



THE CENTER TO COMBAT
CORRUPTION AND CRONYISM

JULY-SEPTEMBER 2024 **QUARTERLY REPORT**

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REGIONAL FORUM ON GOOD GOVERNANCE INITIATIVES AND ADVOCACY STRATEGIES



Held in Kuala Lumpur on the 23rd and 24th of September 2024

Acknowledging the pressing need to promote the development and implementation of effective CSO-Parliament mechanisms for engagement across Southeast Asia, C4 Center organised the “Regional Forum on Good Governance Initiatives and Advocacy Strategies” in September

2024. The two day summit brought together a diverse set of representatives from civil society organisations (CSOs) all throughout Southeast Asia. As a whole, this event saw the participation of individuals from Malaysia, Philippines, Indonesia, Thailand, Cambodia, Brunei, Timor-Leste, and Myanmar. The coalescence of these individuals served to

create a platform for information exchange and act as a prelude to potential cross-border alliances between the various CSOs. A number of esteemed speakers were invited to share and contextualise advocacy efforts within various national contexts:

- *Political Systems in ASEAN* by Prof. Wong Chin Huat, Political Scientist, UN Sustainable Development Solutions Network (SDSN) Asia Headquarters, Sunway University
- *Malaysian CSO Experience in Advocacy with*





Parliamentarians by Cynthia Gabriel, Founding Director, C4 Center

- *Using the APPGM Platform for Advocacy* by YB Tuan Syed Ibrahim bin Syed Noh, Chairman of All Party Parliamentary Group Malaysia - Integrity, Governance and Anti-Corruption
- *Advocacy Experiences in the US* by Congressman Mike Bishop
- *Advocacy Experiences in Indonesia* by Dr. Rifqi Sjarief As-



segaf, Program Director for Justice, Anti-Corruption and Human Rights, Kemitraan

- *Advocacy Experiences in Thailand* by Asst. Prof. Dr. Torplus Yomnak, Director of the Knowledge Hub for Regional Anti-Corruption and Good Governance Collaboration (KRAC)
- *Using Media as an Advocacy Tool in Advancing Reform* by Carmela Fonbuena, Executive Director, The Philippine Center for Investigative Journalism (PCIJ)

The sharing of these multifaceted advocacy experi-

ences provided participants with a number of strategies that they could incorporate in their own works, and also shined a light upon the many nuances present within the advocacy spaces of the countries spoken on. Yet, as significant as these pointed presentations were, the beating heart of this event came in the form of a series of carefully crafted workshops. Through these workshops, a spirit of collaboration and understanding was engendered among the many representatives, as it provided them all with an opportunity to speak on the intricate details that line their individual national contexts. The workshops spanned four sessions, which addressed the challenges faced by these CSOs, shed light on their notable successes, illustrated tools to develop advocacy strategies, and brought together methods of future collaboration.

The discussions and interactions in these sessions facilitated a rich exchange of ideas and experiences that fostered mutual understanding on the legislative and organisational constraints of each country. These sessions, though, built up more than just organisational relations between regional CSOs, with a sense of fraternity and kinship also having been formed over the two days. This



culminated in the “Solidarity Night” held at Kuala Lumpur Tower – the world’s seventh tallest tower. During this soirée, participants were given the freedom of KL Tower’s observation and sky decks – allowing them to soak in the wonders of Kuala Lumpur’s sprawling nighttime skyline from a unique vantage point. The highlight was the evening dinner which gave participants a chance to truly enjoy each other’s company. On top of all this, the dinner provided guests with a glimpse of Malaysia’s multicultural heritage, with awe-striking cultural dance performances bringing a touch of spectacle to the night.

Overall, the rich successes of this forum were founded on the bonds forged by participants of diverse backgrounds, paving the way to future regional collaboration. From the quality of the speakers, to the learnings in the workshops, the event as a whole served as a true plat-



form for the creation of strategies in pursuing advocacy both locally and regionally. Though the forum may have ended, its impacts have left indelible impressions on each participant – reinvigorating their energies in advocating for change and good governance in the region.



NACS STRATEGY WORKSHOP AND ENGAGEMENT SESSION



On 24 July 2024, C4 Center's CEO Pushpan Murugiah and Communications and Research Officer Benjamin Tiong were invited by the Malaysian Anti-Corruption Commission's (MACC) National Governance Planning Division (NGPD) to attend a stakeholder engagement meeting concerning the National Anti-Corruption Strategy (NACS). Other non-governmental organisations (NGOs) joined us including Transparency International Malaysia (TI-M), Rasuah Busters, and the Malaysian Corruption Watch. This meeting was organised by the government to share in detail about each strategy that the NACS intends on executing, providing timelines and ra-

tionale for implementation. Participants were also briefed on the government's plan to create a "NACS Dashboard" on the MACC website which would allow for specific reforms to be tracked by the wider public, a move that would greatly enhance transparency and access to information on this matter.

