

Overview of Data

Its recent high-profile corruption scandals notwithstanding, Malaysia outperforms most of ASEAN and performs near the global average on many governance indicators. (Some datapoints in this survey, however, may be lagging behind current events.) With five cases, Malaysia has been the focus of a moderate amount of FCPA enforcement in relation to the size of its economy. There is no discernible sectoral pattern in the distribution of cases.

Corruption and Governance Indicators	Malaysia	G7 Average
Transparency International Corruption Perceptions Index	47	73
World Bank Control of Corruption Score	58	88
World Justice Project Rule of Law Score	55	77
Major Correlates of Corruption		
Nominal GDP Per Capita Percentile Rank	64	89
World Bank Government Effectiveness Score	76	90
World Bank Enterprise Survey Responses (2015)	Malaysia	Top 10 Countries
Share of firms reporting at least one bribe request	28%	1.4%
Share of firms expected to give gifts to secure government contract	51%	1.9%
Share of firms expected to give gifts to officials to “get things done”	38%	1.5%
Share of businesses reporting corruption is a major constraint	12%	7.5%

**All indicators are scores/100 or are percentile ranks, 100=best. Some scores have been adjusted accordingly. 1-33 34-66 67-100.*

Illustrative FCPA Cases (as reported)

Total FCPA Enforcement: 5 Cases

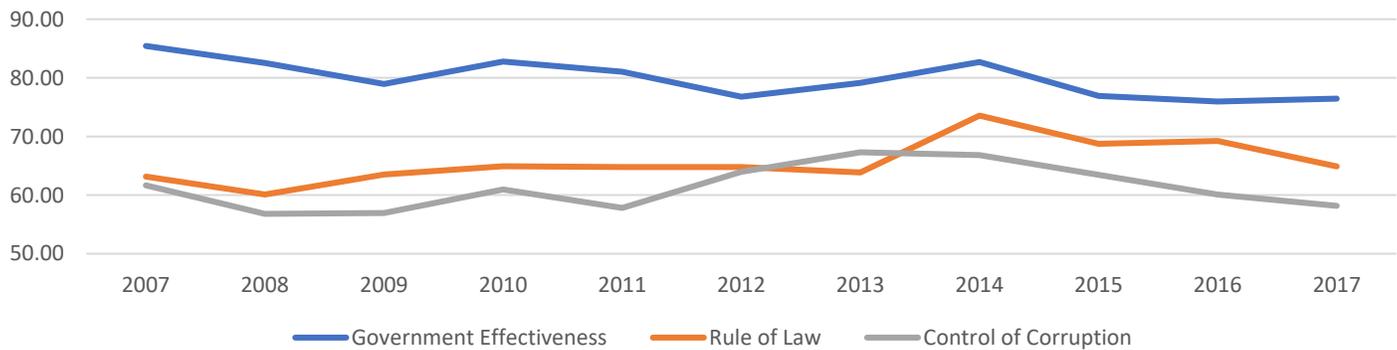
- **Goldman Sachs**—This ongoing case relates to the 1 Malaysian Development Berhad (1MDB) scandal involving a government fund from which billions of dollars were allegedly misappropriated. US regulators have brought charges against three individuals associated with Goldman Sachs for alleged FCPA or money laundering violations. Goldman Sachs executed three bond offerings for 1MDB and its three employees allegedly bribed Malaysian government officials to further a massive embezzlement scheme.
- **Tyco**—In a 2012 Settlement, Tyco paid nearly USD 27 million to resolve charges that its subsidiaries in numerous countries and sectors—including Tyco Fire, Security & Services Malaysia SDN BHD—had engaged in numerous bribery schemes between 2006 and 2009.
- **Alcatel**—The telecom company allegedly used local subsidiaries as part of a concerted global strategy to bribe officials to obtain or retain contracts. Consultants engaged by these subsidiaries allegedly distributed more than USD 8 million in unaccounted funds to officials in Malaysia and other countries.

Availability and Accessibility of Information

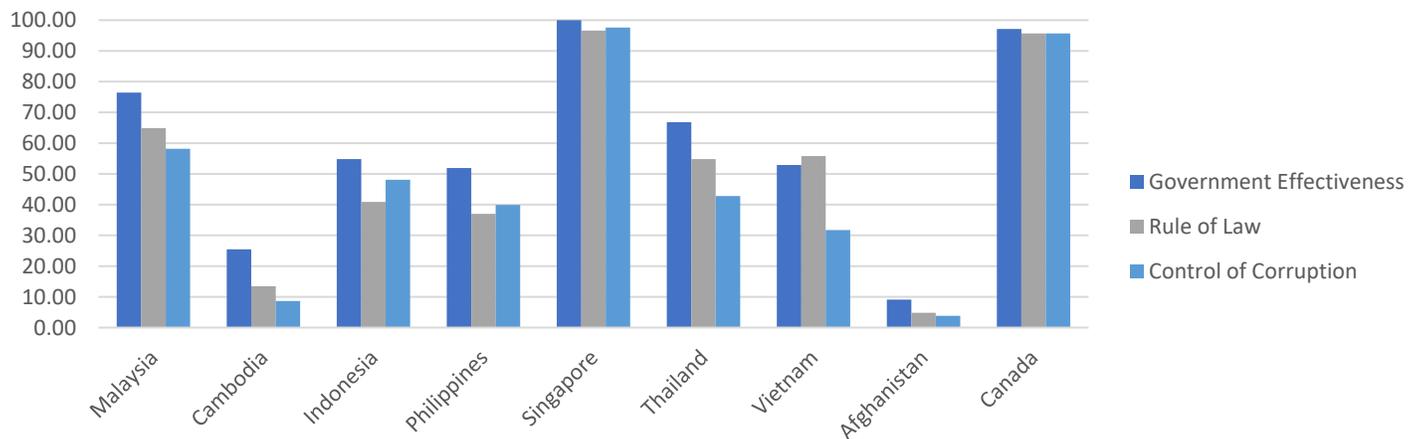
Availability of Records	●	Online access for corporate records and financial information is available online. Online availability of litigation records is limited to most recent two years.
Freedom of Press	●	Reporters without Borders rank 123/180 (180=worst) Freedom House score 69/100, “not free” (100=least free)
Language Accessibility	●	Records and relevant media are in Bahasa, with limited occurrence of other dialects. Bahasa is machine translated with a reasonable degree of accuracy.
Financial Disclosure	●	Tax Justice Network Financial Secrecy Score—72 (100=most secretive)

● Poor ● Moderate ● Accessible

Trendlines—World Bank Worldwide Governance Indicators



Country Comparison—World Bank Worldwide Governance Indicators



Context: Corruption in Malaysia

Despite its relatively high marks for governance—Malaysia has the lowest rate of bribery in ASEAN aside from Singapore according to Transparency International—corruption is a high-profile political and social issue in the country today. Scandals involving the misappropriation of huge amounts of public money have been making headlines for the last few years, including the ongoing 1MDB scandal and the 2018 arrest of former Prime Minister Najib Razak for corruption and embezzlement charges. Consequently, it is not surprising that TI also notes that among ASEAN members, Malaysians are the most critical of their government’s handling of corruption issues.

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