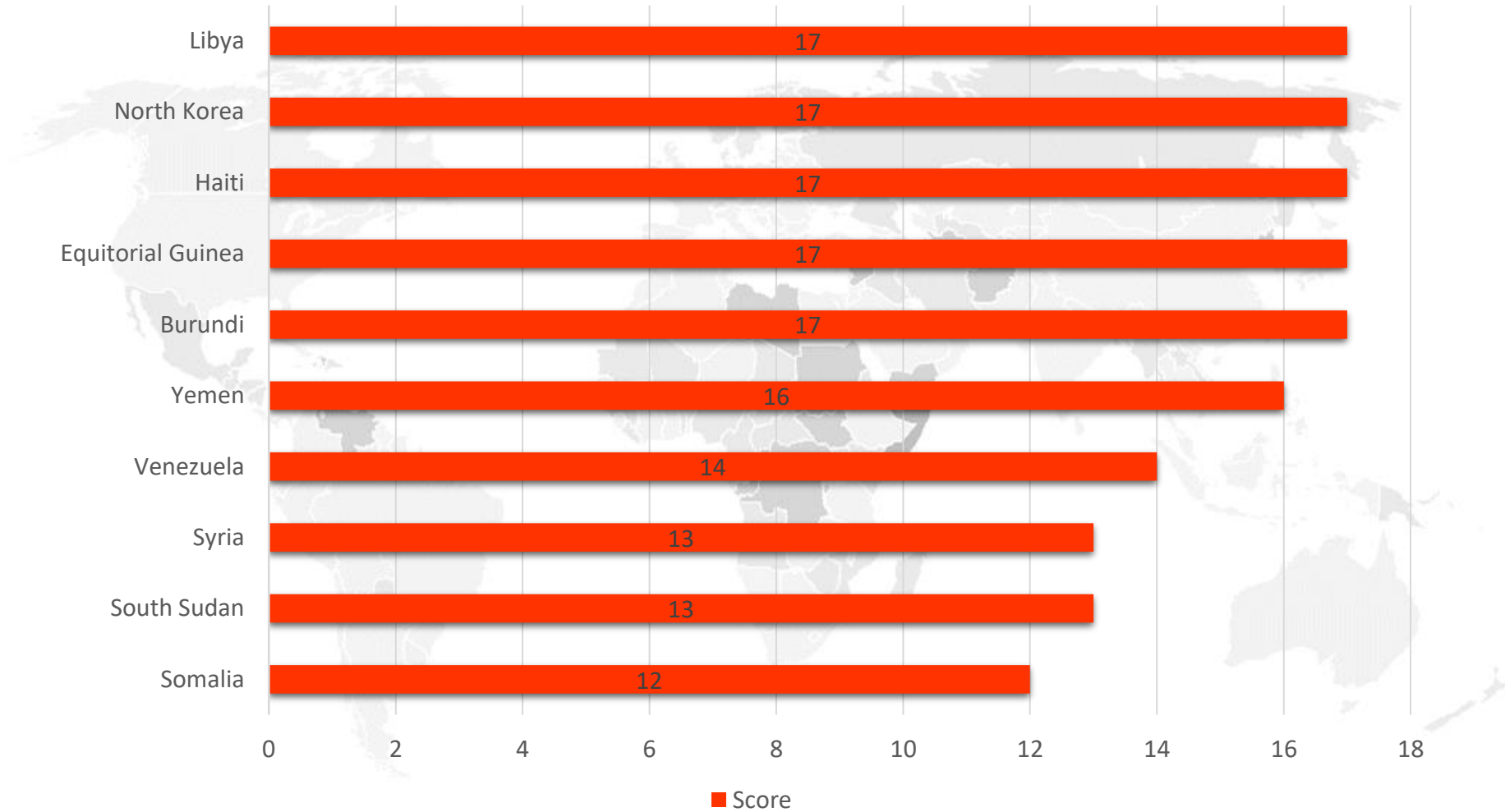
Average regional scores, with top and bottom performers in each region.