C4 Center raised questions and provided insight concerning the development of the NACS, particularly in relation to the involvement of NGOs or civil society organisations (CSOs) within the development of the NACS in the future.

FORUM KHAS: REFORMASI SPRM, APA YANG PERLU?



In a televised forum on 18th July 2024, organised by Sinar Harian and Rasuah Busters, the panel discussed reforms needed to make the Malaysian Anti Corruption Commission (MACC) independent. They also discussed how Malaysia can increase its annual Corruption Perception index rating in which Malaysia received 50 points for the year 2023.

Pushpan Murugiah represented C4 Center in the forum together with Bersih Chairman Muhammad Faisal Abdul Aziz, representing the coalition for clean and fair elections, as well as Senator Datuk Dr. Arman Azha Abu Hanifah who is Chairman for the Special Select Committee on Governance, Integrity and Anti-Corruption, Senate House.

The discussion covered how the MACC can be reformed through legislation and constitutional amendments for

it to be placed under an independent body free from influence of the executives. Pushpan further elaborated that this is part of a larger reform agenda needed if Malaysia aims to reach top 25 on the CPI ranking. He also explained that relying on ranking alone is insufficient in dealing with the type of corruption that Malaysia is exposed to, which includes grand corruption. Reforms that are pivotal in combating grand corruption in the Malaysian context include the comprehensive overhaul of MACC, the reframing of offences to include enablers of corruption, the separation of the Attorney General and the Public prosecutor's office, and the tabling of a political financing legislation.



PANEL DISCUSSION: “REFORMING THE PARDONS BOARD PROCESS IN MALAYSIA”



On 25th July 2024, C4 Center CEO Pushpan Murugiah was invited by CSO Platform for Reform as a speaker on a forum titled “Reforming the Pardons Board Process in Malaysia”. There he shared C4 Center’s position on the Pardon Boards’ decision in reducing former Prime Minister Najib Razak’s sentence for his role in the 1MDB corruption scandal. He explained how this decision impacts anti-corruption efforts and global collaboration among the international community to expose the international scandal. He also spoke on how the legal fraternity, civil societies, and members of the public should advocate for Pardons Board reform including placing limitations on pardons on certain offences, as well as having a minimum waiting period for any pardon application with exceptions for those who are terminally ill or suffering from old age.

The forum saw a lively debate on the constitutionality of the pardons board decision. Well known constitutional expert Emeritus Professor Datuk Dr Haji Shad Saleem Faruqi and former President of the Malaysian Bar shared their insights during the debate. All the speakers agree that more has to be done to ensure a transparent decision-making process in granting pardons to convicts.



BENEFICIAL OWNERSHIP TRANSPARENCY AND MALAYSIA'S PROGRESS ORGANISED BY THE INTERNATIONAL REPUBLICAN INSTITUTE



On 7-8 August 2024, C4 Center CEO Pushpan Murugiah was invited as a panellist to share on the progress of Beneficial Ownership (BO) Transparency in Malaysia, as Malaysia amended its Company Act 2016 to make beneficial ownership reporting mandatory in 2023. This was necessary for the country to comply with the requirements of the Financial Action Task Force's recommendation 25 on having BO Transparency to combat money laundering, terrorism financing, and illicit money flow.

Apart from a well-managed registry, strict compliance, and a robust verification process, we need to ensure that any registry of Beneficial Ownership be made accessible not only to enforcement agencies but also accessible to the public. This is particularly necessary in spaces where regulators are not independent and subject to executive control or influence.

There is also a need to ensure that the agency tasked with this responsibility must be empowered and given adequate resources to carry out its function effectively. We must also ensure that there is a mechanism and framework

for mutual legal assistance and international cooperation for enforcement agencies in identifying beneficial owners registered in other jurisdictions or countries.

ADVANCING ANTI-CORRUPTION EFFORTS IN SOUTHEAST ASIA THROUGH BENEFICIAL OWNERSHIP TRANSPARENCY

ORGANISED BY THE UNITED NATIONS OFFICE ON DRUGS AND CRIME (UNODC)



C4 Center CEO Pushpan Murugiah was invited to attend the forum organised by UNODC in Jakarta on the 12th and 13th of August. The forum was designed to bring together regional, enforcement agencies, regulators and civil societies in understanding the concept of Beneficial Ownership (BO) and its current progress in member states. Malaysia is among the few that has amended its Company Act 2016 to make beneficial ownership reporting mandatory. The amendments were passed in 2023 last year and take effect this year. All companies in Malaysia now are required to submit their list of beneficial owners to the Companies Commission of Malaysia (CCM) which acts as the regulator for beneficial ownership reporting. Some of the discussions that were raised was the use of AI and open data to promote effective reporting and better transparency in addressing money laundering, terrorism financial, and illicit money flows. The context of each national agenda was also touched upon where some jurisdictions promote an open BO registry while others do not favour an open registry.

