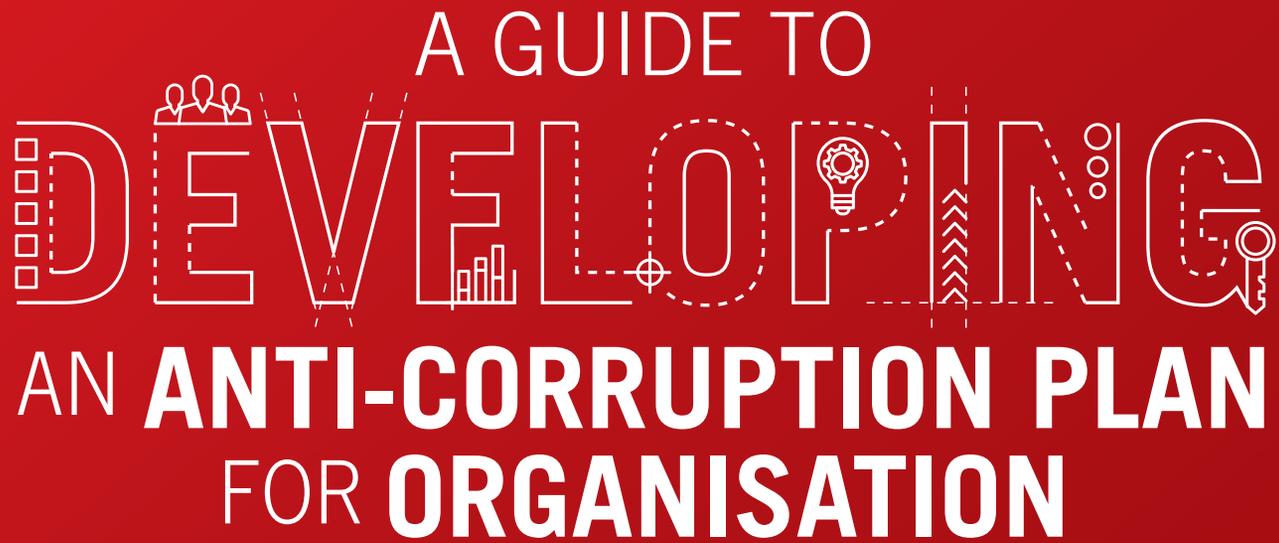


A GUIDE TO

DEVELOPING

AN **ANTI-CORRUPTION PLAN**
FOR **ORGANISATION**



EDITED BY

ANIS YUSAL YUSOFF

SUTINAH SUTAN

MOHD GUNAWAN CHE AB AZIZ

NORUL ASHIKIN AMAT YAKUB

FAIRIN HUDA FAIVDULLAH

NUR FIDAR AYOB

THE NATIONAL CENTRE FOR GOVERNANCE, INTEGRITY AND ANTI-CORRUPTION (GIACC)

A GUIDE TO

DEVELOPING

AN **ANTI-CORRUPTION PLAN**
FOR **ORGANISATION**

EDITED BY

ANIS YUSAL YUSOFF
SUTINAH SUTAN
MOHD GUNAWAN CHE AB AZIZ
NORUL ASHIKIN AMAT YAKUB
FAIRIN HUDA FAIVDULLAH
NUR FIDAR AYOB

THE NATIONAL CENTRE FOR GOVERNANCE, INTEGRITY AND ANTI-CORRUPTION (GIACC)

Published by:

**The National Centre for Governance, Integrity and Anti-Corruption (GIACC)
Prime Minister's Department**

Level 3, West Wing
Perdana Putra Building
Federal Government Administrative Centre
62502 Putrajaya
MALAYSIA

Tel : 03-8872 7140
Fax : 03-8890 5440
E-mail : giacc@jpm.gov.my
Website : giacc.jpm.gov.my

Supported by:

United Nations Development Programme (UNDP)

Level 10, Menara PJH
No. 2 Jalan Tun Abdul Razak
Precinct 2
62100 Putrajaya
MALAYSIA

Published in 2020

ISBN 978-967-17951-1-8

Copyright The National Centre for Governance, Integrity and Anti-Corruption (GIACC) 2020

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, or otherwise, without the prior permission of the publisher. The views expressed in this publication are those of the authors alone. The moral rights of the authors have been asserted.



Table of Contents

List of Acronyms and Abbreviations	v
Definitions	vi
1. FOREWORD	1
2. INTRODUCTION	2
3. OACP MANUAL: WORK PROCESS, FLOW CHART AND CHECKLIST	4
3.1 Step 1: Getting the Approval of the Head of Organisation Work Process, Chart 1a (Flow Chart), Chart 1b (Checklist)	6
3.2 Step 2: Data Analysis (Soft and Hard Data) Work Process, Chart 1a (Flow Chart), Chart 1b (Checklist)	10
3.3 Step 3: Setting the Context – Situational Analysis of Corruption Issues and Level of Integrity Work Process, Chart 1a (Flow Chart), Chart 1b (Checklist)	15
3.4 Step 4: Identifying Corruption Risks Work Process, Chart 1a (Flow Chart), Chart 1b (Checklist)	20
3.5 Step 5: Determining Priority Areas Work Process, Chart 1a (Flow Chart), Chart 1b (Checklist)	39
3.6 Step 6: Scenario Planning Work Process, Chart 1a (Flow Chart), Chart 1b (Checklist)	44
3.7 Step 7: Preparing Strategies and Action Plan Work Process, Chart 1a (Flow Chart), Chart 1b (Checklist)	48
3.8 Step 8: Determining a Monitoring and Evaluation Mechanism Work Process, Chart 1a (Flow Chart), Chart 1b (Checklist)	53
4. INTEGRITY UNIT	67
4.1 Organisational Chart of Agency	67
4.2 Organisational Chart of the Integrity Unit and Its Key Functions	68
4.3 Activities of the Integrity Unit	69
4.4 The Role of CIO	70
5. CONCLUSION	71

List of Acronyms and Abbreviations

BPIA	Agency Integrity Management Division
CRA	Corruption Risk Assessment
CRM	Corruption Risk Management
GIACC	National Centre for Governance, Integrity and Anti-Corruption
GLC	Government-Linked Company
HIU	Head of Integrity Unit
HOO/KJ	Head of Organisation
INTEGRITI	Malaysian Institute of Integrity
IAT	Integrity Assessment Tool
IO	Integrity Officer
IGU	Integrity and Governance Unit
INTAN	National Institute of Public Administration
IU	Integrity Unit
ACC/JAR	Anti-Corruption Committee or an equivalent entity in GLCs
JKKMAR	Special Cabinet Committee on Anti-Corruption
MACC	Malaysian Anti-Corruption Commission
M&E	Monitoring and Evaluation
MGT	Management
MIGHT	Malaysian Industry-Government Group for High Technology
MoF	Ministry of Finance
NACP	National Anti-Corruption Plan
NAD	National Audit Department
OACP	Organisational Anti-Corruption Plan
PCB	Public Complaints Bureau
PDRM	Royal Malaysia Police
PESTEL	A type of framework used to assess external trends and issues: political (P), economic (E), social (S), technological (T), environmental (E) and legal (L) analysis.
PSD	Public Service Department
TF	Task Force
ToR	Terms of Reference
WP	Work Process

Definitions

Chief Integrity Officer	An Officer who heads the Integrity Unit (IU).
Corruption	<ul style="list-style-type: none">• “Corruption is the abuse of entrusted power for private gain. It can be classified as grand, petty and political, depending on the amounts of money lost and the sector where it occurs.”<ul style="list-style-type: none">– Transparency International• Corrupt practices which involve the receiving, obtaining or soliciting, offering, promising, giving, directly or indirectly, anything of value to improperly influence the action(s) of another party, by misusing the authority of their position.<ul style="list-style-type: none">There are four main offences under the MACC Act 2009:<ul style="list-style-type: none">Accepting/receiving/soliciting gratification<ul style="list-style-type: none">– Sections 16(a) & 17(a);Offering/giving gratification<ul style="list-style-type: none">– Sections 16(b) & 17(b);Making false claim – Section 18;Using public office or position for gratification – Section 23.
Corruption – forms of corruption	These include bribery, kickbacks, facilitation payments, conflict of interest, charitable and political donations, patronage, sponsorship, cronyism, nepotism, entertainment/hospitality, bid rigging, discounts, commissions, rent seeking, false claims and abuse of position. Transparency International (2019) describes the six most-common ways of servicing corruption as follows: absenteeism, informal payments from patients, embezzlement, inflating services and the costs of services, favouritism and manipulation of data (billing for goods and services that were never sent or done).
Corruption Risk	The possibility or likelihood that corrupt practices can happen, and their effect on the objectives of an organisation.
Corruption Risk Assessment (CRA)	A diagnostic tool to identify weaknesses within a system that may present opportunities for corruption to occur. <ul style="list-style-type: none">– Transparency International
Corruption Risk Management (CRM)	“A management process which helps to identify structural weaknesses that may facilitate corruption, provides a framework for all staff to take part in identifying risk factors and treatments, and embeds corruption prevention within a well-established governance framework.” <ul style="list-style-type: none">– Independent Commission Against Corruption, New South Wales, Australia
Data Analysis	A process of systematically inspecting, cleansing, transforming and modeling data with the goal of discovering useful information, informing conclusions and supporting decision-making.
Government-Linked Companies	Companies that have a primary commercial objective and in which the Malaysian Government has a direct controlling stake.

Hard Data	Data in the form of numbers or graphs, derived from legitimate source and empirical studies, as opposed to qualitative information, e.g. statistics on crime and incidences of road accidents.
Head of Organisation	An officer who leads a government agency, including secretary general, director general, head of service, chief executive officer, or an equivalent position.
Inherent Risk / Gross Risk	An assessed level of raw or untreated risk; that is, the natural level of risk inherent in a process or activity without doing anything to reduce the likelihood or mitigate the severity of a mishap or the amount of risk before the application of risk reduction controls.
Integrity Officer	An officer attached to an Integrity Unit who is responsible to implement its six key functions.
Integrity Unit	A unit within all ministries, departments and agencies at the federal or state level established according to Service Circular No. 6 of 2013. It implements plans to institutionalise integrity, prevent corruption, ensure compliance, detect misconduct and takes punitive action in a focused, planned and efficient manner.
Internal Controls	<ul style="list-style-type: none"> • A process, effected by an entity's board of directors, management or other personnel, designed to provide reasonable assurance of the achievement of objectives relating to operations, reporting and compliance. • Internal controls include a set of rules, policies and procedures for an organisation to provide its employees direction on policy, strengthen compliance and improve operational efficiency.
Literature Review	<ul style="list-style-type: none"> • A comprehensive summary of research on governance, integrity and anti-corruption. It surveys scholarly articles, publications and other sources relevant to governance, integrity and anti-corruption. • This includes internal research and analyses by any division in the organisation or external sources.
Residual Risk	The amount of risk left over after natural or inherent risks have been reduced by risk controls (existing controls).
Risk	The effect of uncertainty on organisational objectives. A risk is often specified in terms of the likelihood of an event or circumstances and the consequences that may flow from it. [ISO 31000:2009 – Risk Management Principles and Guidelines.]
Risk Appetite	<ul style="list-style-type: none"> • The amount and type an organisation is willing to take in order to meet its strategic objectives. • The ISO 31000 risk management standard refers to risk appetite as the “amount and type of risk that an organization is prepared to pursue, retain or take”.
Risk Tolerance	The degree, amount or volume of risk an organization or individual will withstand.

Definitions

Risk Threshold	A measure of the level of uncertainty or of impact on a stakeholder's specific interest. Below the risk threshold, the organisation accepts the risk. Above the risk threshold, the organisation will not tolerate the risk.
Scenario Planning	Also called scenario thinking or analysis. A strategic planning method used by some organisations to make flexible long-term plans. Scenario planning assumes what the future is going to be and how the business environment will change over time in light of it. More precisely, scenario planning identifies a specific set of uncertainties or alternative "realities" of what might happen in the future of the business.
Soft data	Data based on qualitative information, such as a ranking, rating, survey or poll. Soft data is based primarily on human observation, e.g. medical research that observes patients' symptoms in order to determine the level of severity of a disease, or a customer's satisfaction survey.
Senior Officer	<ul style="list-style-type: none">• For an Integrity Officer, an officer whose rank is not lower than Grade 41 in the Public Service or an equivalent post in a GLC.• For a Head of Integrity Unit, the officer's Grade may vary depending on the corruption-risk ranking of the ministry, department or agency as determined by the MACC, but who should rank at least Grade 54 or an equivalent post in GLC.
Target Risk	The risk level that an organisation is willing to take for an identified risk.

1 FOREWORD



The objective of this Guide is to provide a systematic, easy and practical step-by-step manual for developing an organisational anti-corruption plan.

This Guide will be useful for officers, especially CIOs and IOs who are assigned to develop an organisational anti-corruption plan (OACP) in their respective organisations. It can also be used for developing anti-corruption plans for GLCs but may require some adjustments and adaptation to suit their business context.

The need to develop a National Anti-Corruption Plan (NACP) was decided at a JKKMAR meeting on 8 June 2018.

On 29 January, 2019, the Government launched the NACP 2019-2023 with the objective of making ‘Malaysia known for her Integrity and not corruption’ and builds a corrupt-free nation that upholds transparency and accountability. The NACP was developed with practical goals in mind. It is based on reforms to be undertaken by the Government, in partnership with the private sector and NGOs, to address issues of corruption, integrity and governance, over the five years.

On 29 March, 2019, the Prime Minister’s Directive No. 1 of 2018, 2nd Series No. 1 of 2019, entitled “Re-enforcing Governance, Integrity and Anti-Corruption in the

Malaysian Government Administration – Implementing the National Anti-Corruption Plan” was issued. One of its objectives is to provide a clear guide for all ministries, government departments and agencies on the need to develop their respective Organisational Anti-Corruption Plans (OACP), to ensure the NACP’s effectiveness.

An OACP is an organisational anti-corruption policy document that addresses weak governance, integrity and corruption issues in the organisation. Developing an OACP is mandatory under “Strategy 2 – To Strengthen Efficiency of the Public Service Delivery”.

Successful OACP implementation will greatly help in achieving the goals laid out in the NACP.

I would like to take this opportunity to thank UNDP for working with us in making this guide a reality.

Thank you.

Tan Sri Abu Kassim Mohamed

Director General

The National Centre for Governance, Integrity and Anti-Corruption (GIACC), Prime Minister’s Department

23rd February 2020

2 INTRODUCTION

Administrative Requirements

The drafting of this Guide is governed by the following rules and regulations which also serve as sources of authority:

1. National Anti-Corruption Plan 2019-2023 – GIACC, Prime Minister’s Department – (ISBN No: 978-983-43953-9-1).
2. Prime Minister’s Directive No. 1 of 2018, 2nd Series No. 1 of 2019 entitled “Re-enforcing Governance, Integrity and Anti-Corruption in the Malaysian Government Administration – Implementing the National Anti-Corruption Plan,” dated 29 March, 2019.
3. Guideline on Managing Integrity by the Integrity Unit in Public Agencies issued by the Development Branch, Agency Integrity Management Division, Malaysian Anti-Corruption Commission, 2019.
4. Prime Minister’s Directive No. 1 of 2018 entitled “Re-enforcing Governance, Integrity and Anti-Corruption in the Malaysian Government Administration: National Mechanism on Managing Governance, Integrity and Anti-Corruption”.
5. Prime Minister’s Directive No. 1 of 2018, 1st Series No. 1 of 2019 entitled “Re-enforcing Governance, Integrity and Anti-Corruption in the Malaysian Government Administration: The Establishment of Integrity and Governance Unit in Government-Linked Companies (GLC), Ministries, Government Agencies including State-owned Companies”.
6. Guideline on Managing Integrity by the Integrity and Governance Unit issued by the Development Branch, Agency Integrity Management Division, Malaysian Anti-Corruption Commission, 2019.

7. Public Administration Reform Circular Letter No. 1 of 2018 – Guide on Setting Timeline for myPortfolio Flow Chart: Work Manual for Public Sector, dated 12 October, 2018.
8. Public Service Reform Circular No. 4 of 2018 entitled “myPortfolio: Work Manual for Public Sector,” dated 12 July, 2018.
9. Service Circular No. 6 of 2013 – Setting up of an Integrity Unit in All Agencies in the Public Sector.
10. Prime Minister’s Directive No. 1 of 2009, 1st Series No. 1 of 2009 entitled “Re-enforcing Governance, Integrity and Anti-Corruption in the Malaysian Government Administration – Implementing Certified Integrity Officer Programme,” Prime Minister’s Department, 28 February, 2011.