# TOP 10 COUNTRIES

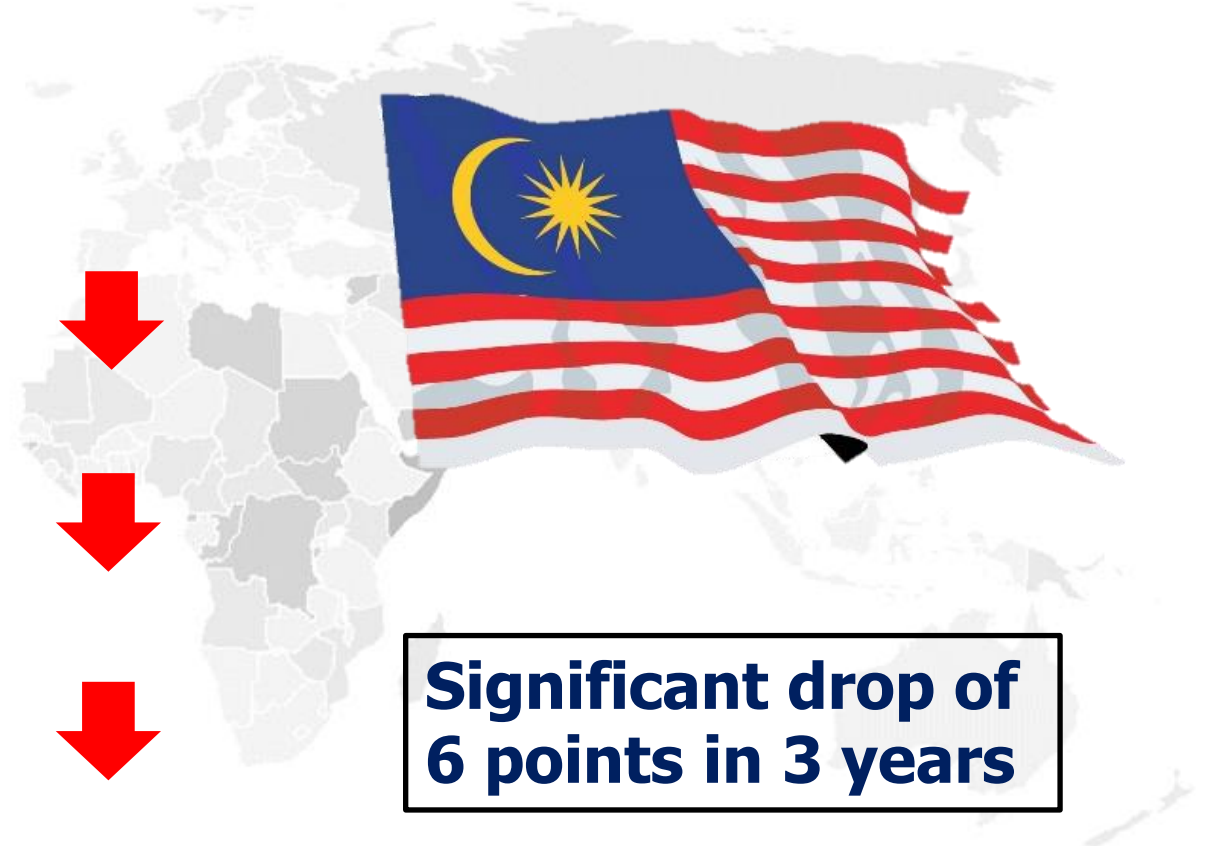


# BOTTOM 10 COUNTRIES



# MALAYSIA'S SCORE

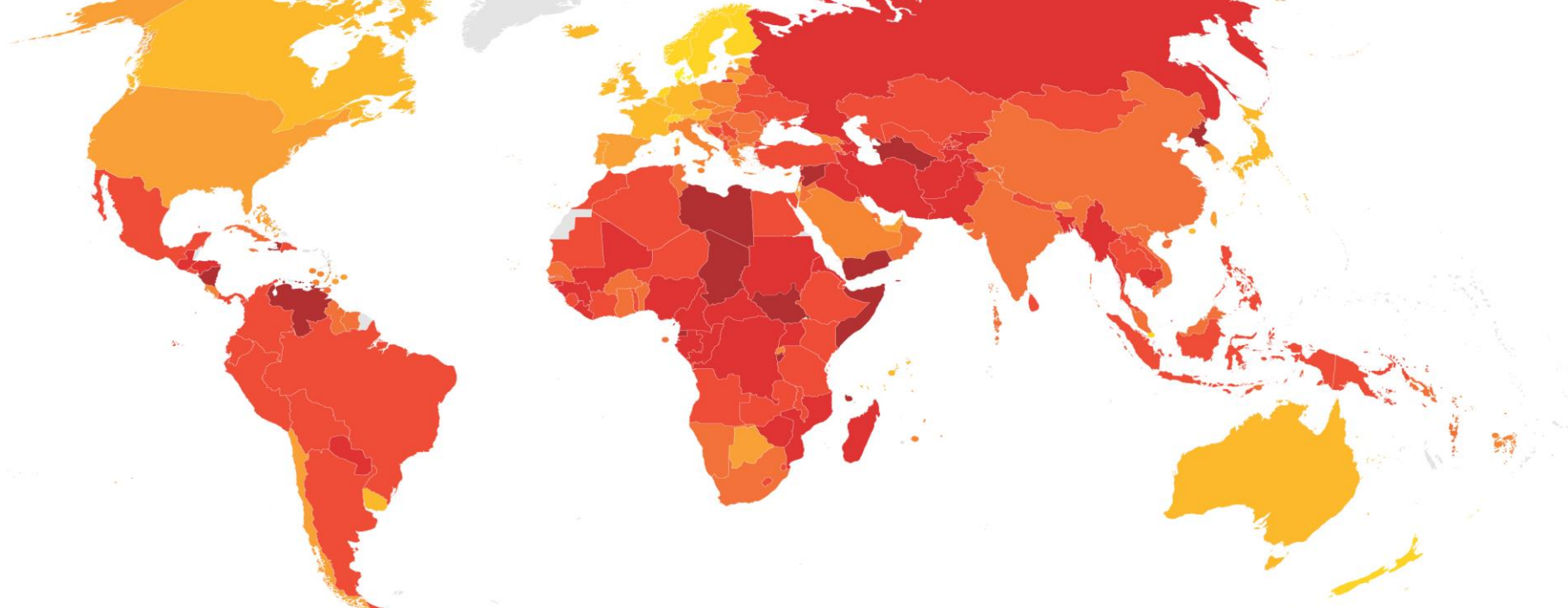
YEAR	SCORE <sup>1</sup>
2019	53
2020	51
2021	48
2022	47



Note: 1. 100 (very clean) to 0 (highly corrupt)

# CORRUPTION PERCEPTIONS INDEX 2022

The perceived levels of public sector corruption in 180 countries/territories around the world.



**SCORE COUNTRY/TERRITORY**

90	Denmark
87	Finland
87	New Zealand
84	Norway
83	Singapore
83	Sweden
82	Switzerland
80	Netherlands
79	Germany
77	Ireland
77	Luxembourg
76	Hong Kong
75	Australia
74	Canada
74	Estonia
74	Iceland
74	Uruguay
73	Belgium
73	Japan
73	United Kingdom
72	France
71	Austria
70	Seychelles
69	United States of America
68	Bhutan
68	Taiwan

67	Chile
67	United Arab Emirates
65	Barbados
64	Bahamas
63	Israel
63	Korea, South
62	Lithuania
62	Portugal
60	Botswana
60	Cabo Verde
60	Saint Vincent and the Grenadines
60	Spain
59	Latvia
58	Qatar
56	Czechia
56	Georgia
56	Italy
56	Slovenia
55	Dominica
55	Poland
55	Saint Lucia
54	Costa Rica
53	Fiji
53	Slovakia
52	Cyprus
52	Greece

52	Grenada
51	Malta
51	Rwanda
51	Saudi Arabia
50	Croatia
50	Mauritius
49	Namibia
48	Vanuatu
47	Jordan
47	Malaysia
46	Armenia
46	Romania
45	China
45	Cuba
45	Montenegro
45	Sao Tome and Principe
44	Bahrain
44	Jamaica
44	Oman
43	Benin
43	Bulgaria
43	Ghana
43	Senegal
43	Fiji
43	South Africa
42	Burkina Faso
42	Hungary
42	Kuwait

