

Strengthening governance

New year, new rules

From 1 June 2020, the highly anticipated Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act will take effect. This means that the top management – including the board of directors – may be liable regardless of if they had knowledge of the corrupt acts committed.

This new provision has thrown a spotlight on the role of the private sector in relation to one of the hottest topics in Malaysia today.

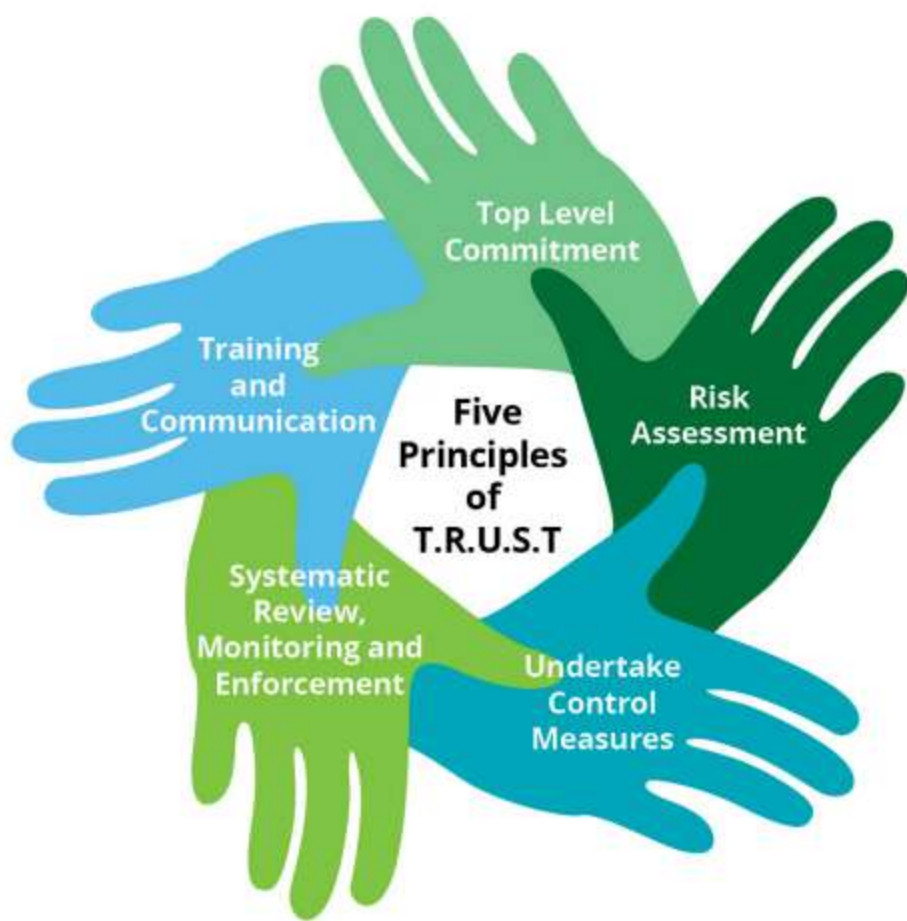
The good news is that companies can put in place 'adequate procedures' to protect themselves (and their senior management) by ensuring that there are appropriate processes, procedures and controls to address the risk of bribery and corruption.

TRUST and trust

The adequate procedures issued follows a framework denoted by the acronym TRUST. More broadly speaking, studies have shown that businesses who have earned the trust of their customers and other stakeholders have a better reputation, stronger brand and perform better. Unfortunately, it takes a lot of time and effort to build trust, while trust can be destroyed quickly.



Oo Yang Ping (standing) leads the Deloitte Malaysia's Forensic team, with the support of Sasikala Kandiah, Investigations Director (3rd from left).