As stated in the Foreword, the objective of this guide is to provide reader a systematic, easy and practical step-by-step manual for developing an Organization Anti-Corruption Plan (OACP).

It now remains for you, the reader, to take the information contained in this book and use it. We wish you all the very best in preparing your organization anti-corruption plan.

Editors:

Datuk Dr. Anis Yusal Yusoff
Dato’ Sutinah Sutan
Haji Mohd Gunawan Che Ab Aziz
Norul Ashikin Amat Yakub
Fairin Huda Faivdullah
Nur Fidar Ayob

3 OACP MANUAL:

WORK PROCESS, FLOW CHART AND CHECKLIST

The following are eight components and steps in developing an OACP:

i. Step 1: **Getting the Approval of the Head of Organization**

Please refer to Work Process, Chart 1a for Flow Chart and Chart 1b for Checklist.

ii. Step 2: **Data Analysis (Soft and Hard Data)**

Please refer to Work Process, Chart 2a for Flow Chart and Chart 2b for Checklist.

iii. Step 3: **Setting the Context – Situational Analysis of Corruption Issues and Level of Integrity**

Please refer to Work Process, Chart 3a for Flow Chart and Chart 3b for Checklist.

iv. Step 4: **Identifying Corruption Risk**

Please refer to Work Process, Chart 4a for Flow Chart and Chart 4b for Checklist.

v. Step 5: **Determining Priority Areas**

Please refer to Work Process, Chart 5a for Flow Chart and Chart 5b for Checklist.

vi. Step 6: **Scenario Planning**

This component is optional. However, it is highly recommended for high-risk organisations to implement it.

Please refer to Work Process, Chart 6a for Flow Chart and Chart 6b for Checklist.

vii. Step 7: **Preparing Strategies and Action Plan**

Please refer to Work Process, Chart 7a for Flow Chart and Chart 7b for Checklist.

viii. Step 8: **Determining a Monitoring and Evaluation Mechanism**

Please refer to Work Process, Chart 8a for Flow Chart and Chart 8b for Checklist.

The time frame for developing an OACP is a minimum of two months and a maximum of four months.



Work Process

STEP 1

GETTING THE APPROVAL OF THE HEAD OF ORGANISATION

Why?

An organization’s culture is largely shaped by the leaders.

1. Prepare Proposal Paper on Developing OACP covering the following aspects:
 - 1.1 Objective;
 - 1.2 Background;
 - 1.3 Determine Task Force Members;
 - 1.4 Set ToR of the Task Force;
 - 1.5 Determine facilitator(s) (internal or external);
 - 1.6 Benefits of OACP implementation (service delivery, transparency and accountability, work culture, integrity of employees, etc.);
 - 1.7 Organise workshops to develop the OACP (include agenda, participants, proposed dates, venue and Facilitator(s));
 - 1.8 Financial implications;
 - 1.9 A Gant Chart to developing OACP; and
 - 1.10 Conclusion.
2. Submit Proposal Paper on Developing OACP to HIU for approval.
3. If not approved, make necessary amendments and/or corrections.

“The top level management is primarily responsible for ensuring that their ministry and department effectively manage the key corruption risks of the organizations.”

Law, Regulation and Source of Authority	Interface/Reference Officer
<ul style="list-style-type: none"> • National Anti-Corruption Plan 2019-2023. • Prime Minister’s Directive No. 1 of 2018, 2nd Series No. 1 of 2019. • Guideline on Managing Integrity in the Public Sector by the Integrity Unit, 2019. • Service Circular No. 6 of 2013. • Prime Minister’s Directive No. 1 of 2018, 1st Series No. 1 of 2019. • Guideline on Managing Integrity by the Integrity and Governance Unit, 2019. 	<ul style="list-style-type: none"> • Officer in Charge of Whistleblowing. • Officer in Charge of Disciplinary Management. • Internal Auditor. • Corporate Communications Officer. • Finance/ Procurement Officer.

CHART 1a: Flow Chart

STEP 1: Getting the Approval of the Head of Organisation

Responsibility	Work Process	Timeline
IO or a senior officer in charge of, or has knowledge on governance, integrity and anticorruption.	<p style="text-align: center;">Start</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">Begin with initiative to develop OACP</p> <p style="text-align: center;">↓</p> <p>1. Prepare Proposal Paper</p> <p style="text-align: center;">↓</p> <p>2. Submit draft Proposal Paper to HIU</p>	5 days
HIU	<p style="text-align: center;">↓</p> <p style="text-align: center;">3. No</p> <p style="text-align: center;">Make amendments and/or corrections</p> <p style="text-align: center;">←</p> <p style="text-align: center;">3. No</p> <p style="text-align: center;">Agreed</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">4. Yes</p> <p style="text-align: center;">4. Yes</p> <p style="text-align: center;">Submit draft Proposal Paper to HOO</p>	3 hrs
HIU	<p style="text-align: center;">↓</p> <p style="text-align: center;">5. No</p> <p style="text-align: center;">Make amendments and corrections</p> <p style="text-align: center;">←</p> <p style="text-align: center;">5. No</p> <p style="text-align: center;">Approved</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">Yes</p> <p style="text-align: center;">Yes</p> <p style="text-align: center;">6. Instruct IO to prepare letter to appoint facilitator(s)</p>	3 hrs
IO	<p style="text-align: center;">↓</p> <p style="text-align: center;">7. Prepare letter to appoint facilitator(s)</p>	0.5 hr
IO	<p style="text-align: center;">↓</p> <p style="text-align: center;">8.</p> <p style="text-align: center;">Send email/letter to appoint internal facilitator (from same organisation)</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">8.</p> <p style="text-align: center;">Send email/letter to appoint external facilitator (from MACC or INTEGRITI)</p>	2 hrs
HOO/HIU	<p style="text-align: center;">↓</p> <p style="text-align: center;">9. Form a Task Force or a Working Committee to develop OACP</p>	1 hr
IO	<p style="text-align: center;">↓</p> <p style="text-align: center;">10. Coordinate logistical support for OACP Workshop</p>	2 hrs
	<p style="text-align: center;">↓</p> <p style="text-align: center;">11. End</p>	2.5 hrs
		Total: 7 days

CHART 1b: Checklist

STEP 1: Getting the Approval of the Head of Organisation

Post	Work Process	Tick (✓)	Remarks
STEP 1: GETTING THE APPROVAL OF HEAD OF ORGANISATION			
<p>HOO/HIU or a senior officer in charge of, or has knowledge on governance, integrity and anti-corruption</p>	<ol style="list-style-type: none"> 1. Discussion with HOO on contents of Proposal Paper on Developing OACP. 2. Data collection and analysis on governance, integrity and corruption issues faced by organisation. 3. The Proposal Paper on Developing OACP should at least cover the following aspects: <ol style="list-style-type: none"> 3.1 Objective; 3.2 Background; 3.3 Rationale/Justification; 3.4 Appointment of Task Force members; 3.5 ToR for TF; 3.6 Benefits to organisation of implementing OACP in terms of service delivery, transparency and accountability, work culture, integrity of employees, etc; 3.7 Workshop to develop the OACP – include agenda, participants, proposed dates, venue and facilitator(s); 3.8 Financial implications; 3.9 A Gant Chart to developing OACP; and, 3.10 Conclusion. 4. Proposal Paper checked by HIU before submission. 5. Proposal Paper must be submitted to HOO. 6. Proposal Paper must be approved by HOO. 7. Appointment letter for facilitator(s). External facilitator(s) are from MACC or INTEGRITI. 8. Formation of a Task Force or a Working Committee to develop OACP and appoint TF members. 9. TF members are senior officers whose minimum Grade is 48 or an equivalent post in a GLC, drawn from any division or department, or the most-senior officer if Grade 48 is not available. 10. TF members should have knowledge on, and/or have working experience in related fields of governance, integrity and anti-corruption. 11. HOO chairs TF. 12. HOO/MGT must provide resources such as budget, staff, logistical support. 13. Appoint HIU/IO from IU/IGU or officers from a division or unit that manages governance, integrity and anti-corruption for the organisation as Secretariat. 		

Work Process STEP 2

DATA ANALYSIS (SOFT AND HARD DATA)

How?

When assessing the corruption risks, one may consider reports from relevant agencies.

1. Collect documents, information, data and relevant references for OACP Workshop or a roundtable discussion.
2. Send letters or emails to the following departments, agencies, divisions and committees requesting for relevant information, data and documents for review, analysis and for corruption risk assessment:
 - 2.1 MACC – for MACC complaints and reports, statistics on corruption cases, Agency Corruption Risk Ranking and on weaknesses in systems and procedures;
 - 2.2 PCB/Ombudsman – for reports on public complaints on misconduct of employees and service delivery of organisation;
 - 2.3 PDRM for reports on criminal cases by employees, if any;
 - 2.4 NAD for relevant audit findings in Audit Report;
 - 2.5 Articles, survey findings and reports, if any for literature review;
 - 2.6 Findings of Integrity Assessment Tool from INTEGRITI if any;
 - 2.7 Reports from other ministries, departments, or agencies on their experiences of corruption issues

“

“A risk can be analyzed in a more objective and precise manner through a comprehensive data trend.”

”

Law, Regulation and Source of Authority

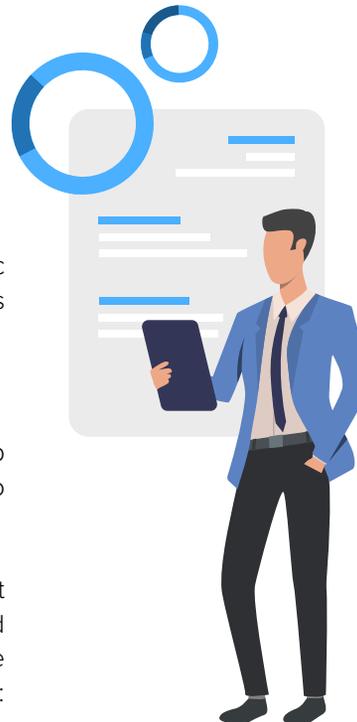
- National Anti-Corruption Plan 2019-2023.
- Prime Minister’s Directive No. 1 of 2018, 2nd Series No. 1 of 2019.
- Guideline on Managing Integrity in the Public Sector by the Integrity Unit, 2019.
- Service Circular No. 6 of 2013.
- Prime Minister’s Directive No. 1 of 2018, 1st Series No. 1 of 2019.
- Guideline on Managing Integrity by the Integrity and Governance Unit, 2019.

Interface/Reference Officer

- MACC/PCB PDRM Record Officer.
- NAD Officer.
- GIACC Officer – NACP Report
- INTEGRITI Officer – IAT Report.
- Librarian

- in similar areas, e.g. procurement, enforcement, if any;
- 2.8 International references, such as best models and practices; and/or,
 - 2.9 Other relevant reports by oversight agencies.
3. Send letters/email to the following internal divisions or committees requesting for relevant data and information for review, analysis and corruption risk assessment:
 - 3.1 JAR Secretariat – bribery and corruption issues raised at JAR meetings include;
 - 3.2 Complaints and reports from whistleblowing channel;
 - 3.3 Reports on disciplinary cases;
 - 3.4 Internal audit reports;
 - 3.5 Values audit report if any;
 - 3.6 Management meeting resolutions;
 - 3.7 Corporate communications report on public complaints on the organisation in social and news media; and/or,
 - 3.8 Other relevant reports.
 4. If the requested information is not received, follow-up with the relevant ministry, department or agency to get the requested information, data or references.
 5. If received, analyse all soft and hard data, and conduct a literature review (as detailed in Nos. 2.1 to 2.9 and Nos. 3.1 to 3.8). Using infographics, summarise the findings/results according to the following categories:

- 5.1 Key processes/activities vulnerable to corruption in the organisation (risk areas);
 - 5.2 Category/grade of officers susceptible or exposed to corruption;
 - 5.3 Outside perpetrators, e.g. clients, intermediaries, vendors or agents;
 - 5.4 Forms, pattern and trend of corruption; and
 - 5.5 Causes/schemes of corruption.
6. Prepare a summary report on the analysis.
 7. End of process.



Interface/Reference Officer
<ul style="list-style-type: none"> • JAR Secretariat. • Officer in charge of Whistleblowing channel. • Officer in charge of Disciplinary Management. • Internal Auditor. • Secretary for MGT Meeting. • Corporate Communications Officer.

CHART 2a: Flow Chart
STEP 2: Data Analysis (Soft and Hard Data)

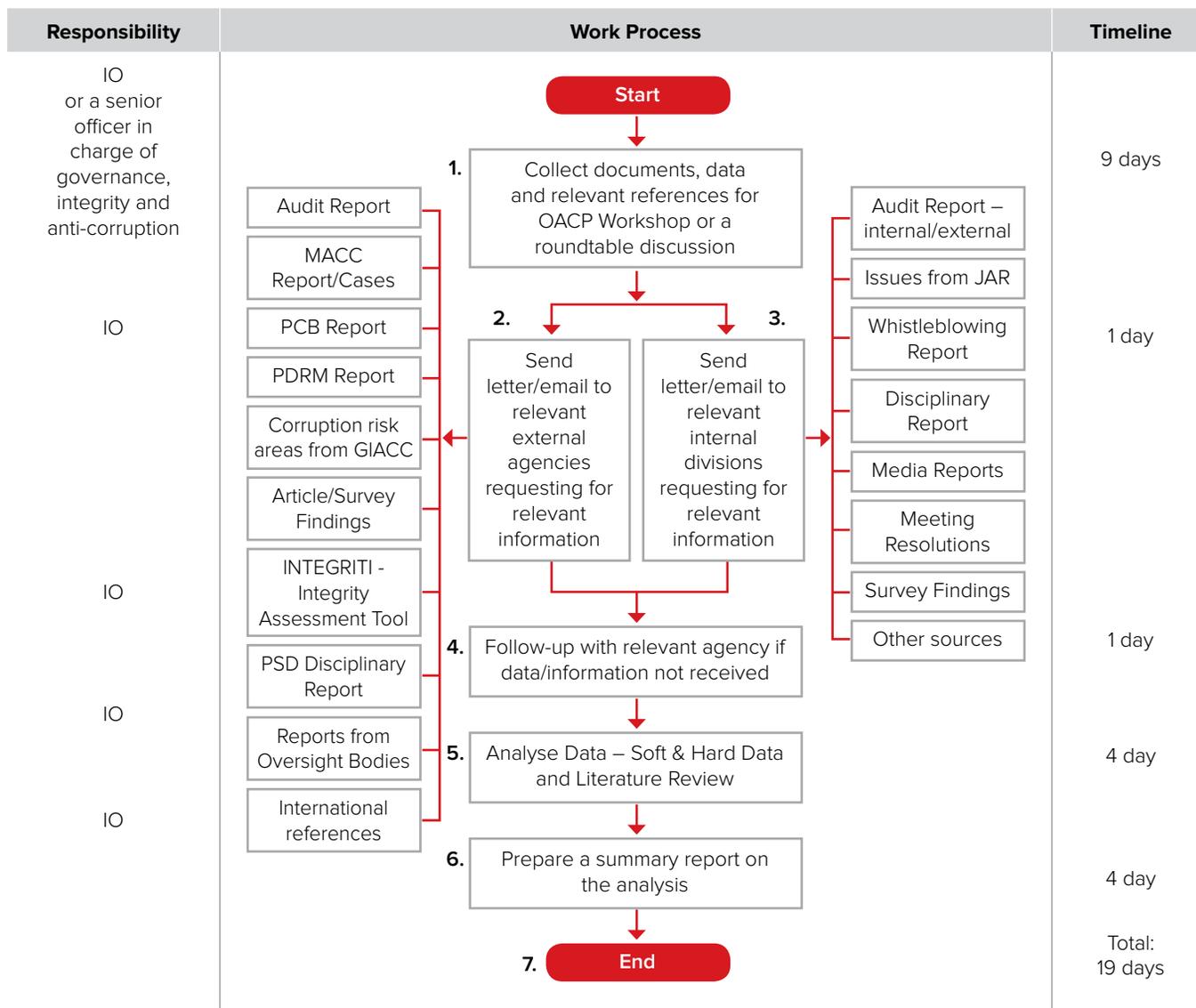


CHART 2b: Checklist

STEP 2 : Data Analysis (Soft and Hard Data)