42	Solomon Islands
42	Timor-Leste
42	Trinidad and Tobago
42	Vietnam
41	Kosovo
40	Guyana
40	India
40	Maldives
40	North Macedonia
40	Suriname
40	Tunisia
39	Belarus
39	Colombia
39	Moldova
38	Argentina
38	Brazil
38	Ethiopia
38	Morocco
38	Tanzania
37	Cote d'Ivoire
37	Lesotho
36	Albania
36	Ecuador
36	Kazakhstan
36	Panama
36	Peru
36	Serbia

36	Sri Lanka
36	Thailand
36	Turkey
34	Bosnia and Herzegovina
34	Gambia
34	Indonesia
34	Malawi
34	Nepal
34	Sierra Leone
33	Algeria
33	Angola
33	El Salvador
33	Mongolia
33	Philippines
33	Ukraine
33	Zambia
32	Dominican Republic
32	Kenya
32	Niger
31	Bolivia
31	Laos
31	Mexico
31	Uzbekistan
30	Djibouti
30	Egypt
30	Eswatini

30	Mauritania
30	Papua New Guinea
30	Togo
29	Gabon
28	Mali
28	Paraguay
28	Russia
27	Kyrgyzstan
27	Pakistan
26	Cameroon
26	Liberia
26	Madagascar
26	Mozambique
26	Uganda
25	Bangladesh
25	Guinea
25	Iran
24	Afghanistan
24	Cambodia
24	Central African Republic
24	Guatemala
24	Lebanon
24	Nigeria
24	Tajikistan
23	Azerbaijan
23	Honduras

23	Iraq
23	Myanmar
23	Zimbabwe
22	Eritrea
22	Sudan
21	Congo
21	Guinea Bissau
20	Democratic Republic of the Congo
19	Chad
19	Comoros
19	Nicaragua
19	Turkmenistan
17	Burundi
17	Equatorial Guinea
17	Haiti
17	Korea, North
17	Libya
16	Yemen
14	Venezuela
13	South Sudan
13	Syria
12	Somalia



# DETAILED SCORING

NO.	SOURCE	2022	2021	Change
1	Bertelsmann Stiftung Transformation Index	49	49	—
2	Economist Intelligence Unit Country Risk Service	55	55	—
3	Global Insight Country Risk Ratings	59	59	—
4	IMD World Competitiveness Center World Competitiveness Yearbook Executive Opinion Survey	40	43	-3
5	Political and Economic Risk Consultancy Asian Intelligence	37	38	-1
6	The PRS Group International Country Risk Guide	41	41	—
7	World Economic Forum Executive Opinion Survey	47	54	-7
8	World Justice Project Rule of Law Index Expert Survey	45	48	-3
9	Varieties of Democracy (V-Dem)	49	49	—

<b>Total:</b>	<b>422</b>	<b>436</b>
<b>Aggregate:</b>	<b>47</b>	<b>48</b>



# Bertelsmann Stiftung Transformation Index

## SCORE: 49/100

Experts are asked to assess:

**“Q3.3 To what extent are public officeholders who abuse their positions prosecuted or penalized?”**

Assessments range from: •a low of 1, where “Officeholders who break the law and engage in corruption can do so without fear of legal consequences or adverse publicity.” •to a high of 10, where “Officeholders who break the law and engage in corruption are prosecuted rigorously under established laws and always attract adverse publicity.”

**“Q15.3 To what extent does the government successfully contain corruption?”**

Assessments range from: •from a low of 1, where “The government fails to contain corruption, and there are no integrity mechanisms in place.” •to a high of 10, where “The government is successful in containing corruption, and all integrity mechanisms are in place and effective.”

### Scores

Scores are assigned on a scale of 1-10 with 10 being the lowest level of corruption and 1 being the highest. The score for each country is an average of the two questions.



# Economist Intelligence Unit

**SCORE: 55/100**

**Specific guiding questions include:**

- Are there clear procedures and accountability governing the allocation and use of public funds?
- Are public funds misappropriated by ministers/public officials for private or party political purposes?
- Are there special funds for which there is no accountability?
- Are there general abuses of public resources?
- Is there a professional civil service or are large numbers of officials directly appointed by the government?
- Is there an independent body auditing the management of public finances?
- Is there an independent judiciary with the power to try ministers/public officials for abuses?
- Is there a tradition of a payment of bribes to secure contracts and gain favors?

Scores are given as integers on a scale from 0 (very low incidence of corruption) to 4 (very high incidence of corruption). The score is a generalized composite measure of corruption that includes an assessment of all areas covered by the indicative questions.

# World Economic Forum 2022 EOS –Executive Opinion Survey

## SCORE: 47/100

### **Corruption question(s)**

Survey respondents were asked:

(On a scale of 1 - 7 where 1 means very common and 7 means never)

“In your country, how common is it for firms to make undocumented extra payments or bribes connected with the following:

- |  |  |
|--|--|
| a) Imports and exports                     | b) Public utilities                          |
| c) Annual tax payments                     | d) Awarding of public contracts and licenses |
| e) Obtaining favorable judicial decisions” |  |

### **Scores**

Each question is scored by respondents on a scale of 1 - 7.

The results of parts a) to e) of the first question were averaged to create a single score. The results of the first and second question were then averaged together to give a score per country/territory.

### **Country coverage**

The 2022 edition of the survey captured the views of 14,303 business executives in 126 economies between February and July 2021.

The survey is conducted in each country/territory according to the sampling guidelines and therefore in a consistent manner across the globe during the same time of year. Due to the COVID-19 restriction in place at the time of the survey, this edition of the survey was conducted primarily online.