C4 Center has always maintained that for better oversight and transparency it would be better to make these registries accessible to the public, similar to the United Kingdom's open BO registry. In the case of Malaysia, the fact that our regulators are not truly independent and is often subject to government intervention and influence, it is critical that these registries are made publicly accessible to minimise those in power from weaponizing these information for their political benefit.



APPOINTMENT TO STEERING AND WORKING COMMITTEES ON HOLISTIC CONSULTATION TO DETERMINE THE MECHANISM OF ESTABLISHING **THE MALAYSIAN OMBUDSMAN**



Following C4 Center's release of our research report "Structuring the Malaysian Ombudsman Office" and our subsequent engagements with the Legal Affairs Division of the Prime Minister's Department (BHEUU), C4 Center's CEO Pushpan Murugiah and Policy & Legal Research Officer Prishanth Linggaraj were appointed to sit on the Steering and Working Committees on Holistic Consultation to Determine the Mechanism of Establishing the Malaysian Ombudsman respectively. The Working Committee - which includes BHEUU, the Enforcement Agency Integrity Commission (EAIC), the Public Complaints Bureau (PCB), and the Ombudsman of the University of Science Malaysia (USM) - was set up by the government to conduct a holistic consultation work plan to consult with stakeholders and analyse the implications of the establishment of an Ombudsman office with regard to financial

considerations, human resources, and legal matters. At the end, a final outcome document shall be presented to the Steering Committee.

The first meeting of the Working Committee was held on the 29th of July 2024, where the letters of appointment were presented to committee members and a preliminary briefing was given on the timeline of activities over the coming months. The next convening of the Committee was for a Policy Setting Workshop on the 12th and 13th of August 2024, where the Committee evaluated and decided upon broad policy considerations regarding the structure, functions, powers, jurisdiction, and legal implications of the office. A general consensus was reached on several key issues during this preliminary workshop, however many matters remained unsettled. During this workshop, C4



Center reiterated our findings from our research report in attempting to build consensus, particularly on the matter of the independence of the Ombudsperson appointment process.



It was also determined during the first Working Committee meeting that a series of Regional Consultations would also be held across the country to inform members of the state governments and local authorities about the proposal to introduce an Ombudsman office. This is important due to the unsettled matter of the Ombudsman's jurisdiction i.e. whether it would extend to the state governments, which may prove legally untenable due to the constitutional separation of legislative competence between the federal and state legislatures. Nevertheless, the PCB presently does assist with the coordination and monitoring of public complaints made against state government departments/agencies as well as the local authorities. Hence, there currently exists a grey area which must be resolved in creating the Ombudsman.

On the 23rd and 24th of September, the first Regional Consultation was held for the Northern Zone (the states of

Perlis, Kedah, Penang, and Perak) in the Office of the Perak State Secretary in Ipoh. This two day session brought together about 200 representatives from various state government departments, agencies, and the local authorities for a series of presentations from the PCB, EAIC, and the USM Ombudsman on different aspects of public complaints management, processing, and resolution. C4 Center's Policy and Legal Research Officer Prishanth Linggaraj was a panellist on a forum titled "Ombudsman Malaysia: Are We Ready?". During his session, he emphasised the potential improvements which an independent and empowered Ombudsman office could bring not only for members of the public, but also the government itself - through identifying barriers and possible avenues for reform to improve service delivery and internal operations.

A general consensus seems to be building with regards to how the Ombudsman should be structured, who it shall oversee, and what its powers shall be. We are glad to see that many of these aspects are aligned with international best practice, as C4 Center has advocated strongly for and shall continue to do so in the coming months, as the Bill is developed.



GOVERNMENT ENGAGEMENTS AND DEVELOPMENT OF **THE CIVIL SOCIETY MODEL RIGHT TO INFORMATION (RTI) BILL**



Throughout 2024, the Legal Affairs Division of the Prime Minister's Department (BHEUU) has been conducting a series of regional consultations across the country to raise awareness of the proposed Freedom of Information (FOI) Act among members of the state government departments and agencies. On the 29th and 30th of August 2024, the final regional consultation was held in the Central Zone (Selangor and the Federal Territories of Kuala Lumpur and Putrajaya) at the Putrajaya International Convention Centre.

This event brought together representatives from the federal and state governments, non-governmental organisations (NGOs), civil society organisations (CSOs), the Bar Council of Malaysia, and academics, and aimed to collect input on the development of a freedom of information regime from the various stakeholders. Further, the event was attended by international experts from Australia and Canada and representatives of Freedom of Information/Right to Information Commissions from Australia, Indonesia, South Africa and Sri Lanka - who provided extensive explanations about their national perspectives and history of administering right to information regimes.