Post	Work Process	Tick (-√)	Remarks
STEP 2: DATA ANALYSIS (SOFT AND HARD DATA)			
HIU/IO	<p>Step 2 : Data Analysis (Soft and Hard Data)</p> <ol style="list-style-type: none"> 1. Collect relevant documents, information, data and references for OACP Workshop/roundtable discussion: <ol style="list-style-type: none"> 1.1 NACP 2019-2023 – GIACC, Prime Minister’s Department; 1.2 Prime Minister’s Directive No. 1 of 2018, 2nd Series No. 1 of 2019, 29 March, 2019; 1.3 Guideline on Managing Integrity by the Integrity Unit in Public Agencies – MACC, 2019; 1.4 Prime Minister’s Directive No. 1 of 2018 – National Mechanism on Managing Governance, Integrity and Anti-Corruption; 1.5 Prime Minister’s Directive No. 1 of 2018, 1st Series No. 1 of 2019 – The Establishment of an IGU in a GLC; 1.6 Guideline on Managing Integrity by the IGU – MACC, 2019; 1.7 Service Circular No. 6 of 2013 – Setting up of an IU in All Agencies in the Public Sector; 1.8 Prime Minister’s Directive No. 1 of 2009, 1st Series No. 1 of 2009 – Implementing Certified Integrity Officer Programme; and 1.9 MACC Act 2009 (Amendment 2018). 2. Send letters/email to relevant departments, agencies, divisions and committees requesting for information, data and documents for review, analysis and corruption risk assessment as follows: <ol style="list-style-type: none"> 2.1 From MACC – data/information on complaints/ reports, statistics on corruption cases, agency’s ranking and report on weaknesses in systems and procedures; and 2.2 From PCB – report on public complaints on misconduct of employees and service delivery of organization. 2.3 From PDRM – report on criminal cases committed by employees, if any; 2.4 From NAD – relevant audit findings; 2.5 From PSD – disciplinary report; 2.6 Articles, survey findings/reports – for literature review; 		

CHART 2b (continued): Checklist

STEP 2 : Data Analysis (Soft and Hard Data)

Post	Work Process	Tick (✓)	Remarks
STEP 2: DATA ANALYSIS (SOFT AND HARD DATA)			
HIU/IO	<p>2.7 From INTEGRITI– survey report using Integrity Assessment Tool, if any;</p> <p>2.8 Report from oversight bodies;</p> <p>2.9 Other relevant reports on other ministry/ department/agency’s experiences on corruption issues in similar areas, e.g. procurement, enforcement, if any; and,</p> <p>2.10 International references on best models/practices.</p> <p>3. Other relevant reports from oversight agencies which might be useful as references;</p> <p>4. Report from PSD on disciplinary cases;</p> <p>5. Letters/email to the following relevant internal division /unit/committee requesting for data/information/ documents for review, analysis and for CRA:</p> <p>5.1 From JAR Secretariat – report on bribery and corruption issues raised in JAR Meetings;</p> <p>5.2 Report on complaints from whistleblowing channel;</p> <p>5.3 Report on disciplinary cases;</p> <p>5.4 Internal audit report;</p> <p>5.5 Report on values audit, if any;</p> <p>5.6 Management meeting resolution;</p> <p>5.7 From corporate communications division – Report on public complaints on the organisation in social and news media, and/or,</p> <p>5.8 Other relevant reports/analyses/references.</p> <p>6. Analyse all soft and hard data and conduct a literature review and summarise the findings/ results according to the following categories:</p> <p>6.1 Key processes/activities vulnerable to corruption in the organisation (risk areas);</p> <p>6.2 Category/grade of officers susceptible or exposed to corruption;</p> <p>6.3 Outside perpetrators, e.g. clients, intermediaries, vendors or agents;</p> <p>6.4 Forms, pattern and trend of corruption; and</p> <p>6.5 Causes/schemes of corruption.</p> <p>7. A summary report on the data analysis.</p>		

Work Process

STEP 3

SETTING THE CONTEXT – SITUATIONAL ANALYSIS OF CORRUPTION ISSUES AND LEVEL OF INTEGRITY

What?

Key factors to consider in identifying risks.

1. Conduct a workshop or a roundtable discussion:
 - 1.1 Opening remarks by HOO on the aspirations and expectations of, and requirements for developing OACP; and,
 - 1.2 Briefing by chair of Task Force on objective, agenda of the workshop, overview of NACP/OACP and expected outcomes of workshop.
2. Once these sessions are completed, proceed with brainstorming/discussion/deliberation to determine the status of corruption issues and the level of Integrity.
3. Establish context of organisation for its Level of Integrity. Ask:
 - 3.1 What does integrity mean to your organisation?
 - 3.2 How does your organisation demonstrate integrity and the fight against corruption?
 - 3.3 Where are the priority areas for your organisation in corruption prevention?
4. Scan the horizon – an overview of the situational analysis of corruption issues and the level of integrity of your organisation; use the data analysis that you

“

“Organization shall conduct evaluations by considering internal and external risks of corruption in their respective agencies.”

”

Law, Regulation and Source of Authority

- National Anti-Corruption Plan 2019-2023.
- Prime Minister’s Directive No. 1 of 2018, 2nd Series No. 1 of 2019.
- Guideline on Managing Integrity in the Public Sector by the Integrity Unit, 2019.
- Service Circular No. 6 of 2013.
- Prime Minister’s Directive No. 1 of 2018, 1st Series No. 1 of 2019.
- Guideline on Managing Integrity by the Integrity and Governance Unit, 2019.

Interface/Reference Officer

- Internal facilitator(s); or
- External facilitator(s).



prepared earlier in Step 2 WP 6 and also analyse the following situations/factors:

- 4.1 core functions or business activities;
 - 4.2 transactions with third parties;
 - 4.3 projects management; and,
 - 4.4 personnel in critical functions and who make critical decisions.
5. Observe the changes in the environment on;
- 5.1 **Internal factors**, i.e. changes in system, process, people, strategy, resources and governance. If there are changes in the internal factors, how these will impact on the level of integrity and bribery in the organisation; and on
 - 5.2 **External factors**, i.e. changes in political, economic, social, technology, environmental and legal conditions (PESTEL framework). If there are changes in the external factors, how will these impact on the level of integrity and bribery in the organisation?
6. Based on the analysis of sources of information/data, categorise status of corruption issues and the level of integrity according to description/analysis and suggest guidance for action plans as illustrated in **Table 1**.
 7. Establish context of organisation by defining objectives of organisation.
 8. Begin with defining OACP's vision. Formulate second vision that supports NACP's vision – a corruption-free Malaysia.
 9. Define organisation's mission. Formulate second mission in order to support NACP's vision and mission.
 10. Define organization's strategic goal.
 11. Define strategic objectives.
 12. End of process.

Table 1

Establish Context – Status of Corruption Issues and Level of Integrity

Sources of Information	Categories	Description	Suggested guidance for action plans
<p>Internal sources:</p> <ul style="list-style-type: none"> – Internal audit reports – Integrity surveys, values audit – Whistleblowing/ complaint reports – Report on disciplinary cases – Social/mass media reports – Relevant JAR Minutes – Other relevant reports, findings and references <p>External sources:</p> <ul style="list-style-type: none"> – Auditor General reports – PSD report on disciplinary cases – MACC's/PCB's/PDRM's/ complaint reports – MACC's investigation summary reports – Integrity surveys, IAT – Other relevant reports, findings and references 	Satisfactory	<ul style="list-style-type: none"> • None or minimal number of integrity issues. • External stakeholders generally consider the organisation as a trusted organisation. • Internal stakeholders generally understand and aware of the importance of integrity. 	Safeguarding
	Need improvement	<ul style="list-style-type: none"> • Tolerable level of integrity issues. • External stakeholders generally accept some minor issues of trust; agree that some improvements are needed. • Internal stakeholders are committed to improvements 	Proactive actions
	In crisis	<ul style="list-style-type: none"> • Major integrity issues exposed. • External stakeholders raise major concerns about the trustworthiness of the management. • Internal stakeholders are ignorant, complacent or against the implementation of corruption prevention measures. 	Drastic and immediate actions

CHART 3a: Flow Chart

STEP 3: Setting the Context – Situational Analysis of Corruption Issues and Level of Integrity

Responsibility	Work Process	Timeline
HOO/OACP TF Members HUI/IO a senior officer in charge of governance, integrity and anticorruption	<pre> graph TD Start([Start]) --> 1[1. Conduct workshop or a roundtable discussion] 1 --> 2[2. Proceed with brainstorming/deliberation] 2 --> 3[3. Establish Context of Organisation for Situational Analysis of Corruption Issues and the Level of Integrity] 3 --> 4[4. Scan the horizon] 4 --> 5[5. Observe changes in the environment] 5 --> IF[Internal factors i.e. changes in system, process, people, strategy] 5 --> EF[External factors i.e. changes in political, economic, social, technology, environmental and legal (PESTEL Framework)] IF --> 6[6. Categorise status of corruption issues and the level of integrity according to description/analysis and suggest guidance for action plans as illustrated in Table 1.] EF --> 6 6 --> 7[7. Establish Context of Organisation] 7 --> 8[8. Define Organisation's Vision] 8 --> 9[9. Define Organisation's mission, including mission that supports NACP's vision] 9 --> 10[10. Define Organisation's Strategic Goal] 10 --> 11[11. Define Strategic Objectives] 11 --> End([End]) </pre>	4 hrs 2 hrs 4 hrs 8 hrs 2 hrs 2 hrs 2 hrs 3 hrs 4 hrs Total: 4 days

CHART 3b: Checklist

STEP 3: Setting the Context – Situational Analysis of Corruption Issues and Level of Integrity

Post	Work Process	Tick (✓)	Remarks
STEP 3: SETTING THE CONTEXT – SITUATIONAL ANALYSIS OF CORRUPTION ISSUES AND LEVEL OF INTEGRITY			
OACP TF Chair and Members HIU/IO	<ol style="list-style-type: none"> 1. Arrange for a four-day workshop or a roundtable discussion. 2. Speech text for opening remarks by HOO. 3. Speech text for briefing by chair of TF. 4. Briefing by facilitator on agenda for workshop. 5. Establish context of organisation on the status of corruption issues and the level of integrity. 6. Scan the horizon by observing the changes in the environment – internally and externally. 7. Categorise the status of corruption issues. 8. Assess the level of integrity. 9. Establish context of organisation by defining objectives of organization. 10. Define vision, including vision to support NACP's Vision. 11. Define mission, including mission to support NACP's Mission. 12. Define strategic goal. 13. Define strategic objectives. 		

Work Process STEP 4

IDENTIFYING CORRUPTION RISKS

What?

Key steps involved in identifying corruption risks.

1. Start session on CRM. Content of CRM covers CRA 7-Step Process and Risk Mitigation Plan.

1.1 **CRA 7 – Step Risk Assessment Process:**

- i. Step 1 – Identify Risk;
- ii. Step 2 – Identify Scheme/Causes and Consequences;
- iii. Step 3 – Inherent Risk Rating;
- iv. Step 4 – Identify Control;
- v. Step 5 – Identify Control Effectiveness;
- vi. Step 6 – Residual Risk Rating; and,
- vii. Step 7 – Risk Treatment Option.

1.2 **Diagram 1** illustrates the overall 7-Step Process.

2. **CRA Step 1: Identify Corruption Risks**

Identify and list down corruption risks in all key processes/activities in the organisation/enterprise.

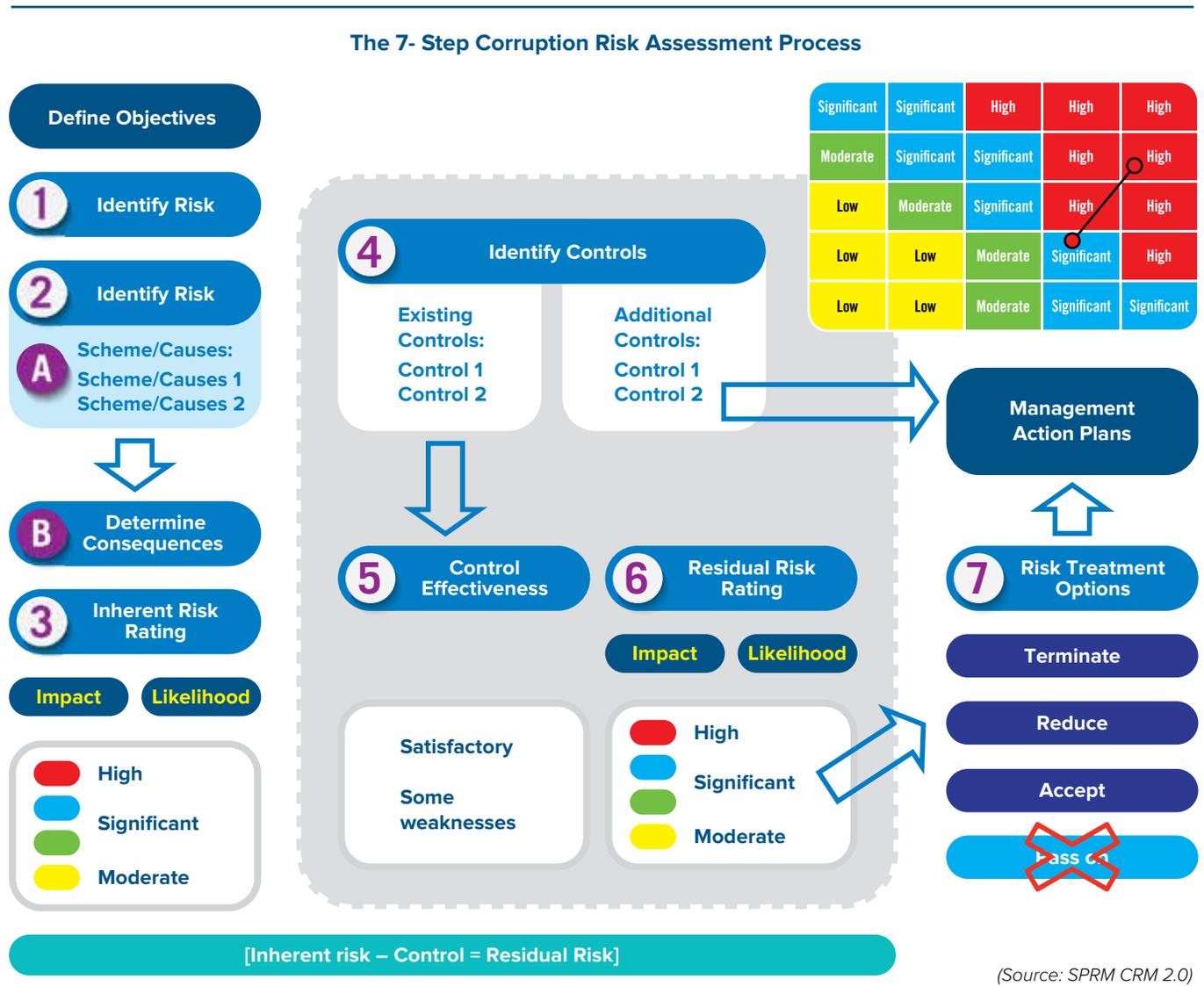
Identifying corruption risks involves an understanding of the definition of “corruption”. Different organisations and countries define corruption differently. As a general guideline, a definition of corruption risk can be found in the relevant laws.

In the MACC Act, corruption is defined as:

“This risk assessment should be used to establish appropriate processes, systems and controls to mitigate the specific corruption risks the agency is exposed to.”

Law, Regulation and Source of Authority	Interface/Reference Officer
<ul style="list-style-type: none"> • National Anti-Corruption Plan 2019-2023. • Prime Minister’s Directive No. 1 of 2018, 2nd Series No. 1 of 2019. • Service Circular No. 6 of 2013. • Prime Minister’s Directive No. 1 of 2018, 1st Series No. 1 of 2019. • Guideline on Managing Integrity by the Integrity and Governance Unit, 2019. 	<ul style="list-style-type: none"> • Internal facilitator(s); or • External facilitator(s).

Diagram 1



[Inherent risk – Control = Residual Risk]

“Corrupt practices which involve the offering, promising, giving, receiving or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party, by misusing the position in which they are placed.”

4 Main Offences under MACC Act 2009:

- i. Accepting or receiving gratification – Sections 16 and 17;
- ii. Offering or giving gratification – Sections 16 and 17;
- iii. Making false claim – Section 18;
- iv. Using office or position (public body) for gratification – Section 23.