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# ANALYSIS

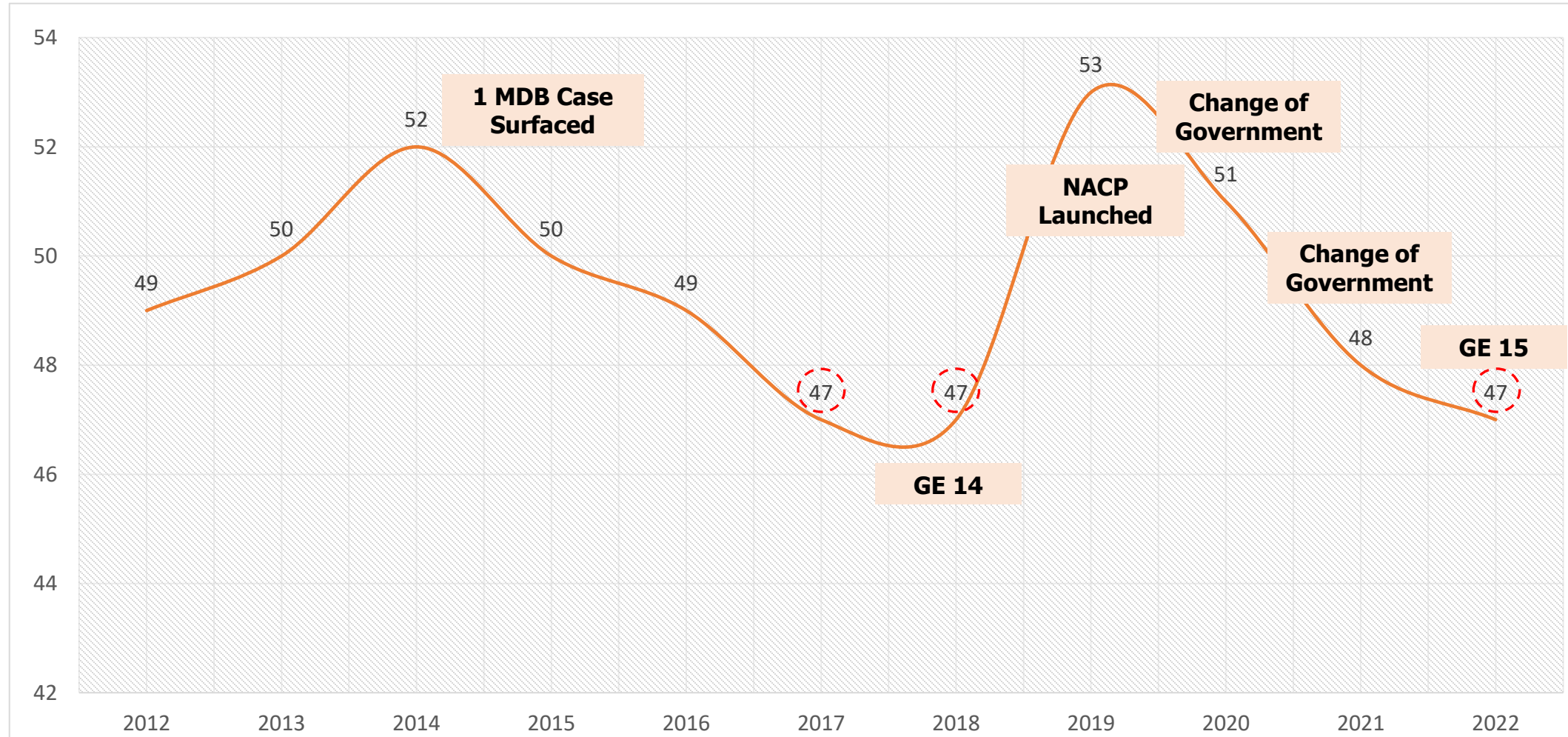
# ASEAN COUNTRIES

COUNTRY	Country Scores		Rank	
	2022	2021	2022	2021
Singapore	83	85	5	4
Brunei	-	-	-	-
Malaysia	47	48	61	62
Vietnam	42	39	77	87
Thailand	36	35	101	110
Indonesia	34	38	110	96
Philippines	33	33	116	117
Laos	31	30	126	128
Cambodia	24	23	150	157
Myanmar	23	28	157	140