C4 Center representatives attended this consultation to provide our recommended policy positions, based on the fundamental principle that information held by the government is done so in the capacity of a custodian, and rightfully belongs to the public. Therefore, we emphasised the importance of information being open by default, that members of the public cannot be required to provide reasons for any applications under this FOI Act, and that any



exemptions to justify non-disclosure must strictly comply with the internationally recognised harm test. Together with our fellow CSO comrades, we presented our proposals to the audience as a snapshot of what the public hopes to see in this Bill.



Parallel to the government's steady progress towards enacting the FOI Act, CSOs have also continued our tireless efforts to draft a CSO Model RTI Bill. Despite the government's use of the term "freedom of information" (FOI), we have maintained use of "right to information" (RTI) to stress that this is a fundamental human right to which the public is entitled, and not a privilege afforded to the public under the government's discretion. On the 28th

of August 2024, C4 Center along with several other CSOs met with Toby Mendel, Executive Director of the Centre for Law and Democracy - a Canada-based international NGO that works to promote and protect fundamental human rights pertaining to democracy, including the right to information and freedom of expression. Mendel provided his comments on our draft Bill, as well as his opinions on the best ways forward for our advocacy campaigns.

C4 Center also attended discussions with other organisations primarily working on the Model RTI Bill - the Centre for Independent Journalism (CIJ), Article 19 Malaysia, and Sinar Project - to refine the Bill and come to a consensus on the remaining contentious aspects therein, as well as to design an impactful campaign strategy premised upon the Bill over the coming months. We also spoke with other CSOs and NGOs which work broadly on issues of freedom of speech and expression to ensure that a holistic range of input goes into the final outcome document.

As the development of the Bill by the government moves towards the creation of the final Bill, C4 Center shall continue alongside aligned partners to campaign and advocate for a progressive and viable RTI regime which aligns with international best practice and ensures that a culture of transparency and accountability can be upheld.



APPOINTMENT TO THE RESEARCH COMMITTEES ON AMENDMENTS TO THE TRUSTEES (INCORPORATION) ACT 1952 (JKPA) AND FEASIBILITY OF ENACTING A CHARITIES ACT AND ESTABLISHING A CHARITIES COMMISSION (JKAK)



In connection with Cabinet's efforts to improve and reform Malaysian trust law, the Legal Affairs Division of the Prime Minister's Department (BHEUU) decided to establish three research committees comprising academics and civil society representatives to study the Trustee Act 1949, the Trustees (Incorporation) Act 1952, and the feasibility of the proposal to enact a Charities Act and establish a Charities Commission. On 3 May 2024, C4 Center representatives Prishanth Linggaraj and Arief Hamizan were appointed to sit on the committees on the Trustees (Incorporation) Act 1952 (Jawatankuasa Kajian Pindaan Akta Pemegang Amanah (Pemerbadanan) 1952, or JKPA) and the proposed Charities Act and Charities Commission (Jawatankuasa Kajian Kewajaran Penggubalan Akta Khairat dan Penubuhan Suruhanjaya Khairat, or JKAK) respectively. This was an incredible opportunity for C4 Center to have a seat at the table and be directly involved in

the development of legal reform.

Over the course of July to September 2024, the research committees met to brainstorm and discuss existing gaps in the legislative and regulatory frameworks of the respective trust regimes. JKPA focused on the limitations faced by BHEUU as the regulator of trustees incorporated under the Trustees (Incorporation) Act 1952, such as streamlining statutory definitions, elaborating upon the reporting requirements placed on the bodies corporate, introducing additional powers for the regulator to supervise these bodies, and potentially introducing sanctions for non-compliance. According to BHEUU, there has been an increasing trend of applications for the incorporation of trustees and the creation of foundations since 2015, with applicants ranging from the Federal and State Governments, local authorities, companies, societ-

ies, international bodies and private individuals. Unlike the statutory frameworks established for companies or societies, the regulatory framework under the Trustees (Incorporation) Act 1952 is archaic and does not contemplate the realities of financial reporting and corporate governance in the modern age. Therefore, this exercise aims to update the Act to ensure that regulators can adequately monitor the operation of this specific type of body corporate.



JKAK on the other hand took a broader approach in evaluating the need for a Charities Act to consolidate the regulatory framework for the various types of “charitable organisations” which exist in Malaysia. Presently, non-profit entities that work towards the public good or for “charitable” purposes may be referred to using a range of different terms – “non-governmental organisation” (NGO), “non-profit organisation” (NPO), “civil society organisation” (CSO), “community-based organisation” (CBO), “charities” or “foundations”/“yayasan”. None of these terms have a strictly delineated legal definition, and are often used interchangeably. “Non-profit” may even refer to profit-making entities that do not provide dividends or profitability to shareholders. Some of these entities might perform advocacy and campaigning while others may focus on service provision, and many may accept public donations to support their respective causes.