Other useful definitions are:

- i. “The misuse of entrusted power for private gain.” – Transparency International
- ii. “A corrupt practice is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party..... that something of “value” has been “offered” to “influence improperly” the “action of a government official” -- *World Bank Fraud and Corruption Awareness Handbook*
- iii. “Offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the performance (3.16) of that person’s duties” – *ISO 37001:2016 ABMS*

Examples of Corruption Risks related to **Procurement** process:

Potential Corruption Risks

- i. Soliciting bribe from third parties with a promise of obtaining successful works;
- ii. Accepting a bribe to manipulate pre-qualification process, e.g. approving a non-performing contractor or supplier;
- iii. Bribery in selecting third parties who have a personal interest;
- iv. Accepting a bribe in return for disclosing price sensitive information to third parties;
- v. Bribery between insider and third parties to tailor the tender requirements to suit the third party for a successful tender;
- vi. Misuse of position (power) to influence tender committee;
- vii. Bribe solicitation for confidential information during pre-bidding or bidding stage;
- viii. False claims in progress payments;
- ix. Accepting a bribe to manipulate performance appraisal; and/or,
- x. Giving a bribe to obtain urgent supplies of material, parts or services (out-bound bribery).

3. **CRA Step 2: Identify Causes, Corruption Schemes and Consequences**

Identify root causes (why corruption occurs) and schemes (how corruption perpetrates). Public sector agencies can use the four ToR of JAR as follows:

- 3.1 ToR 1: Policy, Law and Regulations;
- 3.2 ToR 2: Systems and Procedures;
- 3.3 ToR 3: Governance and Integrity Enhancement; and,
- 3.4 ToR 4: Detection, Compliance, Punitive and Corrective Action.

CRA Step 2A: Determine Causes and Corruption Schemes

Essentially, this involves asking two questions:

- i. Why would corruption occur at your organisation/enterprise – ROOT CAUSES.
- ii. How would corruption be perpetrated at your organisation/enterprise – CORRUPTION SCHEMES.

Determining root causes and corruption schemes with clarity will assist us in determining the associated internal controls, and related corruption-risk action plans.

In general, corruption arises due to three main causes:

- i. Weak internal controls;
- ii. Poor enforcement; and,
- iii. Acceptance culture – a culture of unquestioning acceptance of the way things have always been done, e.g. the company or organisational culture.

(To address the third cause (culture) would necessarily mean addressing the first and second causes beforehand. – *(Mark Lovatt, Trident Integrity Solution Sdn Bhd.)*

Root causes, or risk factors, can be determined by following some of the guidelines as illustrated below:

i. Klitgaard's Formula

$$\text{Corruption} = (\text{Monopoly} + \text{Discretion}) - \text{Accountability}$$

$$[C = M + D - A]$$

ii. Donald Cressey's Fraud Triangle



- a) Perceived financial pressure, or incentives (e.g. pressure to meet client expectations, financial targets, sales targets);
- b) A perceived opportunity to commit an act of corruption with a low likelihood of detection (e.g., monitoring/controls that are perceived to be ineffective, or a very complex corporate structure);
- c) Rationalisation or attitudes (e.g. history of illegal practices in the organisation/enterprise, e.g., competitors pay bribes, “no one will find out”, “if I don’t do this, I’ll lose the contract and my job”, low staff morale).

Corruption Schemes

Understanding how the corruption scheme is devised will assist in corruption prevention by linking the schemes to specific controls.

Examples of corruption schemes related to **procurement** are as follows:

Procurement

Corruption Schemes – examples

- i. In a bidding round, the terms of reference (including technical specifications) are biased to favour one supplier or to exclude potential competitors;
- ii. Intermediary offers company to win bidding upon payment of loser's fee at the pre-bidding or bidding stage;
- iii. Local government agency demands a fee for technical approval of the permit of equipment;
- iv. Approving false tender information in the selection of suppliers by those with a personal interest in the supplier company;
- v. Collusion in selecting maintenance/ service vendors for kick-backs in continuing a maintenance contract;
- vi. Collusion in approving a low quality/off-spec supply for kick-backs; and/or,
- vii. A shorter than standard tender submission timeline to favour interested parties who have been provided with confidential tender information in advance.

4. CRA Step 2B : Determine Consequences/ Impacts

Determine and list down the consequences or impacts of corruption on the organisation/ enterprise.

The consequences or impacts on an organisation arising from a corruption risk can be referred to in a set of commonly identifiable impact parameters. Essentially, one should ask, "What types of damage can be caused by corruption risk?"

Examples of impact parameters that affect the strategic objectives of an organisation are:

- i. Financial loss;
- ii. Reputational loss;
- iii. Quality of services;
- iv. Litigation;
- v. Safety;
- vi. Health;
- vii. Environment;
- viii. Security; and,
- ix. Productivity.

In corruption risk management, we take only the negative side of the risk, that is, the damages or losses caused by the risk. It is not possible to find opportunity from corruption risks.

5. CRA Step 3: Inherent Risk Rating

Assess corruption risk against a Risk Matrix of Likelihood of Occurrence and Impact of Corruption by assigning a risk rating to each of the corruption risks identified in CRA Step 1 WP2.

Inherent Risk

Inherent risk is a corruption risk which comes inherent within a company's business activities or an organisation's processes. For example, in a procurement process, the corruption risk of misuse of one's position in manipulating pre-qualification procedures to include a supplier with which one has a personal interest, makes this risk inherent in the procurement process as long as procurement activities continue.

Assessing Inherent Risk:

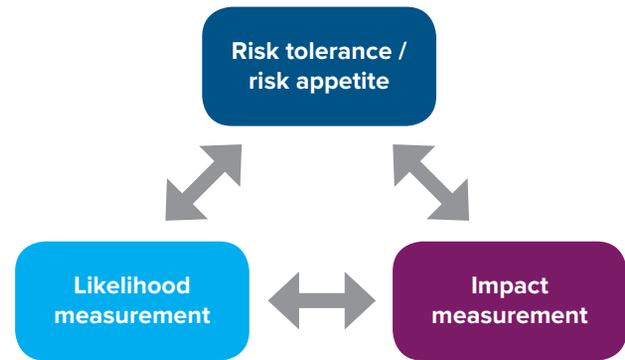
- i. Inherent risk is assessed WITHOUT the consideration of controls in place at the enterprise, i.e. these are the risks that arise as a matter of course in the business operations.
- ii. Ask the question: "How likely is it that the corruption scheme would happen, in an environment where controls are insufficient?"

Assessing an organisation's inherent risk rating requires an overall understanding of the concept of risk rating, as follows:

Risk Rating

This step assesses corruption risk against a Risk Matrix of Likelihood and Impact by giving a risk rating to each of the corruption risks identified in CRA Step 1.

The process of risk rating involves evaluating the likelihood of occurrence of the corruption risk by weighing its impact or consequences with the Risk Matrix above. A corruption risk rating is also based on the risk appetite of an organisation or enterprise.



The purpose of rating corruption risk is to prioritise the responses (action plans) in a systematic way, as follows:

- a) Rating corruption risk by comparing the probability of occurrence (its likelihood or frequency) and the potential impact (consequences); and,
- b) Rating corruption risk according to a risk matrix to rank as high, significant, moderate or low. This is elaborated below:

HIGH	Risk with high impact and high likelihood of occurrence. Controls are not effective or the causes are from external factors. Require immediate risk action plans to reduce the exposure of the risk.
SIGNIFICANT	A priority risk with high impact and high likelihood of occurrence. Required risk action plans to reduce the exposure of the risk if necessary.
MODERATE	Moderate and Low risk are considered manageable risks where the controls are working as intended, or the inherent risk is already as moderate level. No risk action plans are required. Continuous monitoring of the effectiveness of the controls are important.
LOW	

Risk Matrix

A risk matrix is a matrix that is used during risk assessment to define the level of risk by considering the category of probability or likelihood against the category of impact or consequence. This is a simple mechanism to increase the visibility of risks and assist the management in its decision-making.

The risk matrix that will be used in a corruption risk assessment is illustrated below.

Likelihood of Occurrence	Almost certain	Significant	Significant	High	High	High
	Likely	Moderate	Significant	Significant	High	High
	Possible	Low	Moderate	Significant	High	High
	Unlikely	Low	Low	Moderate	Significant	High
	Rare	Low	Low	Moderate	Significant	Significant
		Insignificant	Minor	Moderate	Major	Critical
		Magnitude of Impact				

A 5x5 Risk Matrix

The consequences/likelihood matrix is a means of combining qualitative or semi-quantitative ratings of consequences and likelihood to produce a level of risk or risk rating.

(Source: ISO 31000 Risk Management – Principles and Guidelines)

6. Rating Likelihood of Occurrence

Determine and rate the probability of occurrence of each corruption risk. Using **Table 2: Likelihood Rating**, as reference:

- 6.1 The likelihood should take into consideration that the corruption scheme may be perpetrated by an individual, or group of individual acting collusively;
- 6.2 The time frame – next 12 months (adjust as necessary according to the organisation’s or enterprise’s corruption risk management objectives); and,
- 6.3 Likelihood ranking – ALMOST CERTAIN, LIKELY, MODERATE, UNLIKELY, RARE.

Factors to consider when evaluating the likelihood of occurrence:

- i. Level of integrity – personnel integrity, institutional culture;
- ii. Nature of the transaction or process;
- iii. Past incidents of corruption scheme;
- iv. Local corruption culture and environment;
- v. Type of corruption scheme in the industry;
- vi. Number of individual transactions;
- vii. Complexity of the scheme;
- viii. Number of people needed to carry out the scheme; and,
- ix. Number of people involved in the approval process.

Table 2 provides an example of a likelihood rating for use in a risk assessment:

Table 2

Example of a likelihood rating for use in a risk assessment:

Probability	Quantitative	Status of actual cases of the scheme	Complexity
Almost certain	High probability of occurring in most circumstances; Approximately above 95% chance of occurring in the next 12 months.	Incident has been reported and is currently under investigation.	Very easy to perpetrate without controls in place.
Likely	Will probably occur in most circumstances; Approximately below 95% but above 50% chance of occurring in the next 12 months.	Incident is in the process of being contained.	Easy to perpetrate without controls in place.
Moderate	Some probability might occur half of the time; Approximately below 50% but above 25% chance of occurring in the next 12 months.	Incident has been contained.	Moderately complex to perpetrate without controls in place.
Unlikely	Little probability could occur at some time; Approximately below 25% but above 5% chance of occurring in the next 12 months.	Root cause of incident is in the process of being remediated.	Difficult to perpetrate even without controls in place.
Rare	Low probability occurs only in exceptional circumstances; Approximately below 5% chance of occurring in the next 12 months.	Root cause of incident has been remediated (reducing the chance of repeat occurrence).	Very difficult to perpetrate even without controls in place.

7. Rating Impact of Occurrence

The process of assessing the potential impact of a corruption risk is carried out in a similar manner to the process for likelihood. The assessment team should evaluate the magnitude of the potential impact for each particular corruption risk. Typically, this consideration of potential impact covers a wide range, including financial, legal, regulatory, operational, and reputational damage, examples of which are highlighted in CRA Step 2B WP4 paragraph 2 above.

Table 3 illustrates the examples of Impact Parameters used in corruption risk assessment:

8. Calculating Inherent Risk Rating

Combining the likelihood and potential impact assessment of each corruption risk results in an assessment of inherent corruption risk rating.

An illustrative example is provided in **Diagram 2**.

9. CRA Step 4: Identify Controls

Identify existing control effectiveness – whether there is a control or otherwise on identified key processes/ activities.

Considerable emphasis on corruption prevention is placed on the effectiveness of internal controls. In risk management concepts, technically speaking, good risk management means that the effectiveness of the internal controls is satisfactory. This concept shifts the risk management focus to the identification of associated corruption prevention controls and puts the efforts on to the practical implementation of these controls.

Anti-corruption controls are unique, as they go far beyond the typical transaction-level controls that are most frequently designed to prevent financial errors. Mapping controls and other mitigating activities to each corrupt activity or scheme is important because the controls should be commensurate with the likelihood and potential outcomes (consequences) of corrupt practices.

The approach to identifying the associated controls follows the rule of thumb that all causes and corruption schemes identified in CRA Step 2A above are covered by:

- i. Firstly, by linking to an existing control(s); then
- ii. Secondly, if there are no existing controls, by additional (or new) controls.

In identifying the internal controls, it is required to make a distinction between whether the internal controls can deal with either or both (a) likelihood; and (b) impact, of the corruption risk.

10. CRA Step 5: Evaluate Effectiveness of Internal Control

Evaluate control effectiveness and rate as **“Satisfactory”** or **“Some weaknesses”** or **“Weak”**.

Types of anti-corruption controls include:

- i. Entity-level controls;
- ii. Scheme-specific controls;
- iii. Preventive controls; and,
- iv. Detective controls.

Table 3

Impact Parameters – Impact Measurement Table

Factors	Impact/Consequences				
	Insignificant	Minor	Moderate	Major	Critical
Image/ reputation	Not substantiated, low impact, no news item. Attention quickly contained, short-term recoverability	Substantiated, low impact, low news profile.	Substantiated, public embarrassment, moderate local news profile. Escalating customer implications.	Substantiated, public embarrassment, high news profile, third-party action. Long-term damage to public image.	Substantiated, public embarrassment, highly widespread news profile, third-party action, global news coverage.
Financial loss	Additional costs/ funding/ wastage/ lost revenue of < 5% of initial funds.	Additional costs/ funding/wastage/lost revenue of between 6 and 15%.	Additional costs/ funding/ wastage/ lost revenue of between 16 and 25%	Additional costs/ funding/ wastage/ lost revenue of b 25 and 40%.	Additional costs/ funding/ wastage/ lost revenue of above > 41%.
Legal/ compliance	Minimal penalties. Notice of violation/ warnings requiring administrative action.	Moderate fines. Routine governing body litigation subject to moderate fines and penalties. May be subject to regulatory proceedings and/or hearings.	Substantial penalties. Routine litigation subject to substantial fines or penalties. Subject to regulatory proceedings and/or hearings.	Substantial; may include criminal charges. Potentially significant governing-body scrutiny, investigations. Subject to substantial fines and penalties, which may include some criminal charges. Subject to regulatory proceedings and/or hearings.	Major scrutiny and, investigations. Subject to substantial fines and penalties, including criminal charges, and/ or cease-and-desist orders, possible regulatory action.
Stakeholders – customers	Minimal customer complaints and recovery costs.	Minimal decline in customer relationships and some recovery costs.	Loss or decline in customer relationships and moderate recovery costs.	Strained key customer relationships and significant recovery costs and threat to future growth.	Loss of major customer relationships and serious threat to future growth.
Stakeholders – employees	Insignificant impact on department’s ability to recruit and retain employees.	Some impact on department’s ability to recruit and retain employees.	Significant impact on department’s ability to recruit and retain top performers.	Major impact on department’s ability to recruit top performers.	Sustained impact on department’s ability to recruit and retain top performers.

Table 3

Impact Parameters – Impact Measurement Table (continued)

Factors	Impact/Consequences				
	Insignificant	Minor	Moderate	Major	Critical
<p>Risk consequences/ management effort</p> <ul style="list-style-type: none"> Negligible effects. Impact can be readily absorbed through normal activity. <p><i>STRATEGIC VIEW: NORMAL IMPACT ASSOCIATED WITH PROGRAMME PLANNING AND OPERATIONS.</i></p>	<ul style="list-style-type: none"> Normal administrative difficulty. An adverse event which can be absorbed with some management effort. <p><i>STRATEGIC VIEW: DELAY IN FULFILLING THE MANDATE OF THE INSTITUTION.</i></p>	<p>A serious event which requires additional management effort.</p> <p><i>STRATEGIC VIEW: DELAY IN ACCOMPLISHING PROGRAMME OR PROJECT OBJECTIVES</i></p>	<ul style="list-style-type: none"> Programme or project redesign, re-approval and re-do required. Fundamental rework before objective can be met. A critical event which requires extraordinary management effort <p><i>STRATEGIC VIEW: STRATEGIC PLAN REQUIRES MAJOR REVAMP, APPROVAL, PROGRAMME REWORK.</i></p>	<ul style="list-style-type: none"> Project or programme irretrievably finished; objective will not be met. Disaster with potential to lead to “collapse”. <p><i>STRATEGIC VIEW: MANDATE OF THE ORGANISATION OR ORGANISATION ITSELF IS FINISHED.</i></p>	

Diagram 2

Risk Measurement – Impact & Likelihood

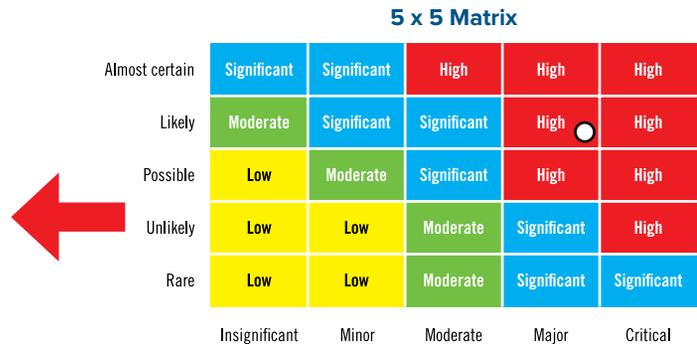
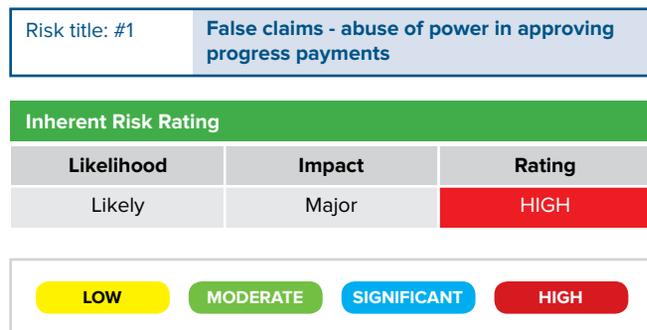


Table 4

Impact Parameters – Impact Measurement Table (continued)

Categories	Description
Satisfactory	Controls are strong and operating properly, providing a reasonable level of assurance that objectives are being achieved.
Some Weaknesses	Some control weakness/inefficiencies have been identified. Although these are not considered to present a serious risk exposure, improvements are required to provide reasonable assurance that objectives will be achieved.
Weak	Controls do not meet an acceptable standard, as many weaknesses/inefficiencies exist. Controls do not provide reasonable assurance that objectives will be achieved.