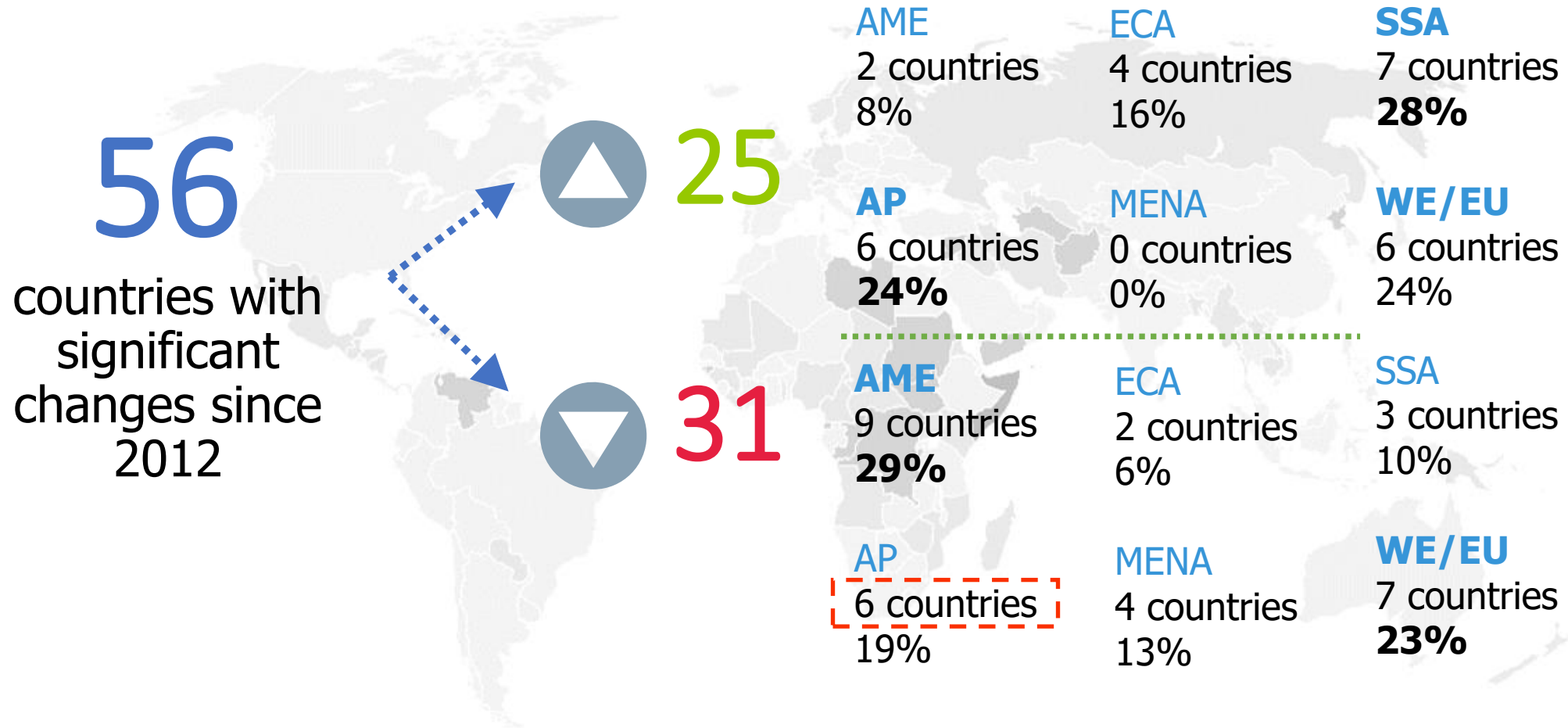
SCORE



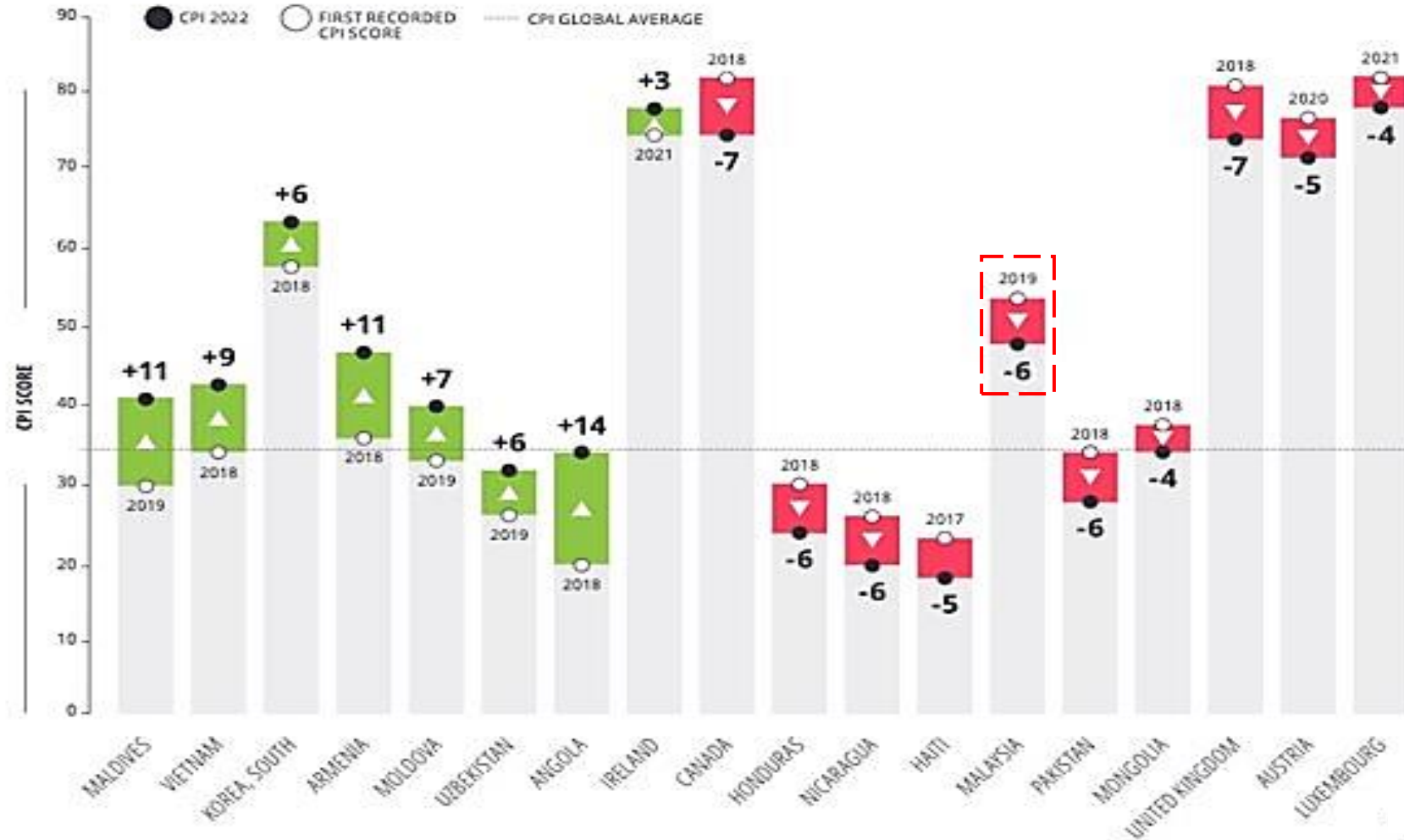
# MALAYSIA'S SCORE – LAST 11 YEARS



# STATISTICALLY SIGNIFICANT CHANGES

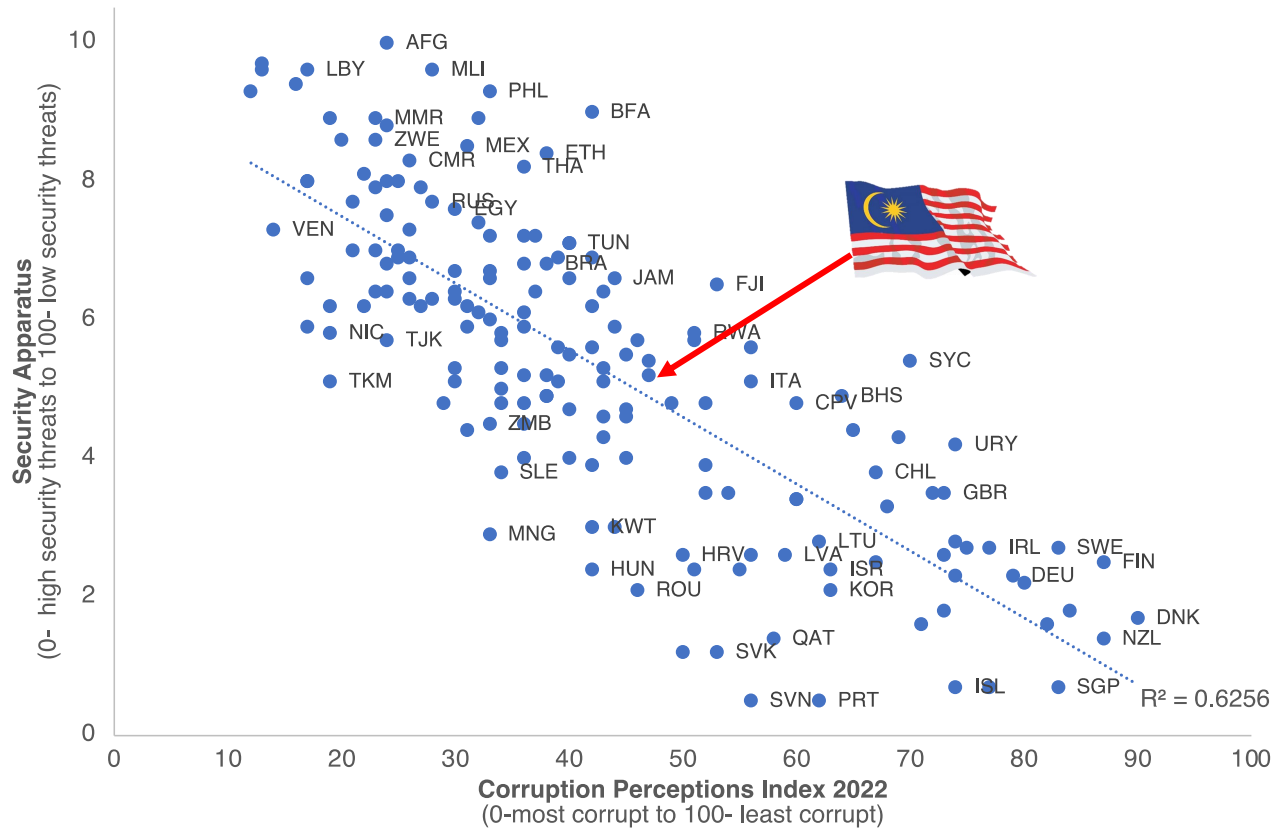


# STATISTICALLY SIGNIFICANT CHANGES





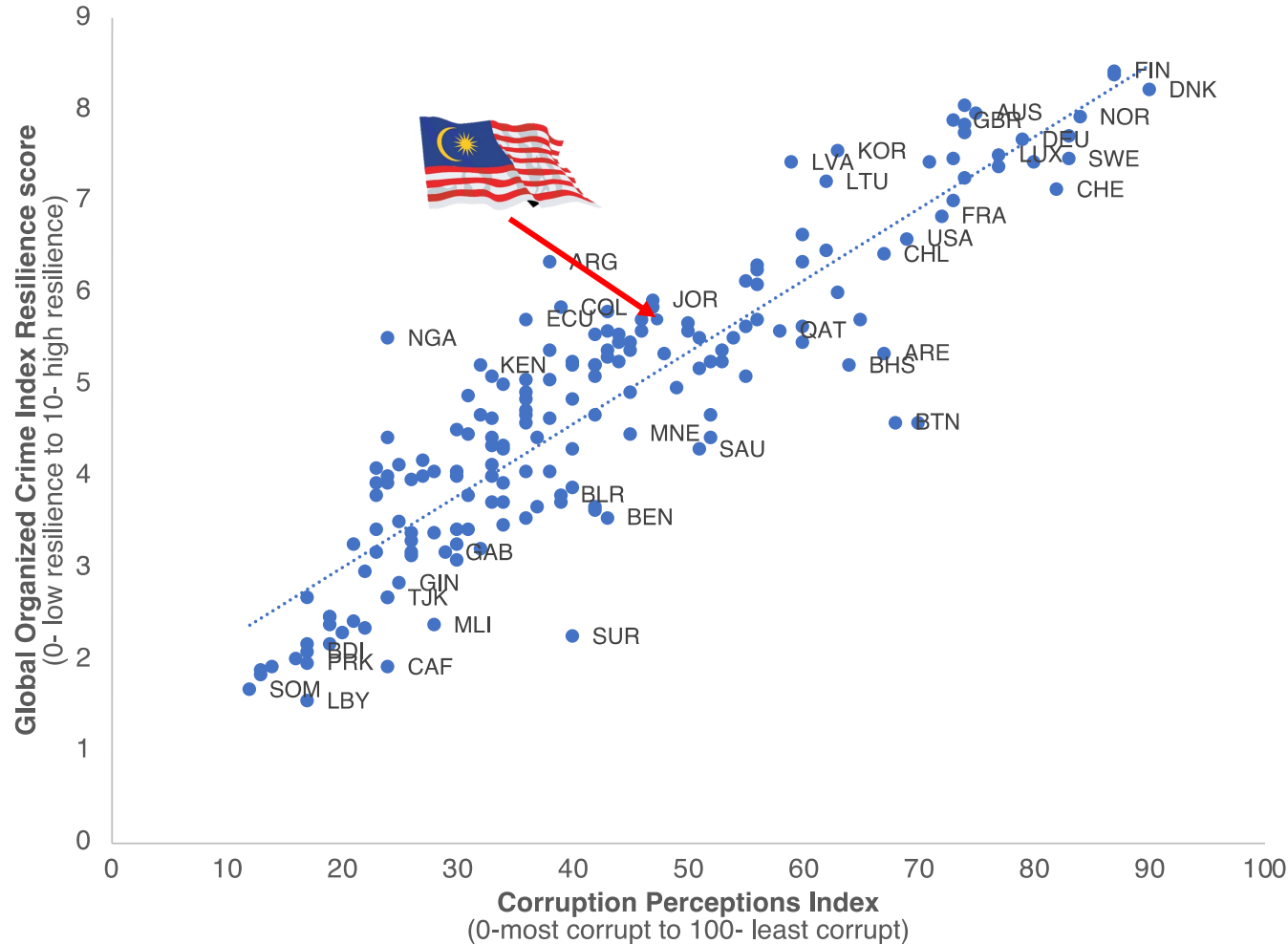
# CORRUPTION MAKES SECURITY THREATS MORE LIKELY



The Security Apparatus indicator considers the security threats to a state, such as bombings, attacks and battle-related deaths, rebel movements, mutinies, coups, or terrorism. It also takes into account serious criminal factors, such as organized crime and homicides, and perceived trust of citizens in domestic security.