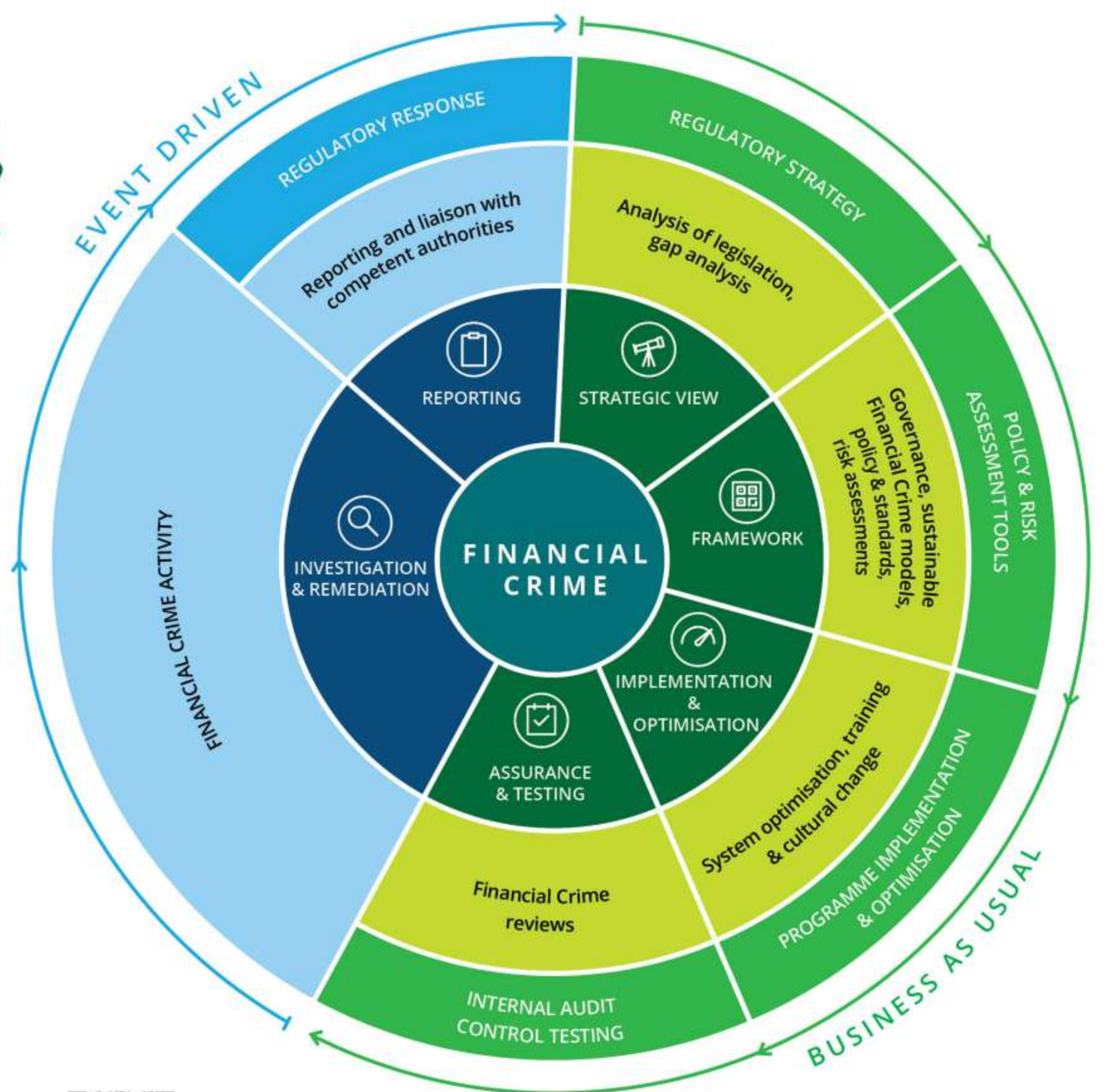
Readiness, response and recovery

How do organisations take steps to build, maintain and protect this trust?

1. Develop a shared commitment against bribery and corruption, starting from the top of the organisation.
2. Build and maintain an anti-corruption culture of compliance, highlighting the need to do business in an honest, ethical and legally compliant manner.
3. Implement a smart compliance approach, leveraging technology to help monitor compliance.

We have been helping organisations get **ready** for this change. We provide practical support to our clients, ranging from an initial gap analysis of where they stand, through to on-the-ground implementation support. We also provide an independent whistleblowing service, which is a key requirement of S17A.

In addition to advising clients on readiness, we also help organisations **respond** and **recover** after a financial crime event, including regulatory enforcement reviews, eDiscovery and computer forensic work.



Deloitte Forensic