Rating an enterprise's risk mitigation controls can be instrumental in determining residual risks.

An assessment of the effectiveness of the organisation's or enterprise's control environment in managing a corruption risk is done after due consideration is given to the external environment factors. Evaluating control effectiveness is a self-assessment process. Parties that are able to provide the input include the process owners, internal auditors, Integrity Unit, compliance unit and other parties that provide certain assessments to the anti-corruption controls.

Table 4 below provides the three categories of rating the effectiveness of internal controls.

11. CRA Step 6: Residual Risk Rating (Diagram 3)

Identify and assess residual risk. Follow the same WP as the inherent risk assessment – use the same methodology and rating.

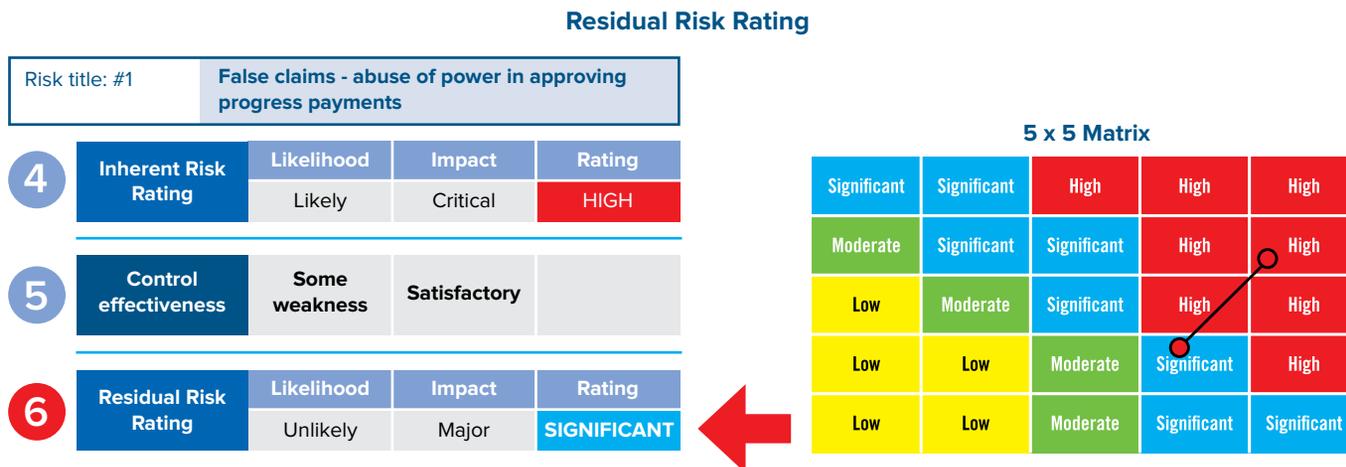
Residual risk is calculated based on the same basis as inherent risk is calculated, after rating the effectiveness of internal controls that reduce the risk of each cause or corruption scheme.

A residual risk rating can be loosely arrived at by the following deduction:

$$\text{Residual risk} = \text{Inherent risk} - \text{Controls}$$

Example

Diagram 3



12. **CRA Step 7: Risk Treatment Option**

There are primarily three corruption risk treatment options as illustrated in Table 5.

13. Prepare a summary report on the CRA. Recommended format of the summary report would include the following sections:

- Executive Summary;
- Statement of Purpose and Objectives;
- Summary of the Assessment Scope and Risk Tolerance Level;
- Summary of Approach and Work Steps;

- Summary List of Stakeholders and Participants;
- Key Corruption Risk Identified;
- New Corruption Risks and their Risk Ratings;
- Key Mitigating Controls;
- Control Gaps Identified;
- Response Plan;
- Acknowledgements;
- Appendices.

14. End of Process.

Table 5

Risk Treatment Options		
	Risk Treatment	Description
1.	Terminate	<p>A risk associated with the activities resides within a business process. Thus, to terminate a corruption risk is by terminating the business activity.</p> <p>This option is considered limited as a majority of business processes are required for operating an organisation/enterprise.</p>
2.	Reduce	<p>For residual corruption risks which are rated as “HIGH” and “SIGNIFICANT”, the management can choose to reduce the risk rating to “MODERATE” or “LOW”.</p> <p>There are two ways to reduce the residual risk rating:</p> <p>2.1 Introduce additional controls, as the existing controls are inadequate; and/ or,</p> <p>2.2 Enhance the effectiveness of the existing controls by considering one or more of the following:</p> <ol style="list-style-type: none"> i. Training; ii. Communication; iii. Monitoring; iv. Competency; and/or v. Enforcement.
3.	Accept	<p>For corruption risks that are ranked “MODERATE” and “LOW” and that are considered as risks that fall within the risk appetite of the organisation, the management can choose to accept the risk. Once accepted, no further risk action plan needed.</p> <p>Management may choose to implement additional risk mitigation controls if it believes the cost-benefit analysis shows an advantage, but this is not essential.</p> <p>After accepting the risks, management will still need to continuously monitor the effectiveness of the internal controls to ensure that the internal controls are satisfactory at all times.</p>

Note:

The risk treatment option to “Pass-on” or “Transfer” a risk as commonly practised in Enterprise Risk Management (“ERM”) is not applicable to corruption risks. This is because a corruption risk is legally a criminal offence. For example, the strategy to pass-on or transfer the impact of corruption risk by using insurance is not viable, because the insurance coverage does not include criminal offences.

CHART 4a: Flow Chart

STEP 2: Identifying Corruption Risks

Responsibility	Work Process	Timeline
<p>HOO/ OACP TF Members HUI/IO</p>	<p style="text-align: center;">Start session on CRM (CRA + Mitigation Plan)</p> <ol style="list-style-type: none"> 1. Begin with Corruption Risk Assessment (CRA) Process 2. CRA Step 1: Identify and list down corruption risks in all key processes/activities in the organisation/enterprise 3. CRA Step 2 and CRA 2A: Identify root causes (why corruption occurs) and schemes (how corruption perpetrates) using the four Terms of Reference of JAR. 4. CRA Step 2B: Determine consequences or impacts of corruption – the types of damage caused by corruption to the organization. 5. CRA Step 3: Inherent Risk Assess corruption risk against a Risk Matrix of Likelihood of Occurrence and Impact of Corruption by giving a risk rating to each of the corruption risk identified in WP2: CRA Step 1. 6. Determine and rate Probability of Occurrence either as “Almost Certain”, “Likely”, “Moderate”, “Unlikely”, or “Rare” for each of corruption risk. Using Table 2: Likelihood Rating as reference. <p style="text-align: center;">A</p>	<p>3 hrs</p> <p>6 hrs</p> <p>4 hrs</p> <p>4 hrs</p> <p>2 hrs</p>

CHART 4a (continued): Flow Chart
STEP 2: Identifying Corruption Risks

Responsibility	Work Process	Timeline
HOO/ OACP TF Members HUI/IO	<p style="text-align: center;">A</p> <p>7. Assess/Evaluate the magnitude of the potential impact either as “Critical”/“Catastrophic”, “Major”, “Moderate”, “Minor” or “Insignificant” for each corruption risk. Using Table 3: Risk Measurement – Impact and Likelihood as reference</p> <p>8. Using ‘5 by 5 matrix’, calculate Inherent Risk Rating by combining the likelihood and potential impact assessment of each corruption risk resulting in an assessment of inherent corruption risk rating</p> <p>9. CRA Step 4: Identify Control. Identify existing control effectiveness – whether there is a control or otherwise on identified key processes/activities</p> <p>10. CRA Step 5: Evaluate Effectiveness of Internal Control Evaluate control effectiveness and rate as: “Satisfactory”; “Some Weakness”; or “Weak” Refer to Table 4 for rating</p> <p>11. CRA Step 6: Residual Risk Rating. Identify and assess residual risk. Follow the same WP as the inherent risk assessment – use the same methodology and rating as in CRA Step 1 WP2 above – CRA Step 7 WP12.</p> <p style="text-align: center;">B</p>	<p>2 hrs</p> <p>2 hrs</p> <p>3 hrs</p> <p>2 hrs</p> <p>2 hrs</p>

CHART 4a (continued): Flow Chart
STEP 2: Identifying Corruption Risks

Responsibility	Work Process	Timeline
<p>HOO/ OACP TF Members HUI/IO</p>	<pre> graph TD B((B)) --> 12[12. CRA Step 7: Risk Treatment Options] 12 --> 13[13. Prepare a summary report on the CRA which includes the following: • charts and diagrams; • highest inherent risk areas • highest residual risk areas; • high inherent risk areas that have low residual risk areas; • results illustrated by process, business unit or location, etc, and; • conclusion.] 13 --> 14[14. End] </pre> <p>12. CRA Step 7: Risk Treatment Options Determine risk treatment option, i.e. whether to:</p> <ul style="list-style-type: none"> • terminate, • reduce, or • accept. <p>Refer to Table 5 for Risk Treatment Option.</p> <p>13. Prepare a summary report on the CRA which includes the following:</p> <ul style="list-style-type: none"> • charts and diagrams; • highest inherent risk areas • highest residual risk areas; • high inherent risk areas that have low residual risk areas; • results illustrated by process, business unit or location, etc, and; • conclusion. <p>14. End</p>	<p>2 hrs</p> <p>1 day</p> <p>Total: 5 days</p>

CHART 4b: Checklist

STEP 4: Identifying Corruption Risks

Post	Work Process	Tick (✓)	Remarks
STEP 4: IDENTIFYING CORRUPTION RISK			
<p>HOO/ OACP TF Members HIU/IO</p>	<ol style="list-style-type: none"> 1. CRA Step 1: Identify and list down corruption risks in all key processes/activities in the organisation/enterprise. 2. CRA Step 2 and CRA 2A: Identify root causes (why corruption occurs) and schemes (how corruption perpetrates) using the four Terms of Reference of JAR (JAR for public sector). 3. CRA Step 2B: Determine consequences or impacts of corruption – identify the type of damage caused by corruption to the organisation, such as the following: <ol style="list-style-type: none"> 3.1 Financial loss; 3.2 Reputational loss; 3.3 Quality of services; 3.4 Legal compliance; 3.5 Risk of litigation; 3.6 Safety; 3.7 Health; 3.8 Environmental; 3.9 Security; and/or, 3.10 Productivity. 4. CRA Step 3: Inherent Risk Rating – assess the corruption risks against a Risk Matrix of Likelihood of Occurrence and Impact of Corruption by giving a risk rating to each of the corruption risks identified in CRA Step 1 WP2. 5. Determine and rate the Probability of Occurrence either as “Almost Certain”, “Likely”, “Moderate”, “Unlikely”, or “Rare” for each corruption risk. Use Table 2: Likelihood Rating as reference. 6. Assess the magnitude of the potential impact of the corruption risks and rate each of them as as “Critical”/ “Catastrophic”, “Major”, “Moderate”, “Minor” or “Insignificant”. Use Table 3: Risk Measurement – Impact and Likelihood as reference. 		

CHART 4b (continued): Checklist
STEP 4: Identifying Corruption Risks

Post	Work Process	Tick (✓)	Remarks
STEP 4: IDENTIFYING CORRUPTION RISK			
HOO/ OACP TF Members HIU/IO	<ol style="list-style-type: none"> 7. Assess the magnitude of the potential impact of each corruption risk and rate them as “Critical”/ “Catastrophic”, “Major”, “Moderate”, “Minor” or “Insignificant”. Use Table 3: Risk Measurement – Impact and Likelihood as reference. 8. Inherent Risk Rating is calculated by combining the likelihood and potential impact assessment of each corruption risk using the ‘5 by 5 matrix’. 9. CRA Step 4: Identify effectiveness of existing controls of key processes and activities. 10. CRA: Step 5 Evaluate effectiveness of internal controls and rate them as “Satisfactory” or “Some Weakness” or “Weak”. Refer to Table 4. 11. CRA Step 6: Residual Risk Rating: Identify and assess residual risk following the same work process (WP) as for inherent risk assessment. 12. CRA Step 7: Risk Treatment options for residual risk: “TERMINATE”, “REDUCE” or “ACCEPT”. Refer to Table 5 for Risk Treatment Options. 13. A summary report on the CRA. 		

Work Process

STEP 5

DETERMINING PRIORITY AREAS

How? **Translating strategy into an Action Plan**

1. Determine priority areas to be addressed in the Risk Action Plan. Data analysis in Step 2 WP5 can be used as additional reference.
2. Prepare Action Plan. It should include information about:
 - 2.1 risk owner;
 - 2.2 target risk rating after the plan has been implemented;
 - 2.3 person responsible;
 - 2.4 timeline;
 - 2.5 resources; and,
 - 2.6 future re-assessment.
3. Prepare a **Risk Response Plan**. Its contents should include:
 - 3.1 description of each action item;
 - 3.2 implementation timetable; and,
 - 3.3 estimate of resources needed to address each action item (such as, number of individuals, time and budget).

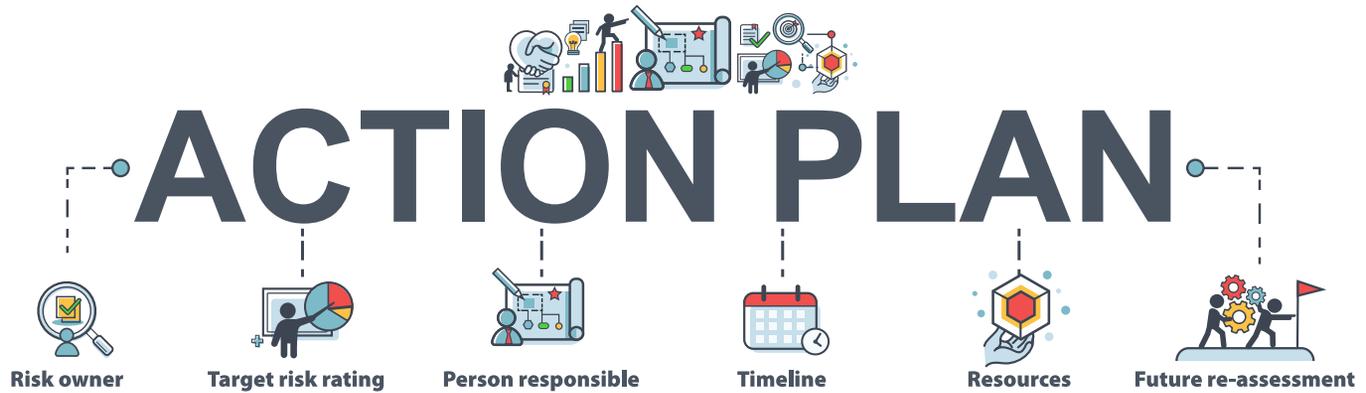
“Agency should put in place appropriate control measures that are proportion to the nature, corruption risks and complexity of the organization.”

Law, Regulation and Source of Authority

- National Anti-Corruption Plan 2019-2023.
- Prime Minister’s Directive No. 1 of 2018, 2nd Series No. 1 of 2019.
- Guideline on Managing Integrity in the Public Sector by the Integrity Unit, 2019.
- Service Circular No. 6 of 2013.
- Prime Minister’s Directive No. 1 of 2018, 1st Series No. 1 of 2019.

Interface/Reference Officer

- Internal facilitator(s); or
- External facilitator(s).