**Source: Fund for Peace Fragile States Index**

# CORRUPTION MAKES CRIME RESPONSE HARDER



Resilience scores represent the political, legal, economic and social spheres of society that when taken together, have the potential to provide holistic and effective responses to organized crime. The higher the resilience score, the more effective the response to organized crime.

**Source: Global Initiative Against Transnational Organized Crime (2021), Global Organized Crime Index.**

# REASONS FOR MALAYSIA'S POOR SCORE

- **Lack of political will in fighting institutional corruption**
  - ❖ Huge COVID-19 pandemic **stimulus packages** were rolled out **without parliamentary debate & scrutiny**
  - ❖ Patronage in appointing **unqualified politicians to head GLCs/GLICs**
  - ❖ Reluctance to firmly address cost overruns (e.g. Littoral Combat Ship project)
  - ❖ **Repeated governance failures** highlighted by the **Auditor General**
  - ❖ **Lack of action against public officials** found to have **abused their position**
  - ❖ **Slow implementation** of the National Anti-Corruption Plan 2019-2023 (NACP)
- **Institutional reforms have stalled**
  - ❖ Last 4 governments have failed to table the **Political Financing Bill**
  - ❖ **Proposed IPCMC Bill** was revised to a watered down, ineffective **IPCC Bill**
  - ❖ No progress on **reforms to MACC** recommended in 2015
  - ❖ Slow progress on **amendments to the Whistle Blower Protection Act 2010**
  - ❖ **Government Procurement Bill** is yet to be tabled in Parliament
  - ❖ **Separation of power** between the **Attorney General** and the **Public Prosecutor**

# POSITIVE DEVELOPMENTS

- **Demonstration of Judiciary's Independence**
  - ❖ Conviction in **SRC International** Corruption Case
  
- **MOU between the previous PN Government & Pakatan Harapan**
  - ❖ Passing the minimum voting age to **18** and automatic voter registration *(done)*
  - ❖ **Anti-Hopping** Law *(done)*
  - ❖ Malaysia Agreement **(MA) 63** *(progress made in 2021 & 2022)*
  - ❖ Limiting the tenure of the **PM** in office to **10** years *(pending)*
  - ❖ **Parliamentary** Reforms *(pending)*
  
- **Positive Announcements by the Prime Minister**
  - ❖ **Good governance, fighting corruption and judicial independence** are identified as core issues
  - ❖ Mandatory **competitive bidding** for procurement contracts
  - ❖ Review of certain **high-value projects**
  - ❖ Address issues raised in the **Auditor-General's Report**
  - ❖ **Good governance and a corrupt-free Malaysia** to boost foreign investor confidence

# OUR RECOMMENDATIONS

## 1. Transparency with Information

- ❖ **Narrow** the scope of the **Official Secrets Act** so that matters of public interest can be released and only matters related to **national security are protected**. Thus paving the way for the **Freedom of Information Act**.
- ❖ **Share information transparently including** uploading data on all public contracts and supporting documents
- ❖ Provide **regular updates on the status** of pending high profile corruption cases
- ❖ Monitor implementation of the **National Anti-Corruption Plan (NACP)** and disclose progress on its initiatives via a public dashboard

## 2. Public Administration

- ❖ Adopt **International Standards on Integrity Pact in Government Procurement** for transparency and good governance. **Latest government circular failed to address this issue**
- ❖ Mandate that large **“mega” projects must require parliamentary approval** before commencing, and all supporting documents e.g. Needs Analysis and Cost Benefit reports are publicly available
- ❖ **Compel public officials found guilty of corruption to vacate their official positions**, even while they exhaust their appeal process

# OUR RECOMMENDATIONS

## 3. Legislation to Strengthen Governance

- ❖ **Whistle blower Protection Act 2010** – provide wider reporting channels for the public and strengthen protection for whistle blowers
- ❖ **Election Offences Act 1954** – include **sanctions against corruption**
- ❖ **MACC Act 2009** – include **Misconduct in Public Office (MIPO)** provision to hold public officials accountable for their actions
- ❖ **Political Financing Act** – to address **money politics**, both during elections and as a scheme for corruption
- ❖ **Procurement Act** – to improve transparency and governance in the public procurement process
- ❖ **Ombudsman Act** – to enact an independent Ombudsman’s office with powers to sanction for the public to report wrong doings and maladministration
- ❖ **Asset Declaration Act** - to compel politicians and high ranking public officials to declare their assets and make it accessible to the public

## 4. Strengthen MACC

- ❖ Provision for **separate funding for MACC operations approved by Parliament**
- ❖ Ability to **manage its own administration and manpower requirements**
- ❖ Selection of **MACC Chief Commissioner** should be done through a **Parliamentary Select Committee**



# LOOKING FORWARD

- The Prime Minister's emphasis to practice **good governance, transparency, integrity and democratic accountability** in his administration gives fresh hope for Malaysia's fight against corruption
- Government must **accelerate institutional reforms.**
- If we wish to see Malaysia's CPI score improve, this hope must be translated into **measurable action that produces the desired results**