An NPO in Malaysia may exist as any of the following

legal entities:

1. A society registered under the Societies Act 1966;
2. A company incorporated under the Companies Act 2016 (could either be a company limited by shares or by guarantee);
3. A trust incorporated under the Trustees (Incorporation) Act 1952 in Peninsular Malaysia, the Trustees (Incorporation) Ordinance (Sabah Cap. 148) in Sabah, or the Charitable Trusts Ordinance 1994 in Sarawak; or
4. Other forms of charitable institutions such as wakafs under the respective state enactments on the administration of Islamic law, or Hindu endowments.

This lack of uniformity in the regulation of NPOs creates gaps in the system which allow for abuse by bad faith actors. For instance, foundations have been very commonly used as vehicles to facilitate corruption and money laundering e.g. Yayasan Akalbudi and Yayasan Wilayah Persekutuan. Another prominent recent example is Aman Palestin Berhad, a charity registered as a company established to channel monetary support to the people of Palestine. However, several high-ranking officers within the institution have been charged with criminal breach of trust, cheating, and money laundering, for allegedly misappropriating the money collected from donations.



However, NPO regulation has also been used as a cudgel by certain governments to restrict and suppress the operation of civil society within their jurisdictions. For instance, the Financial Action Task Force (FATF) has acknowledged that its Recommendation 8 (on combating terrorist financing abuse of non-profit organisations) has been misapplied and misinterpreted in a manner which has led countries to apply disproportionate measures which have impeded their ability to operate and pursue their missions effectively, access resources, or even to continue legitimate operations. Therefore, it was critical that any recommendations made during this preliminary study addressed the risk of abuse by a government acting in bad faith.

Among the activities C4 Center conducted and participated in for the purposes of this project were:

1. ROUNDTABLE DISCUSSION WITH NON-GOVERNMENTAL/CIVIL SOCIETY ORGANISATIONS (NGOS/CSOS) ON 24 JULY 2024



Aimed at providing a platform to consult with a wide range of NGOs and CSOs operating in Malaysia, C4 Center organised a roundtable discussion to enable the voices of civil society to be incorporated into the research project. The attendees worked on various areas of advocacy (e.g. gender, environment, religious, governance, and civil liberties) and included registered societies, companies, statutory bodies, and informal community-based groups. The discussion aimed to foster open dialogue and collaboration among stakeholders on the abuse of trusts and charities, outdated administration of trusts and other potential forms of corruption that arise from Malaysia's current regulatory framework, and identify workable solutions to improve regulations, prevent possible corruption, and address mismanagement of funds.

2. BHEUU JOINT CONSULTATION WITH TRUST REGULATORY BODIES OF SARAWAK, SABAH AND LABUAN - VISIT TO SARAWAK ON 29 AND 30 JULY 2024



The Ninth Schedule of the Federal Constitution establishes the Legislative Lists, which distinguish the subject

matter upon which the Federal and State Legislatures may make laws respectively. The Federal List includes charities, charitable institutions, charitable trusts and trustees excluding wakafs. However, the Supplement to Concurrent List for the States of Sabah and Sarawak (which confers concurrent legislative competence upon the Sabah and Sarawak Legislatures) also includes "charities and charitable trusts and institutions in the State...and their trustees, including the incorporation thereof and the regulation and winding up of incorporated charities and charitable institutions in the State." Thus, Sabah and Sarawak have independent regulatory schemes for charitable trusts created in those states - which could provide useful input for the research project.

C4 Center joined the visit to Sarawak to meet with regulatory bodies to learn about the administration of the Charitable Trusts Ordinance 1994, which is the relevant legislation governing charitable trusts in Sarawak. The delegation was accompanied throughout the series of engagements by a representative of the State Attorney General's Chambers, who provided general input on legal matters. The delegation had official visits to the offices of the Ministry of Women, Early Childhood and Community Wellbeing Development and the Sarawak Islamic Council, which are jointly responsible for the administration of the 1994 Ordinance for non-Muslim and Muslim charitable trusts respectively. The discussions with these bodies focused on the advisory and supervisory role they play, as well as the limitations faced in regulating charitable trusts. The delegation also had the opportunity to speak to the Sarawak State Mosque Welfare Trust Board - a charitable trust incorporated under the Ordinance - to learn about the governance structures and policies established by the Board over and above the basic statutory requirements.

3. VIRTUAL MEETING WITH THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ON 23 AUGUST 2024



On 23 August 2024, C4 Center participated in a meeting with the Australian Charities and Not-for-profits Commission (ACNC) to learn more about the development of regulatory frameworks, governance structures, and compliance measures within the charitable and not-

for-profit sectors in Australia. The ACNC shared insights on maintaining transparency, accountability, and ethical practices in charitable organizations, highlighting the importance of fostering public trust and adherence to legal standards. Discussions revolved around challenges and solutions in the sector, including strategies for promoting financial integrity and combating fraud or misuse of funds within non-profits.