4. Prepare a summary report.
 - 4.1 Summarise and report corruption risks and include a **RISK MAP** (a one page summary of all residual risks) with the overall risk assessment report.
 - 4.2 The recommended format of the summary report would include the following sections:
 - i. Executive Summary;
 - ii. Statement of Purpose and Objectives;
 - iii. Summary of the Assessment Scope and Risk Tolerance Level;
 - iv. Summary of Approach and Work Steps; and,
 - v. Summary List of Stakeholders and Participants;
 - vi. Key Corruption Risk Areas Identified;
 - vii. Key Mitigating Controls;
 - viii. Controls Gaps Identified;
 - ix. Response Plans;
 - x. Acknowledgements; and,
 - xi. Appendices
5. End of process.

CHART 5a: Flow Chart

STEP 5: Determine Priority Areas

Responsibility	Work Process	Timeline
<p>HOO/ OACP TF members HUI/IO</p>	<pre> graph TD Start([Start]) --> Step1[1. Determine priority areas to be addressed in Action Plan] Step1 --> Step2[2. Include information about risk owner, target risk rating, person responsible, timeline, resources and future reassessment] Step2 --> Step3[3. Prepare a Risk Response Plan] Step3 --> Step4[4. Prepare a Summary Report] Step4 --> End([End]) </pre>	<p>4 hrs</p> <p>4 hrs</p> <p>1 day</p> <p>1 day</p> <p>Total: 3 days</p>

CHART 5b: Checklist

STEP 4: Identifying Corruption Risks

Post	Work Process	Tick (-√)	Remarks
STEP 5: DETERMINING PRIORITY AREAS			
<p>HOO TF Members HIU/IO</p>	<ol style="list-style-type: none"> 1. Action Plan should include information about: <ol style="list-style-type: none"> 1.1 risk owner; 1.2 target risk rating after implementation of the plan; 1.3 person responsible; 1.4 timeline; 1.5 resources; and, 1.6 future re-assessment. 2. Risk Response Plan should include: <ol style="list-style-type: none"> 2.1 description of each action item; 2.2 implementation timetable; 2.3 estimate of resources needed to address each actionable item (such as number of individuals, time and budget). 3. Reporting. <ol style="list-style-type: none"> 3.1 Corruption risk report should include a RISK MAP. 3.2 The recommended format of the summary report would include the following sections: <ol style="list-style-type: none"> i. Executive Summary; ii. Statement of Purpose and Objectives; iii. Summary of the Assessment Scope and Risk Tolerance Level; iv. Summary of Approach and Work Steps; v. Summary List of Stakeholders and Participants; vi. Key Corruption Risk Areas Identified; vii. Key Mitigating Controls; viii. Controls Gaps Identified; 		

CHART 5b (continued): Checklist
STEP 4: Identifying Corruption Risks

Post	Work Process	Tick (√)	Remarks
STEP 4: IDENTIFYING CORRUPTION RISK			
	<ul style="list-style-type: none"> ix. Response Plans; x. Acknowledgements; and, xi. Appendices. <p>4. The summary report should include the following charts and diagram of:</p> <ul style="list-style-type: none"> 4.1 highest inherent risk areas; 4.2 highest residual risk areas; 4.3 high inherent risk areas that have low residual risk areas; 4.4 results, as illustrated by process, business unit or location, etc, and, 4.5 conclusion. 		

Work Process STEP 6

SCENARIO PLANNING

What? **Taking into account critical uncertainties in strategic planning.**

1. Discuss with HOO whether to include scenario planning in OACP:

Has the organisation decided on using scenario planning?

(Note: This process is optional. However, Scenario Planning is highly recommended for high-risk ministries, departments, agencies and GLCs.)

2. If yes, the organisation can carry out its own scenario planning process and decide a timeframe for its implementation, or consult with INTAN, MIGHT or other agencies qualified in scenario planning.
3. Identify the key issues using data analysis and environmental analysis.
4. Identify internal and external factors. Brainstorm and list down factors that could affect the key issues. PESTEL analysis can be used for this purpose.
5. Identify critical uncertainties. After you have identified the uncertainties, identify those that have the most impact on the organisation's core services or business.

“

“Scenario planning is highly recommended for high-risk ministries, departments, and agencies.”

”

Law, Regulation and Source of Authority

- National Anti-Corruption Plan 2019-2023.
- Prime Minister's Directive No. 1 of 2018, 2nd Series No. 1 of 2019.
- Guideline on Managing Integrity in the Public Sector by the Integrity Unit, 2019.
- Service Circular No. 6 of 2013.
- Prime Minister's Directive No. 1 of 2018, 1st Series No. 1 of 2019.
- Guideline on Managing Integrity by the Integrity and Governance Unit, 2019.

Interface/Reference Officer

- Internal facilitator(s); or
- External facilitator(s).

6. Model the scenario(s) by using an impact–uncertainty matrix in order to identify the most important and most uncertain factors or trends.
7. Build plausible scenarios based on each of the most uncertain factors or trends that have been identified.
8. Determine, then analyse, the various implications and impacts of each scenario and what they mean for the organisation’s mission and strategic goal-setting.
9. Use the scenarios to develop the OACP, which can then be used to help determine the strategic objectives and direction of the organisation.
10. End of process



CHART 6a: Flow Chart
STEP 6: Scenario Planning

Responsibility	Work Process	Timeline
<p>HOO/ OACP TF members</p>	<pre> graph TD Start([Start]) --> Step1[1. Discuss with HOO whether to include scenario planning in developing OACP] Step1 --> Agree{Agree} Agree -- No --> End1([End]) Agree -- Yes --> Step2a[2. Send email/letter to INTAN, MIGHT or other qualified agencies to appoint consultant for scenario planning in developing OACP.] Agree -- Yes --> Step2b[2. Organise own scenario planning process, e.g. by conducting brainstorming session on salient trends for the organisation and their implications.] Step2a --> Step3[3. Identify the key issues by using data analysis and environmental analysis.] Step2b --> Step3 Step3 --> Step4[4. Identify internal and external factors.] Step4 --> Step5[5. Identify critical uncertainties.] Step5 --> Step6[6. Construct the logic of scenario(s) using an impact – uncertainty matrix.] Step6 --> Step7[7. Build plausible scenarios based on each of the identified critical uncertainties.] Step7 --> Step8[8. Analyse the impacts and their alternatives.] Step8 --> Step9[9. Use the scenarios to develop the OACP, which can then be used to set the strategic objectives and direction of the organisation.] Step9 --> End2([10. End]) </pre>	<p>1 hr</p> <p>2 hrs</p> <p>4 hrs</p> <p>4 hrs</p> <p>5 hrs</p> <p>4 hrs</p> <p>4 hrs</p> <p>4 hrs</p> <p>4 hrs</p> <p>Total: 4 days</p>

CHART 6b: Checklist
STEP 6: Scenario Planning

Post	Work Process	Tick (√)	Remarks
STEP 4: IDENTIFYING CORRUPTION RISK			
HOO/ OACP TF Members HIU/IO	<ol style="list-style-type: none"> 1. Discuss with HOO whether to include scenario planning in developing an OACP. 2. Consult with INTAN, MIGHT or other qualified agencies and set date for scenario planning workshop. 3. Identify key issues by using data analysis and environmental analysis. 4. Identify internal and external factors that could affect the key issues. 5. Identify critical uncertainties, i.e. key factors that have the most impact on the organisation's core activities or business. 6. Construct the logic of the scenarios. 7. Build plausible scenarios based on each of the identified critical uncertainties. 8. Analyse the implications each scenario for the organisation's mission and strategic goal-setting. 9. Use the scenarios to develop the OACP, which can then be used to help set the strategic objectives and direction of the organisation. 		

Work Process STEP 7

PREPARING STRATEGIES AND ACTION PLAN

How?

Coordinating crucial steps for implementation of Action Plan.

1. Prepare OACP

Ensure the essential contents of the draft plan follow the recommendations, below:

- 1.1 List of Acronyms and Abbreviations;
- 1.2 Definitions;
- 1.3 Executive Summary;
- 1.4 Introduction;
- 1.5 Background;
- 1.6 Issues and Challenges (faced by the organisation);
- 1.7 Data Analysis (with infographics);
- 1.8 Corruption Risk Assessment;
- 1.9 Organisational Priority Areas;
- 1.10 OACP Framework (strategic organisational plan, with explanations);
- 1.11 Strategies and Plan of action which include the various initiatives.
- 1.12 Implementation, Monitoring and Evaluation Mechanism;
- 1.13 Measuring Impacts (with indicators);

“

“Action Plan should be made publicly available and should also be appropriately communicated to all personnel.”

”

Law, Regulation and Source of Authority

- National Anti-Corruption Plan 2019-2023.
- Prime Minister’s Directive No. 1 of 2018, 2nd Series No. 1 of 2019.
- Guideline on Managing Integrity in the Public Sector by the Integrity Unit, 2019.
- Service Circular No. 6 of 2013.
- Prime Minister’s Directive No. 1 of 2018, 1st Series No. 1 of 2019.
- Guideline on Managing Integrity by the Integrity and Governance Unit, 2019.

Interface/Reference Officer

- Internal facilitator(s); or
- External facilitator(s).

- 1.14 Conclusion; and,
- 1.15 Appendices.
2. Equally important contents to be included are as follows:
 - 2.1 Statements of commitment by relevant minister, SC and HOO;
 - 2.2 Preface by CIO;
 - 2.3 Acknowledgements; and,
 - 2.4 Members of editorial committee.
3. Present OACP at JAR meeting.
4. Approve strategies and action plan at JAR meeting
5. Upload OACP to the organisation's website upon its approval.
6. Send approved OACP to Finance/Procurement Division for printing.
 - 6.1 Send copies of OACP book to:
 - 6.2 GIACC (one copy);
 - 6.3 MACC (one copy);
 - 6.4 National Archive (two copies) and,
 - 6.5 the organisation's library (one copy).
7. Organise briefings on the OACP for all staff, intermediaries and vendors, and distribute the OACP book to them.



8. Organise an event to launch the implementation of the OACP.
9. End of process.

CHART 7a: Flow Chart

STEP 7: Preparing Strategies and Action Plan

Responsibility	Work Process	Timeline
HOO/ OACP TF Members/ HIU/IO	<pre> graph TD Start([Start]) --> 1[1. Prepare draft on developing OACP] 1 --> 2[2. Add important contents such as statements of commitment, preface and acknowledgements] 2 --> 3[3. Present OACP at JAR meeting for approval] 3 --> 4{4. Approved?} 4 -- No --> Amend[Make amendments and corrections] Amend --> 3 4 -- Yes --> 5[5. Upload OACP to the organisation's website] 4 -- Yes --> 6[6. Send approved OACP draft to Finance/ Procurement Division for printing] 6 --> Distribute[Send copies of OACP book to: • GIACC (1) • MACC (1) • National Archive (2) • Organisation's library (1)] 5 --> 7[7. Organise briefings on the OACP for all staff and vendors/intermediaries, and distribute the OACP book to them] 6 --> 7 7 --> 8[8. Organise an event to launch the implementation of the OACP] 8 --> 9([9. End]) </pre>	15 days 2 days 1 day 1 day 1 day 1 day Total: 21 days

CHART 7b: Checklist

STEP 7: Preparing Strategies and Action Plan

Post	Work Process	Tick (-√)	Remarks
STEP 7: PREPARING STRATEGIES AND ACTION PLAN			
<p>HOO/ OACP TF members HIU/IO</p>	<ol style="list-style-type: none"> 1. Drafting the OACP – essential contents: <ol style="list-style-type: none"> 1.1 List of Acronyms and Abbreviations; 1.2 Definitions; 1.3 Executive Summary; 1.4 Introduction; 1.5 Background; 1.6 Issues and Challenges (faced by the organisation); 1.7 Data Analysis (with infographics); 1.8 Corruption Risk Assessment; 1.9 Organisational Priority Areas; 1.10 OACP Framework (strategic organisational plan and the various initiatives, with explanation): <ol style="list-style-type: none"> i. vision; ii. mission; iii. strategic goal; iv. objectives; v. strategies; vi. initiatives. 1.11 Implementation, Monitoring and Evaluation Mechanism; 1.12 Measuring Impacts (with indicators); 1.13 Conclusion; and, 1.14 Appendices. 2. Other important contents to be added are as follows: <ol style="list-style-type: none"> 2.1 Statements of Commitment by relevant minister, SC and HOO: 2.2 Preface by CIO: 2.3 Acknowledgements; and, 2.4 Editorial Committee. 		

CHART 7b (continued): Checklist

STEP 7: Preparing Strategies and Action Plan

Post	Work Process	Tick (-v)	Remarks
STEP 7: PREPARING STRATEGIES AND ACTION PLAN			
HOO/ OACP TF members HIU/IO	<ol style="list-style-type: none"> 3. Present OACP for approval at JAR Meeting. 4. Approve strategies and action plan at JAR meeting. 5. Upload OACP to the organisation’s website. 6. Send OACP draft to Finance/ Procurement Division for printing; <ol style="list-style-type: none"> 6.1 Send copies of printed OACP book to: GIACC (one copy); 6.2 MACC (one copy); 6.3 National Archive (two copies); and, 6.4 the organisation’s library (one copy). 7. Organise talks on OACP and circulate OACP book to all staff and selected vendors. 8. Organise an event to launch the implementation of the OACP. 		

Work Process

STEP 8

DETERMINING A MONITORING AND EVALUATION MECHANISM

Why? Ensuring the effectiveness of the plan.

1. Implement OACP for Year-1.
2. Invite HOO and management to participate in the implementation of selected programmes and activities of OACP.
3. Any change in organisational policy, laws and regulations affecting the organisation during the first year of implementation?
4. If yes, conduct a risk assessment of the new organisational policy, laws and regulations (Repeat CRA Step 1 WP 2: Identify Corruption Risks until CRA Step 7 WP 12) If no, proceed to the next WP.
5. Collect data/information to evaluate OACP after one year of implementation.
6. Prepare OACP Year-1 Evaluation Report and include CRM Report and adjustment of strategies (if any).
7. Present OACP Year-1 Evaluation Report at ministry/ department/agency JAR meeting for endorsement.
8. If not endorsed, return Evaluation Report to officer/ writer for amendments and corrections.

“

“The monitoring and evaluation should form the basis to improve the existing anti-corruption controls in the organisation.”

”

Law, Regulation and Source of Authority

- National Anti-Corruption Plan 2019-2023.
- Prime Minister’s Directive No. 1 of 2018, 2nd Series No. 1 of 2019.
- Guideline on Managing Integrity in the Public Sector by the Integrity Unit, 2019.
- Service Circular No. 6 of 2013.
- Prime Minister’s Directive No. 1 of 2018, 1st Series No. 1 of 2019.
- Guideline on Managing Integrity by the Integrity and Governance Unit, 2019.

Interface/Reference Officer

- JAR Committee Members.
- HOO.
- MGT.

9. If endorsed, take the following actions:
 - 9.1 Organise briefings for staff and third parties if there are major amendments and corrections to the OACP;
 - 9.2 Upload OACP to the organisation's website; and,
 - 9.3 Send a copy of the report to GIACC and the JAR Secretariat.
10. Implement OACP for Year-2 and proceed to the next process.
11. Invite HOO and management to participate in selected programmes and activities.
12. Any change in organisational policy, or laws and regulations affecting the organisation during the second year of implementation?
13. If yes, conduct a risk assessment of the new organisational policy, laws and regulations (Repeat CRA Step 1 WP 2: Identify Corruption Risks until CRA Step 7 WP 12: Risk Treatment Option). If No, proceed to the next WP.
14. Collect data/information to evaluate OACP after two years of implementation.
15. Prepare OACP Year-2 Evaluation Report and include CRA and adjustment of strategies (if any).
16. Present OACP Year-2 Evaluation Report at ministry/department/agency JAR meeting for endorsement.
17. If not endorsed, return Evaluation Report to officer/writer for amendments and corrections.
18. If endorsed, take the following actions:
 - 18.1 Organise briefings for staff and third parties if there are major amendments and corrections to OACP;
 - 18.2 Upload report to the organisation's website; and,
 - 18.3 Send a copy of the report to GIACC and the JAR Secretariat.
19. Implement OACP for Year-3.
20. Invite HOO and management to participate in selected programmes and activities.
21. Any change of organisational policy, laws and regulations affecting the organisation during the third year of implementation?
22. If yes, conduct risk assessment of the new organisational policy, laws and regulations. (Repeat CRA Step 1 WP 2: Identify Corruption Risks until CRA Step 7 WP 12: Risk Treatment Option). If No, proceed to next process.
23. Prepare a Midterm Review Report on OACP implementation and proceed to next process.
24. Collect data/information for Midterm Review Report on OACP (after three years of implementation).