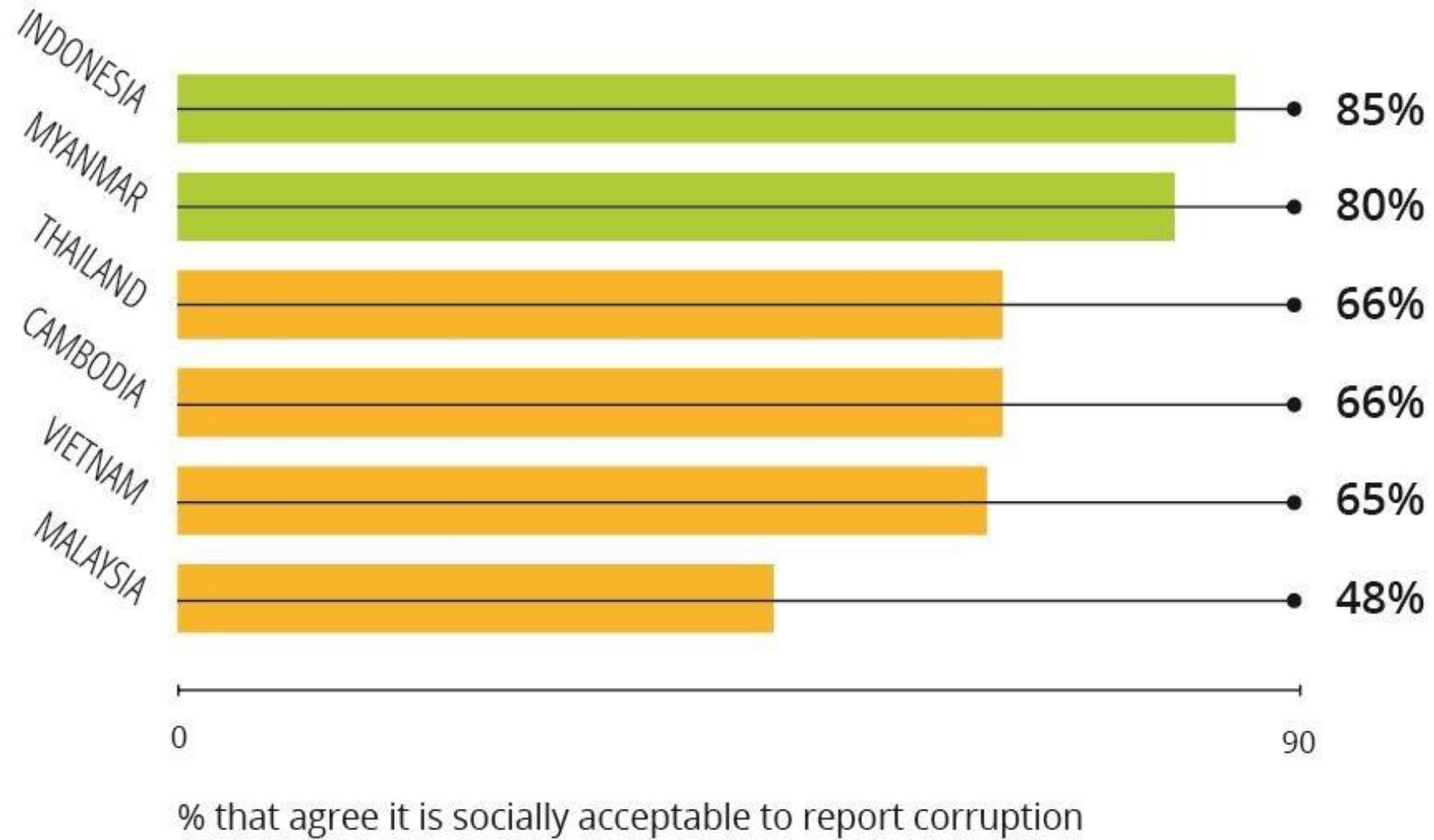




# ROLE OF THE CITIZENS

- 
- Report corruption or wrong doings to the relevant authorities.
  - Take part in governance activities at your locality or region to educate yourself on anti-corruption measures (eg. IIM's Community Integrity Building Initiative)
  - Do not follow instructions blindly from a leader.
  - Do not vote corrupt candidates for public office.

## Percentage of those who agree that it is socially acceptable to report corruption



**Source: Transparency International, 2019**

COMING SOON

**“The Sin of Corruption – A Religious Perspective”** delves into the teachings and principles of major world religions-Islam, Buddhism, Christianity, Hinduism, Sikhism and Taoism and explores their common stance against corruption.

Fighting corruption always calls for a collective effort to promote integrity, justice and fairness, and underscores the importance of individual and societal commitment to upholding ethical values.

With its comprehensive exploration of corruption from a religious standpoint, this book serves as a valuable resource for scholars, policymakers, religious leaders and anyone seeking to foster a corruption free society by making the argument that corruption is not just a moral and legal wrong but an act which transgresses one's religion. By harnessing the ethical teachings of these religions, it is hoped that this book will inspire individuals to act and contribute to the ongoing global fight against corruption.

“One thing we can never compromise on is the perpetuation of a culture that allows those holding public office to use their positions to enrich their own personal coffers. This book makes it very clear that such blatant corruption stands in direct violation of precepts held sacred by most of the world's religions and philosophies. It is high time that we recognise corruption for the sin that it is and put an end to these ‘short-cuts’ and ‘irregularities’ that have not only managed to become systemic but are also damaging this country and the livelihood of our people. The dream of Malaysia Madani can be realized through the combined efforts of our political leaders, civil servants and businesses unified against the despicable old, rotten practices”.

*Dato' Seri Anwar Bin Ibrahim*  
Prime Minister of Malaysia

“The book *The Sin of Corruption – A Religious Perspective* probes deeply into the fact that every major religion in the world contains lessons from its teachings and warns its followers to avoid corruption. Thus, it is evident that corruption is a prohibited criminal act across all religions. It is hoped that the publication of this book will help the multiracial and multireligious society of this country comprehend the issue of corruption. The release of this book is also viewed as an initiative towards assisting the country in combating corruption”.

*Tan Sri Azam Baki*  
Chief Commissioner, MACC

“A thought-provoking book that explores the complex issue of corruption from a religious lens. The book presents corruption as a sin that not only harms individuals and society but also damages one's relationship with the Divine. I would commend Transparency International Malaysia for agreeing with my proposal to prepare this valuable book on our religions' views and stand on corruption. I believe that unless our faiths are followed to reject corruption, we will fail to win the struggle against corruption! Our religious leaders must therefore work closely to fight corruption on a continual basis”.

*Tan Sri Ramon Navarathnam*  
Former President of TI-Malaysia

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*The Sin of Corruption – A Religious Perspective*

 **TRANSPARENCY INTERNATIONAL  
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# The Sin of Corruption

## A Religious Perspective





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