4. BHEUU CONSULTATION WITH CHARITY REGULATORS IN SINGAPORE 28-30 AUGUST 2024



From 28-30 August 2024, C4 Center joined a delegation comprising members of both committees for a working study trip to Singapore. There, the delegation had the opportunity to engage with those directly involved in developing the charities sector, including the Commissioner of Charities (Ministry of Culture, Community and Youth), Majlis Ugama Islam Singapura, as well as the team from the Yong Pung How School of Law and the Lien Centre for Social Innovation (Singapore Management University).

The meetings were extremely valuable for providing context on the development of charity regulation within the region. While there are several similarities between the two countries, Malaysia's charity landscape appears far more complex and fragmented, especially when considering the jurisdiction of each individual state to regulate Islamic affairs, which includes religious charity.

5. STAKEHOLDER CONSULTATIONS ON THE AMENDMENTS TO THE TRUSTEES ACT 1949 ON 28 AUGUST AND 11 SEPTEMBER 2024

In addition to C4 Center's involvement on the core research teams in pursuance of the legal reform goals as stated above, C4 Center was also consulted by BHEUU for

our input into amending the Trustees Act 1949, specifically with regards to the regulation of the express private trusts and the possibility of a public reporting requirement for beneficiaries of such trusts. The government's impetus in pursuing these amendments is due to growing concerns around the use of the express private trusts as a means of money laundering but also due to Malaysia's participation in the Financial Action Task Force (FATF), an intergovernmental organisation established to develop policies to combat money laundering. The FATF conducts reviews of its member countries' policies on their degree of adherence to a list of FATF Recommendations — these amendments are in the interests of improving Malaysia's rating in accordance with R.25, "Transparency and beneficial ownership of legal arrangements". Malaysia was rated as "Partially Compliant" (PC) to R.25 during the 2018 Follow-up Report, and hence the government aims to achieve the status of "Compliant" (C) during the next review cycle through amendments to the Trustees Act 1949.

C4 Center was invited to the first roundtable consultation session on this at the Asian International Arbitration Centre on 28 August 2024, and was attended by a variety of major stakeholders such as the Attorney-General's Chambers, the Malaysian Bar Council, Bank Negara representatives, the Inland Revenue Board, and private legal practitioners as well, amongst others. This first consulta-

6. PRESENTATION OF THE RESEARCH FINDINGS TO THE DEPUTY MINISTER ON 25 SEPTEMBER 2024



The final outcome reports of the research projects were submitted to Deputy Minister YB M. Kulasegaran on 25 September 2024, which were positively received. C4 Center is appreciative to BHEUU for its consistent, transparent, and people-centric approach to developing reform agendas, and we hope to continue working closely with the government on other areas of legal and policy reform.

BFFP ASIA PACIFIC ADVISORY COUNCIL (APAC) MEETING



C4 Center officer Wong Si Peng had the honour of being invited to join the BFFP Asia Pacific Advisory Council (APAC) for a two-year term from 2024 until 2026. The other illustrious APAC council members are Froilan Grate from GAIA Asia Pacific, Lubna Anantakrishnan from Kashtakari Panchayat (India), Tiza Mafira from Dietplastik (Indonesia), Hemantha Withanage from Friends of the Earth International (Sri Lanka), Haimei Jin from BFFP

China, Rufino Varea from Pacific Island Climate Action Network (Fiji) and Aileen Lucero from EcoWaste Coalition (Philippines). Following the on-boarding call in May, the council members met in person on 11-15 September in Bangkok to clarify the role of the council, review the mandate & nomination process for future council members, and identify top line work plan for the next 12 – 18 months.

CLIMATE CHANGE BILL CONSULTATION WITH NRES



The Ministry of Natural Resources and Environmental Sustainability (NRES) convened the very first roundtable meeting with the Climate Change Advisory Panel, which includes C4 Center and various CSOs, community and youth groups, and concerned individuals. The roundtable meeting that was held on 30 July 2024 aimed to consolidate inputs from the advisory panel on Climate Change, as NRES bill on Climate Change is slated to be tabled by Parliament in 2025. In addition, the meeting agenda was followed by a discussion on preparation for COP 29 that will take place in Baku, Azerbaijan in November this year.

There are several important issues that C4 Center addressed during the consultation, namely the Carbon Capture Utilisation and Storage (CCUS) legislation issue, specifically the fast-paced implementation of CCUS Act

raising serious major environmental concerns. Hence, we urged NRES to lead the draft bill, to advise the Ministry of Economy and provide prompt guidance and take on the responsibility of reassessing every environmental impact of carbon capture projects. Secondly, we shared how the Environmental Quality Act (EQA) 1974 is outdated and needs amendments to address emerging environmental issues. Thus, NRES should amend the EQA 1974 to enhance the environmental protection.