25. Present OACP Midterm Review Report, providing recommendations on the way forward, at ministry/department/agency JAR meeting for approval.
26. If not approved, return the Midterm Review Report to its officer/writer to make amendments and corrections.
27. If approved, take the following actions:
 - 27.1 Organise briefings for staff and third parties on major amendments and corrections to OACP (if any);
 - 27.2 Upload report to the organisation's website; and,
 - 27.3 Send a copy of the report to GIACC and the JAR Secretariat.
28. Implement OACP for Year-4.
29. Invite HOO and management to participate in selected programmes/activities.
30. Any change of organisational policy, laws and regulations affecting the organisation during the third year of implementation?
31. If yes, conduct risk assessment of the new organisational policy, laws and regulations. (Repeat CRA Step 1 WP 2: Identify Corruption Risks until CRA Step 7 WP 12: Risk Treatment Option). If no, proceed to the next process.
32. Collect data/information to evaluate OACP after four years of implementation.
33. Prepare OACP Year-4 Evaluation Report.
34. Present OACP Year-4 Evaluation Report at ministry/department/agency JAR meeting for endorsement.
35. If not endorsed, return Evaluation Report to officer/writer to make amendments and corrections.
36. If endorsed, take the following actions:
 - 36.1 Organise briefings for staff and third parties if there are major amendments and/or corrections to the OACP;
 - 36.2 Inform staff via the website if there are minor amendments and corrections to the OACP; and,
 - 36.3 Send a copy of the report to GIACC and the JAR Secretariat.
37. Implement OACP for Year-5.
38. Invite HOO and/or management to participate in selected programmes/activities.
39. Any change in organisational policy, laws and regulations affecting the organisation during the third year of implementation?

40. If yes, conduct risk assessment of the new organisational policy, laws and regulations. (Repeat CRA Step 1 WP 2: Identify Corruption Risks until CRA Step 7 WP 12: Risk Treatment Option). If No, proceed to the next process.
41. Collect data/information to review/evaluate OACP after five years of implementation.
42. Prepare OACP Five-Year Evaluation Report.
43. Present OACP Five-Year Evaluation Report in ministry/ department/Agency JAR Meeting for endorsement.
44. If not endorsed, send the draft back to the officer/ writer to make amendments and corrections.
45. If endorsed, upload the report to the organisation's website.
46. Send a copy of the Report to GIACC and the JAR Secretariat.
47. End of process.



CHART 8a: Flow Chart

STEP 8: Determining a Monitoring and Evaluation Mechanism

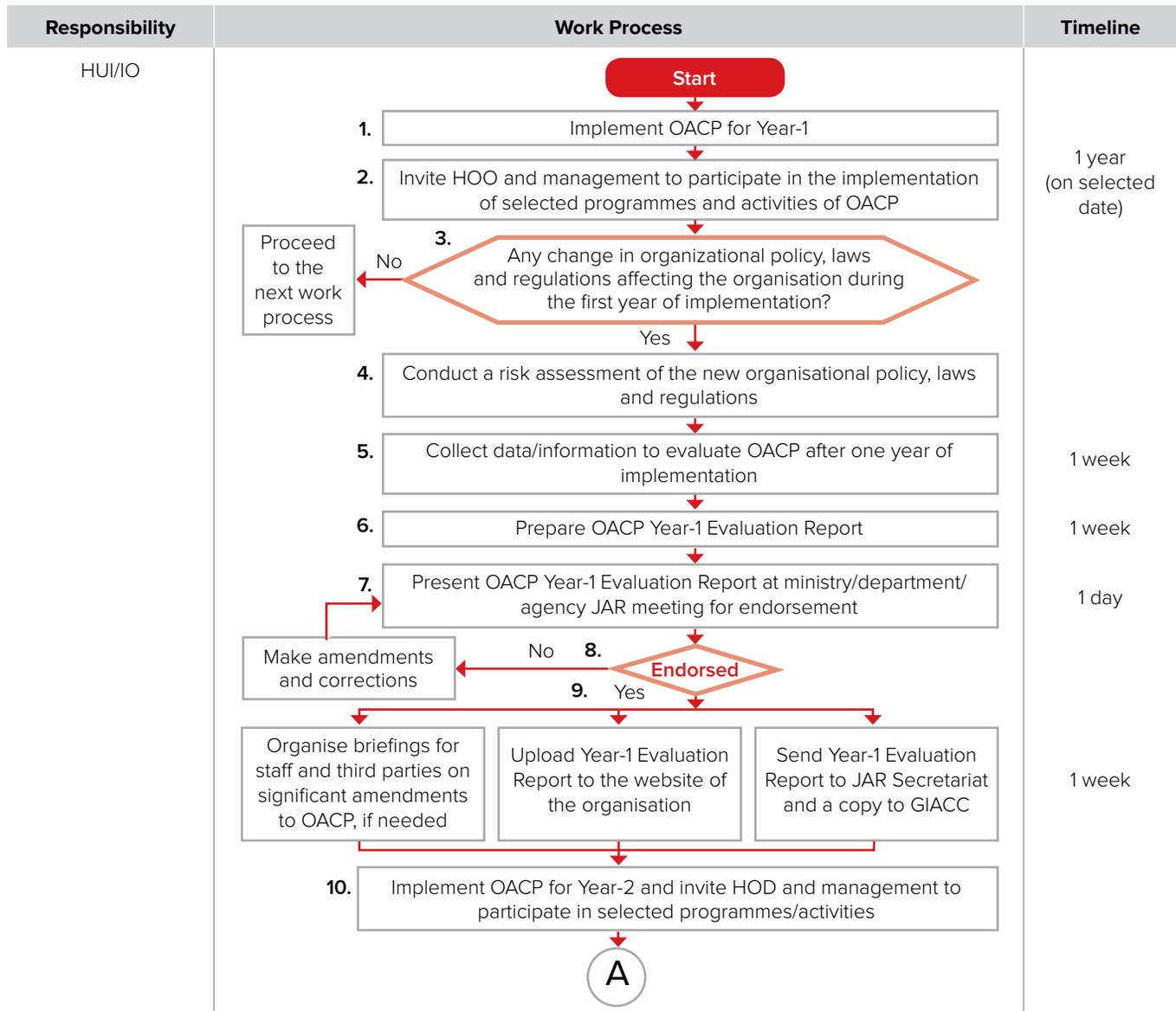


CHART 8a (continued): Flow Chart

STEP 8: Determining a Monitoring and Evaluation Mechanism

Responsibility	Work Process	Timeline
HUI/IO	<pre> graph TD A((A)) --> 11[11. Invite HOO and management to participate in the implementation of selected programmes and activities] 11 --> 12{12. Any change in organizational policy, laws and regulations affecting the organisation during the first year of implementation?} 12 -- No --> Next[Proceed to the next work process] 12 -- Yes --> 13[13. Conduct a risk assessment of the new organisational policy, laws and regulations] 13 --> 14[14. Collate data/information to evaluate OACP after two years of implementation] 14 --> 15[15. Prepare OACP Year-2 Evaluation Report] 15 --> 16[16. Present OACP Year-2 Evaluation Report at ministry/department/agency JAR meeting for endorsement] 16 --> 17{17. Endorsed} 17 -- No --> Amend[Make amendments and corrections] Amend --> 16 17 -- Yes --> 18.1[18.1 Organise briefings for staff and third parties on amendments to OACP if needed] 17 -- Yes --> 18.2[18.2 Upload Year-2 Evaluation Report to the website of the organisation] 17 -- Yes --> 18.3[18.3 Send approved report to JAR Secretariat and a copy to GIACC] 18.1 --> 19[19. Implement OACP for Year-3 and invite HOD and management to participate in selected programmes/activities] 18.2 --> 19 18.3 --> 19 19 --> B((B)) </pre>	<p>1 week</p> <p>1 week</p> <p>1 day</p> <p>1 day</p> <p>1 week</p> <p>1 year</p>

CHART 8a (continued): Flow Chart

STEP 8: Determining a Monitoring and Evaluation Mechanism

Responsibility	Work Process	Timeline
HUI/IO	<pre> graph TD B((B)) --> 20[20. Invite HOO and management to participate in the implementation of selected programmes and activities] 20 --> 21{21. Any change in organizational policy, laws and regulations affecting the organisation during the first year of implementation?} 21 -- No --> Next[Proceed to the next work process] 21 -- Yes --> 22[22. Conduct a risk assessment of the new organisational policy, laws and regulations] 22 --> 23[23. Prepare Midterm Review Report on OACP after 3 years of implementation] 23 --> 24[24. Collate data/information for midterm review of OACP (after three years of implementation)] 24 --> 25[25. Present OACP Midterm Review Report at ministry/department/ agency JAR meeting for approval] 25 --> 26{26. Approved} 26 -- No --> Amend[Make amendments and corrections] Amend --> 25 26 -- Yes --> 27[27.] 27 --> 27.1[27.1 Organise briefings for staff and third parties on the amendments to OACP if needed] 27 --> 27.2[27.2 Upload Midterm Review Report to the website of the organisation] 27 --> 27.3[27.3 Send Midterm Review Report to JAR Secretariat, and a copy to GIACC] 27.1 --> C((C)) 27.2 --> C 27.3 --> C </pre>	<p>3 weeks</p> <p>2 weeks</p> <p>1 week</p> <p>1 day</p> <p>1 week</p>

CHART 8a (continued): Flow Chart

STEP 8: Determining a Monitoring and Evaluation Mechanism

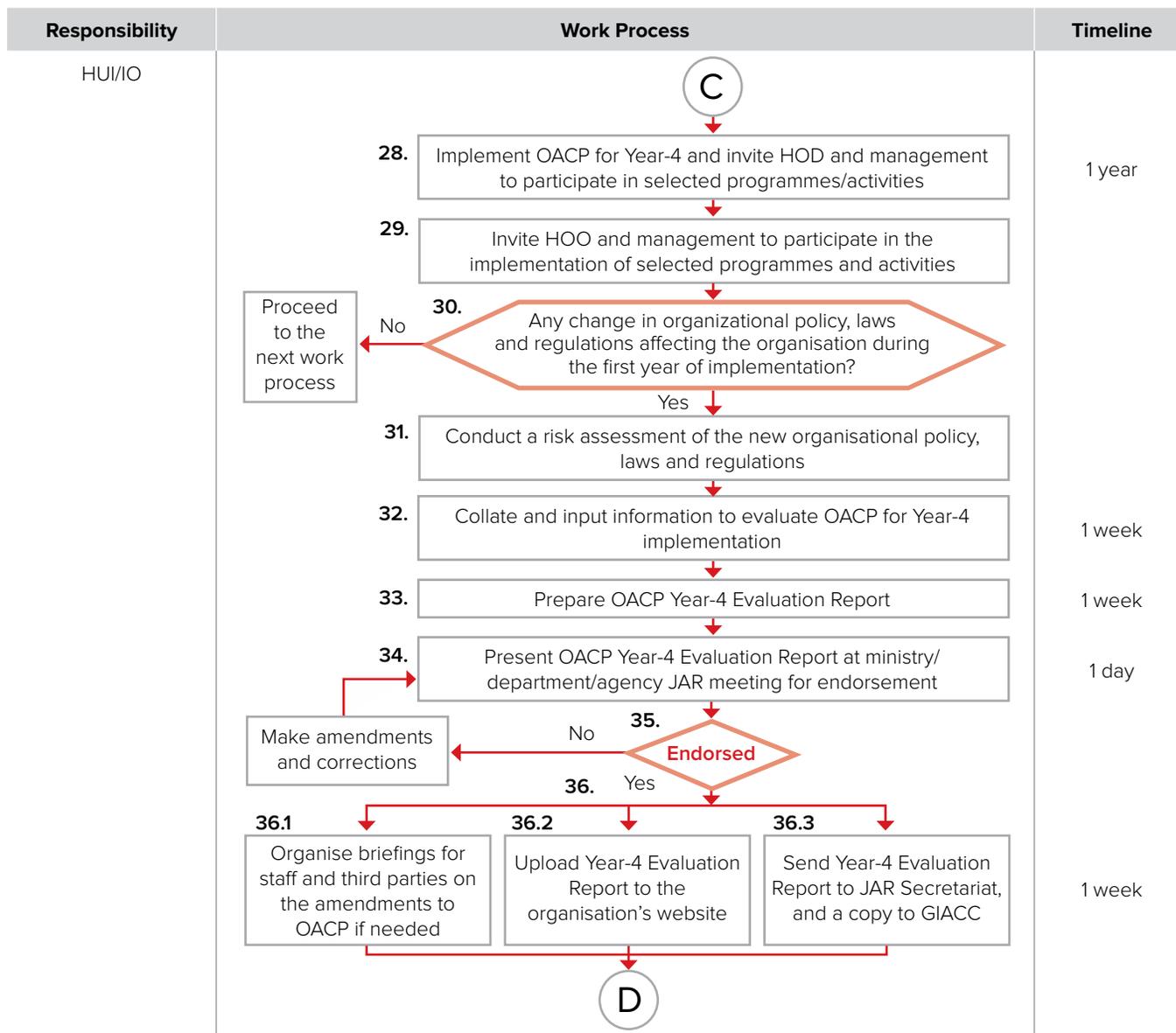


CHART 8a (continued): Flow Chart

STEP 8: Determining a Monitoring and Evaluation Mechanism

Responsibility	Work Process	Timeline
HUI/IO	<pre> graph TD D((D)) --> 37[37. Implement OACP for Year-5 and invite HOO and management to participate in selected programmes/activities] 37 --> 38[38. Invite HOO and management to participate in the implementation of selected programmes and activities] 38 --> 39{39. Any change in organizational policy, laws and regulations affecting the organisation during the first year of implementation?} 39 -- No --> Next[Proceed to the next work process] 39 -- Yes --> 40[40. Conduct a risk assessment of the new organisational policy, laws and regulations] 40 --> 41[41. Collate data/information to review/evaluate OACP after five years of implementation] 41 --> 42[42. Prepare OACP Five-Year (Final Year) Evaluation Report] 42 --> 43[43. Present OACP Final Year Evaluation Report at ministry/department/agency JAR meeting for endorsement] 43 --> 44{44. Endorsed?} 44 -- No --> Amend[Make amendments and corrections] Amend --> 43 44 -- Yes --> 45[45. Upload Final Report to the website of the organisation] 44 -- Yes --> 46[46. Send Final Report to JAR Secretariat, and a copy each to GIACC and MACC] 45 --> 47[47. End] 46 --> 47 </pre>	<p>1 year</p> <p>2 weeks</p> <p>2 weeks</p> <p>1 day</p> <p>1 day</p>

CHART 8b: Checklist

STEP 8: Determining a Monitoring and Evaluation Mechanism

Post	Work Process	Tick (✓)	Remarks
STEP 8: DETERMINING A MONITORING AND EVALUATION MECHANISM			
HIU/IO	<p>1. Implementation of OACP – Year One</p> <p>1.1 Invite HOO and/or MGT to attend selected programmes and activities of OACP.</p> <p>1.2 Prepare text of speech if HOO/MGT officiates the programme/activities.</p> <p>1.3 HOO/MGT must be briefed on objectives, agenda, VIPs in attendance, HOO/MGT roles in the programme and other relevant information.</p> <p>1.4 Corruption risk assessment must be conducted if there are changes in organisational policy, laws and regulations and key processes. Repeat Step 4: CRA Step 2 WP 2 – CRA Step 7 WP 12.</p> <p>1.5 Monitoring of implementation is done by IU/IGU (GLC).</p> <p>1.6 Progress of OACP initiatives/programming/ activities must be evaluated at the end of the year.</p> <p>1.7 Progress report must be prepared by OACP TF/HIU and presented at the organisation’s JAR meeting.</p> <p>1.8 Once the report is endorsed at the JAR meeting, it is uploaded to the organisation’s website.</p> <p>1.9 If there are major amendments, HIU/IO should organise briefings for staff and third parties.</p> <p>1.10 Inform staff via the website if amendments to the OACP are only minor.</p> <p>1.11 Send a copy each of the Progress Report to the JAR Secretariat and GIACC for their records.</p>		

