

COMMUNICATION ON ENGAGEMENT (COE)



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The Business Integrity Alliance (BIA)

Period covered by this Communication on Engagement

From: 1 March 2019 To: 31 July 2021

Part I. Statement of Continued Support by the Chief Executive or Equivalent

28 July 2021

To our stakeholders,

I am pleased to confirm that the Business Integrity Alliance reaffirms its support to the United Nation Global Compact and its 10 Principles in the area of human rights, labour, environment and anticorruption. This is our Communication on Engagement with the UN Global Compact.

In this Communication of Engagement we describe the actions that our organisation has taken to support the UN Global Compact and its Principles as suggested for an organisation like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Kind regards,

A handwritten signature in blue ink, appearing to read 'Mark Lovatt'.

Dr Mark Lovatt

Secretary-General

Business Integrity Alliance

Part II. Description of Actions

The Business Integrity Alliance remains committed to its mission of acting as the liaison between the private and public sectors. The last two years have surfaced significant advancements and challenges for the BIA, which have helped the alliance focus its goals. Our actions have included:

- **Corporate Liability Provision**
 - On 1 June 2020, the corporate liability provision under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 came into force.
 - There was an attempt by interested parties to delay the enforcement date. The BIA worked with other business sector organisations including Companies Commission Malaysia, the Federation of Malaysian Manufacturers, the Stock Exchange, Transparency International Malaysia and the Malaysian Institute of Corporate Governance to convince the Government to proceed as planned.
 - The combined effort was successful and enforcement came into effect on the due date.
- **Meeting with Governance, Integrity and Anti-Corruption Centre (GIACC), under the Prime Minister's Office (2020)**
 - The meeting chaired by YBhg. Tan Sri Abu Kassim, Director General of GIACC was held on 13th August 2020.
 - BIA presented a list of feedback and suggestions of improvements which was compiled from BIA's engagements with private companies compliance practitioners. The ideas were noted, with the GIACC taking action as a result.
- **Publication of Integrity Unit Directory by GIACC (2020)**
 - Pursuant to the meeting held between BIA and GIACC on 13th August 2020, GIACC has taken into consideration suggestions made by BIA and have compiled and published in GIACC website the directory of Malaysia's Government-linked companies' (GLCs) Integrity Unit for public reference.
- **Appointment of BIA by the GIACC to establish a Best Practice Handbook (2020)**
 - In November 2020, the BIA was appointed to establish an Adequate Procedures Best Practice Handbook to complement the *Guidelines on Adequate Procedures* previously published by the GIACC.
 - The handbook is intended to assist commercial organisations in understanding what is required for the adequate procedures in more detail based on industry practices, which can be implemented to help prevent the occurrence of corrupt practices. The handbook was published in April 2021 and has already been used extensively by the business community.
- **Establishing the Best Practice Handbook: Facilitated online workshops (2020)**
 - 2 sessions of workshops were conducted on 7th and 15th December 2020, with experts in the field of anti-corruption / compliance in GLCs and private organisations.
 - The workshops were conducted as a brainstorming session to document experts' inputs on practices useful for the implementation of adequate procedures.
 - The findings from the sessions were compiled into the Adequate Procedures Best Practice Handbook.
- **Publication of Adequate Procedures Best Practice Handbook (2021)**
 - The English version of the handbook was launched on 4th May 2021 and is downloadable in BIA's website <https://www.business-integrity-alliance.org/materials>. The handbook will also be available in Bahasa Malaysia to be launched and circulated on a later date.

- **BIA Best Practice Session: Adequate Procedures TRUST Series (2021)**

- BIA held the best practice session: Adequate Procedures TRUST Series with Session 1 covering AP 4.1 Top Level Commitment held on 4th May 2021 and Session 2 covering AP 4.2 Risk Assessment was held on 6th July 2021.
- The objective of the best practice session is to assist those with the responsibility of managing anti-corruption programmes on a day-to-day basis with practical ideas on how to implement and operate their programmes effectively.
- For the 2 sessions held so far, over 70 professionals attending, primarily from compliance and integrity departments in state owned enterprises.
- Presentations were done by financial institutions and major companies. Also the GIACC in the Prime Minister's Department.
- The next session is being prepared for October 2021.

Part III. Measurement of Outcomes

- The BIA has significantly raised its profile among the private and public sector, with tangible results, for instance the BIA managing the drafting and development of a major best practice handbook to complement the adequate procedures guidelines;
- Companies continue to express interest in the BIA's efforts to combat corruption through collective action, and our corporate membership is starting to increase with the introduction of a new membership package in 2021;
- Our best practice sharing session resulted in a high turnout of 70+ people from a very select group of front line anti-corruption compliance professions. This indicates a very positive reception to the BIA's work; the interest of the GIACC to continue to work with the BIA on future best practice sharing sessions is also indicative of this;
- The BIA continues to engage with the GIACC, MACC and other government bodies regularly to promote the anti-corruption agenda and delivery materials, sessions and other supporting activities to assist those directly involved in combatting corruption related to the business sector.