From the meeting, we hope that NRES takes the considerations from the consultation as a significant step to be proactive in preserving the environment and C4 Center looks forward to participating in the next discussion on drafting the Climate Change Bill.

NRES 2025

BUDGET CONSULTATION



On 1st August 2024, C4 Center had the opportunity to join the Sesi Libat Urus Dialog Belanjawan 2025 organised by NRES, focusing on the budget allocation for environment areas across ministries. The event was attended by various stakeholders including government agencies, GLCs, CSOs and NGOs. NRES is focusing on low carbon development, biodiversity & environment protection, and mining including critical minerals. Feedback and concerns were raised by CSOs, including the push for more recognition of gender issues in climate crisis, mineral resource issues, and data collection & accessibility.

Among the issues raised during the consultation was plastic pollution. C4 Center brought several recommendations during the dialogue session, such as the importance of the Continuous Emission Monitoring System (CEMS) to hold companies accountable and amplify data transparency. In order for NRES to address plastic pollution

at the state level, we called on NRES to create an incentive mechanism similar to the Ecological Fiscal Transfer on single-use plastic reduction to encourage each state to minimise its use and hence will reduce their plastic use. Besides that, NRES should be working collaboratively with other agencies to assess budget implementation and provide a detailed comprehensive budget, implementation report, and guarantees that the report is publicly available for check and balance mechanisms.

STAKEHOLDER CONSULTATION FOR GLOBAL PLASTIC TREATY IWG



The consultation was organised by Environmental Management Division of the Ministry of Natural Resources and Environmental Sustainability (NRES) with representatives from industry, government agencies including technical experts appointed by the ministry to attend the intersessional technical working group meetings in Bangkok with CSO and NGO representatives. During the meeting, the technical experts shared summaries of the online meetings and written replies to the questions for EG1 (Expert Group 1 on Financing) and EG2 (Expert Group 2 on Chemicals, Product Designs and Problematic Plastics).

The discussion was primarily focused on EG2 questions. Industry representatives indicated that the plastics industry is currently well regulated and there were concerns of duplicating the provisions of existing MEAs (Multilateral Environmental Agreements) on chemicals and waste ie Stockholm, Rotterdam and Basel Conventions. There was acknowledgement from the ministry that Malaysia has yet to ratify the Stockholm Convention and the ministry requires input from academics, industry as well as CSOs.

A representative from Consumers' Association of Penang, Mageswari Sangaralingam, shared the paper from IPEN providing clarification on criteria vs non-criteria

based approaches for the consideration of the experts and the ministry.

Chemical industry representatives gave suggestions to the ministry to consider following procedures used in the Stockholm Convention. This includes the listing of chemicals to be done only after full assessments are conducted. Socio-economic aspects must be considered as creating a list using hazard based approaches in the GPT may affect the economies of countries like Malaysia. Plastic industry representatives gave recommendations to experts to recommend mono-layered plastic products. The use of terms such as “problematic, unnecessary, avoidable” was suggested to be defined. All stakeholders were invited to submit written replies for the IWG questions to the ministry.

ZERO WASTE WORKSHOP



On 3rd July 2024, C4 Center had the opportunity to be a part of the Zero Waste “What to ask in Waste?” workshop. The workshop was organised by Zero Waste Malaysia (ZMW), coordinated together with C4 Center and Sahabat Alam Malaysia (SAM) which aims to equip and empower media journalists with zero waste and local waste management knowledge, and to amplify the advocacy of the existing serious issues pertaining to plastic waste to the

public through the media. The workshop was attended by various Malaysian journalists representing 12 media groups from Bernama, BFM, Sin Chew and others.

The topics covered during the first session were on the Global Plastic Treaty (GPT) and Waste Trade, Misconception in Waste and Local Waste Management policies, and the False Solution in Waste Management. As C4 Center emphasises the importance of improved environmental governance to address the ongoing waste management issues in Malaysia, Wong Si Peng has diligently delivered a sharing session on the existing policies and other relevant Malaysian legislation concerning local waste management. In addition, C4 Center also had the chance to share the findings from our research report, “Ending Waste Colonialism, Governing Plastic Pollution: Japan’s Opportunity to Lead Asia out of the Plastic Crisis”.

Following that, there was an engaging hands-on session on a local Map of Power to implement zero waste nationwide. The workshop participants agreed that it is imperative for the media to assist CSOs in amplifying our advocacy to the public. Hence, C4 Center looks forward to having more engagement with the media practitioners.



CORRUPTION TALK

AND BUILD MY-TOWN PLAY SESSION AT NEW ERA UNIVERSITY, KAJANG



On 6 July 2024 C4 Center was invited to New Era University in Kajang, Selangor to present a talk on corruption, while also there being room for a Build My-Town play ses-

sion. During the talk session, C4 Center CEO Pushpan Murugiah spoke at length on the different types of corruption present within Malaysia's systems, providing various examples of high profile cases involving different methods of corruption. The young crowd of students were engaged in this session, asking questions about specific aspects of corruption relevant to them.