CHART 8b (continued): Checklist

STEP 8: Determining a Monitoring and Evaluation Mechanism

Post	Work Process	Tick (✓)	Remarks
STEP 8: DETERMINING A MONITORING AND EVALUATION MECHANISM			
HIU/IO	<p>2. Implementation of OACP – Year Two</p> <p>2.1 Invite HOO and/or MGT to attend selected programmes and activities of OACP.</p> <p>2.2 Prepare text of speech if HOO/MGT will officiate the programmes/activities.</p> <p>2.3 HOO/MGT must be briefed on objective, agenda, VIPs in attendance, HOO/MGT roles in the program and other relevant information.</p> <p>2.4 Corruption risk assessment must be conducted if there are changes in organisational policy, laws and regulations and key processes. Repeat Step 4: CRA Step 2 WP 2 – CRA Step 7 WP 12.</p> <p>2.5 Monitoring of implementation is done by IU.</p> <p>2.6 Progress on OACP programmes and activities must be evaluated at the end of the year.</p> <p>2.7 Progress report must be presented at the organisation’s JAR meeting.</p> <p>2.8 Once the report is endorsed at the JAR meeting, it is uploaded to the organisation’s website.</p> <p>2.9 If there are major amendments to the OACP, HIU/IO should brief staff and third parties on them.</p> <p>2.10 Inform staff via the website of minor amendments to the OACP.</p> <p>2.11 A copy of the Progress Report is sent to the JAR Secretariat and GIACC for the record.</p>		

CHART 8b (continued): Checklist

STEP 8: Determining a Monitoring and Evaluation Mechanism

Post	Work Process	Tick (-√)	Remarks
STEP 8: DETERMINING A MONITORING AND EVALUATION MECHANISM			
HIU/IO	<p>3. Implementation of OACP – Year Three</p> <p>3.1 Invite HOO and/or MGT to attend selected programmes and activities related to OACP.</p> <p>3.2 Prepare speech if HOO/MGT officiates the programme/activities.</p> <p>3.3 HOO/MGT must be briefed on objective, agenda, VIPs in attendance, HOO/MGT roles in the programme and other relevant information.</p> <p>3.4 Corruption risk assessment must be conducted if there are changes in organisational policy, laws and regulations, and key processes. Repeat Step 4: CRA Step 2 WP 2 – CRA Step 7 WP 12.</p> <p>3.5 Monitoring of implementation is done by IU.</p> <p>3.6 In its third year of implementation, there should be a mid-term review of the OACP. Evaluation of initiatives/ programmes/activities must be conducted at the end of the year.</p> <p>3.7 The Midterm Review Report must be presented at the organisation’s JAR meeting.</p> <p>3.8 Once the report is endorsed at the JAR meeting, it is uploaded to the organisation’s website.</p> <p>3.9 If there are major amendments to the OACP, HIU/IO should brief staff and third parties on them.</p> <p>3.10 If there are only minor amendments to OACP, staff can be informed via the organisation’s website.</p> <p>3.11 A copy of the Mid-term Review Report is sent to the JAR Secretariat and GIACC for the record.</p>		

CHART 8b (continued): Checklist

STEP 8: Determining a Monitoring and Evaluation Mechanism

Post	Work Process	Tick (✓)	Remarks
STEP 8: DETERMINING A MONITORING AND EVALUATION MECHANISM			
HIU/IO	<p>4. Implementation of OACP – Year Four</p> <p>4.1 Invite HOO and/or MGT to attend selected OACP programmes and activities.</p> <p>4.2 Prepare a speech if HOO/MGT officiate the programme/activities.</p> <p>4.3 HOO/MGT must be briefed on objectives, agenda, VIPs in attendance, HOO/MGT roles under the programme, and other relevant information.</p> <p>4.4 A corruption risk assessment must be conducted if there are changes in organisational policy, laws and regulations and key processes. Repeat Step 4: CRA Step 2 WP 2 – CRA Step 7 WP 12.</p> <p>4.5 Implementation monitoring is done by IU.</p> <p>4.6 The progress of OACP initiatives/programmes/ activities must be evaluated at the end of the year.</p> <p>4.7 The progress report must be prepared and presented at the organisation’s JAR meeting.</p> <p>4.8 Once the report is endorsed at the JAR meeting, it is uploaded to the organisation’s website.</p> <p>4.9 If there are major amendments to the OACP, HIU/IO should brief staff and third parties on them.</p> <p>4.10 If there are only minor amendments to the OACP, staff can be informed via the organisation’s website.</p> <p>4.11 A copy each of the Progress Report is sent to the JAR Secretariat and GIACC for the record.</p>		

CHART 8b (continued): Checklist

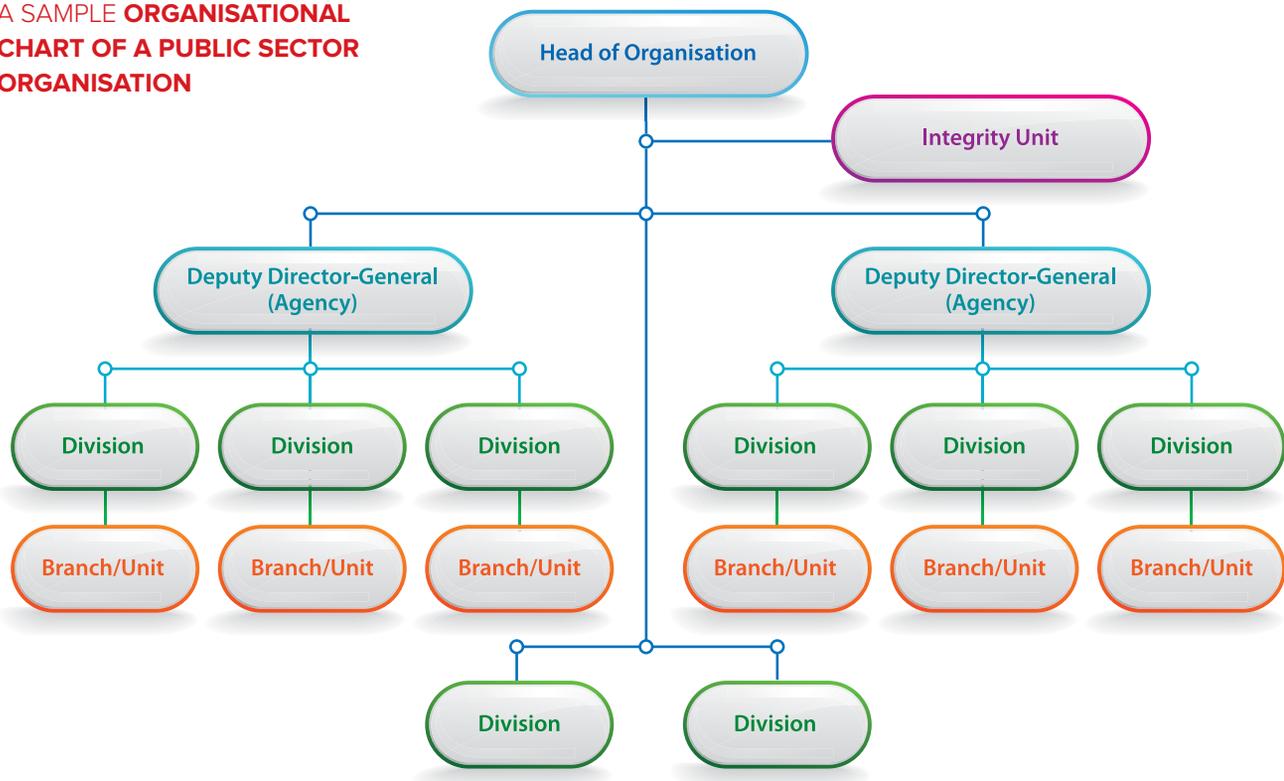
STEP 8: Determining a Monitoring and Evaluation Mechanism

Post	Work Process	Tick (✓)	Remarks
STEP 8: DETERMINING A MONITORING AND EVALUATION MECHANISM			
HOO/ MGT HIU/IO	<p>5. Implementation of OACP – Year-Five</p> <p>5.1 Invite HOO and/or MGT to attend selected programmes and activities of the OACP.</p> <p>5.2 Prepare a speech if HOO/MGT officiates any programmes/activities.</p> <p>5.3 HOO/MGT must be briefed on objectives, agenda, VIPs in attendance, HOO/MGT roles under the programme and other relevant information.</p> <p>5.4 A corruption risk assessment must be conducted if there are changes in organisational policy, laws and regulations and key processes. Repeat Step 4: CRA Step 2 WP 2 – CRA Step 7 WP 12.</p> <p>5.5 Implementation is done by the IU.</p> <p>5.6 Year Five is the final year of OACP implementation. Hence, an evaluation of the effectiveness of its initiatives/programmes/ activities must be carried out at the end of the year.</p> <p>5.7 The Final Year Report, with recommendations for the future, must be presented at the organisation’s JAR meeting.</p> <p>5.8 Once the report is endorsed, it is uploaded to the organisation’s website.</p> <p>5.9 A copy of the Final Year Report is sent to the following:</p> <ul style="list-style-type: none"> a) JAR Secretariat; b) GIACC; and, c) MACC, for the record. 		

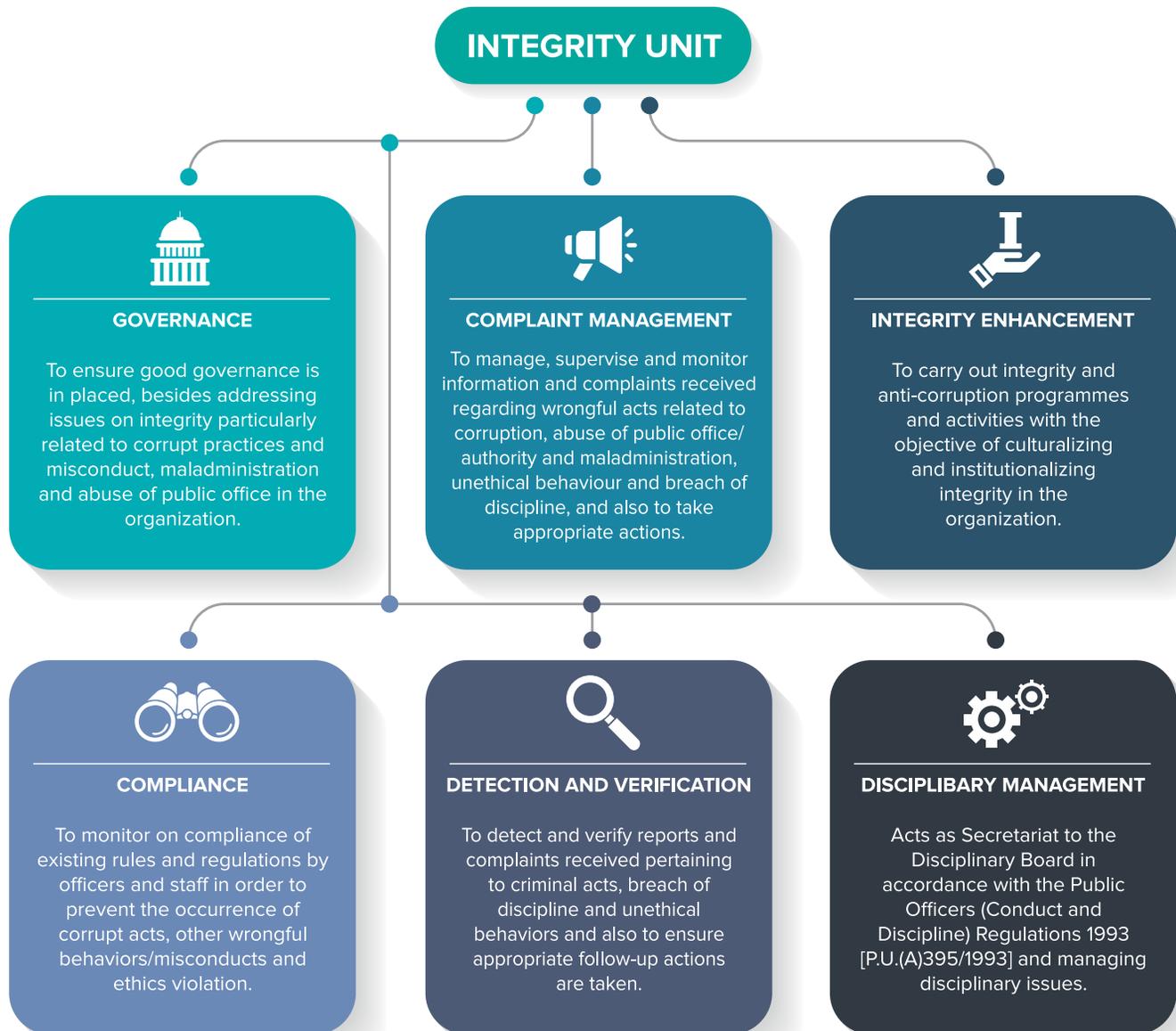
4 INTEGRITY UNIT

- 4.1 The IU is the organisation's focal point for implementing the OACP. Based on paragraph 3 and 7 on page 9 of this Guide, the IU is directly responsible to the HOO, as illustrated in the following chart.

A SAMPLE **ORGANISATIONAL CHART OF A PUBLIC SECTOR ORGANISATION**



4.2 KEY FUNCTIONS OF THE INTEGRITY UNIT



4.3 **Activities of the IU**

This unit is responsible for six main functions:

4.3.1 **Governance**

The preparation, review, updating and implementation of a plan;

- i. Whistleblower protection policy;
- ii. The organisation's code of ethics;
- iii. The National Anti-Corruption Plan;
- iv. The Organisational Anti-Corruption Plan;
- v. Malaysian Standard MS ISO 37001:2016 Anti-Bribery Management System (ABMS);
- vi. 'Anti-Bribery Policy';
- vii. National Audit Report; and,
- viii. Corruption-Free Pledge.

4.3.2 **Complaints Management**

- i. The development of an IU standard operating procedure on complaints management, Integrity Violation Reporting System, and Complaints and Report Evaluation Committee.
- ii. To provide feedback to complainants.

4.3.3 **Integrity Enhancement**

To carry out:

- i. Advocacy programmes on integrity, such as monthly talks, the publication of articles and bulletins on integrity,
- ii. Integrity enhancement programmes in the public sector (PIPA) and Inculcation of Islamic Values (PNI);

- iii. SMART Integrity; and,
- iv. No-Gift Policy campaign.

4.3.4 **Compliance**

- i. Monitor the implementation of remedial actions to follow up on the findings of an audit report
- ii. Monitor compliance with an organisation's code of ethics;
- iii. Mystery Shopping;
- iv. Inspect internal finance;
- v. Issue Periodic reminders on organisational rules and regulations; and,
- vi. Regularly advise employees on forms of bribery and corruption such as sponsorships, gifts and donations.

4.3.5 **Detection and Verification**

- i. To develop standard operating procedures for the organisation;
- ii. To design specific processes for the purposes of detection and verification; and,
- iii. To enhance the organisation's competency by sending officers for training in related fields.

4.3.6 **Disciplinary Management**

Attend courses and workshops on disciplinary proceedings and management.

4.4 The Role of CIO

The role of the CIO is outlined in the Guide Book on Integrity Management in Public Sector Agencies (MACC, 2019). The CIO is the lead officer in writing, implementing and evaluating the implementation of the OACP, specifically, and on the NACP, in general. The CIO's duties are as follows:

- i. To ensure the independence of IU in discharging its duties and responsibilities without any undue influence of any party;
- ii. To advise the management on aspects of integrity;
- iii. To develop an Organisational Anti-Corruption Plan based on the NACP;
- iv. To coordinate, supervise, monitor and evaluate the organisation's integrity programmes;
- v. To carry out integrity benchmarking programmes with other public sector organisations for continual improvement;
- vi. To ensure compliance with rules, regulations and directives by all staff;
- vii. To ensure periodic reports on the implementation of the IU's functions and duties are submitted to HOO, BPIA and MACC;
- viii. To ensure that risk management and the organisation's integrity issues are treated professionally, efficiently and promptly;
- ix. To develop a good working relationship with the management and staff of the organisation and to avoid any act that creates disharmony in the office environment;
- x. To avoid any act that will be tantamount to conflict of interest while discharging his or her duties;
- xi. To implement programmes to cultivate and institutionalise integrity in the organisation; and,
- xii. To create a good working relationship with top management in order to strengthen awareness of the need for anti-corruption measures and integrity.

5 CONCLUSION

The successful implementation of the OACP and its continuing effectiveness will largely depend on the commitment of the organisation's leadership. This requires hands-on management, follow-up action and full compliance. Other critical factors are the continuous support and participation of officers of all levels, and all the staff of the organisation, who must regard the need to improve governance, internalise integrity and fight corrupt practices as part of the national agenda. They must appreciate the tireless effort and sacrifice that a long-term reform plan requires.



PRIME MINISTER'S DEPARTMENT



ISBN 978-967-17951-1-8



9 789671 795118