The play session exposed students to the role that a Member of Parliament (MPs) plays in our current political system, educating them on how legislation is passed. Overall, it was a productive session that not only informed university students about the endemic nature of corruption in Malaysia, but it also managed to deliver this information in an entertaining fashion.



ENVIRONMENTAL REPORTING WORKSHOP



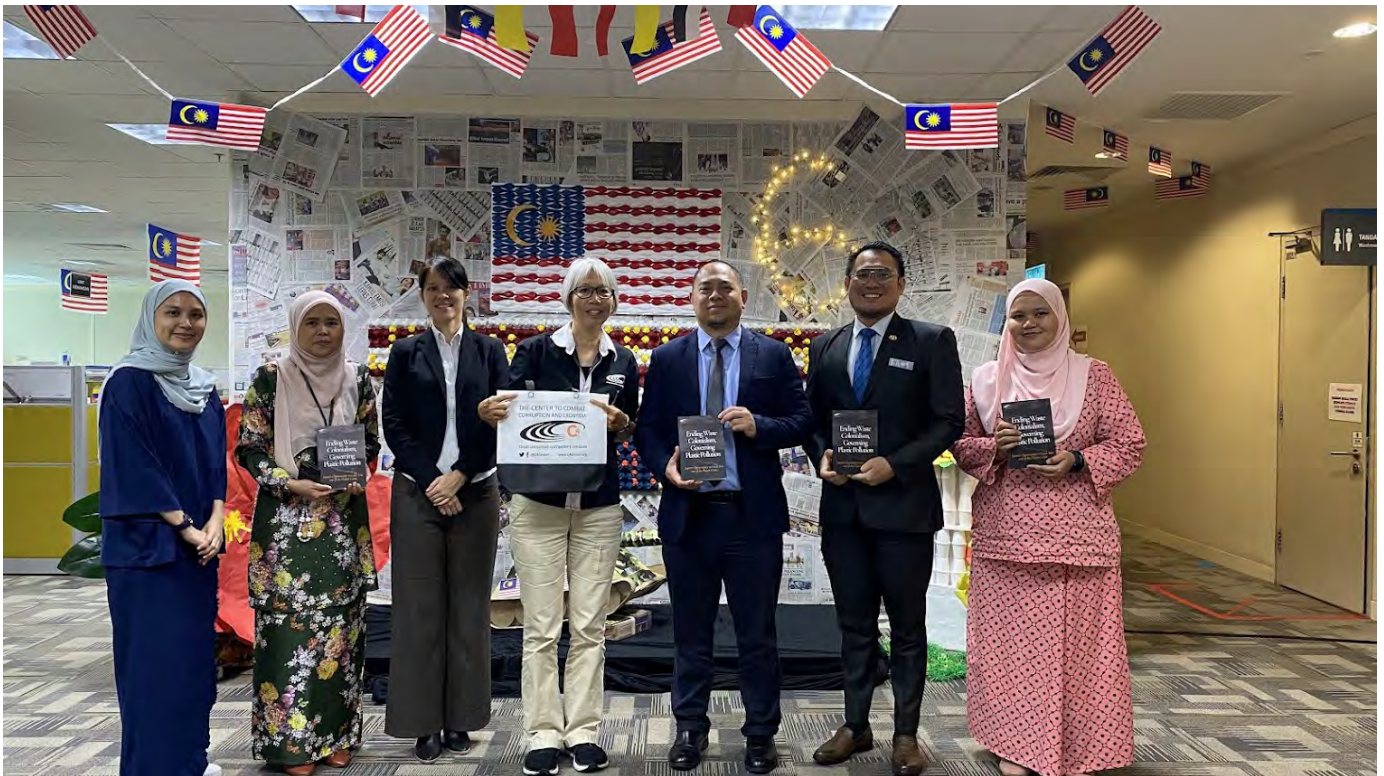
On 24 August, C4 Center had a great opportunity to attend an insightful workshop on environmental reporting that was conducted by Law Yao Hua from Macaranga, a journalism media that covers the environment and sustainability in Malaysia. The workshop, organised by the Agora Society and B.E.A.CC.H. aimed to teach attendees to investigate an environmental issue strategically and effectively by identifying the key issues and the tools to kickstart and assist the data collection of the investigation. Furthermore, the workshop also includes how to use satellite imagery by using Sentinel Hub and Google Earth Pro, specifically to iden-

tify forest degradation area by comparing the vegetation area over a certain time. The workshop was attended by various environmental CSOs and concerned individuals who are keen to investigate ongoing environmental issues and for C4 Center, we believe that this workshop has been insightful as it would help us effectively structure an environmental case study and identify the land use area through satellite image.



J P S P N

REPORT HANDOVER



C4 Center is sincerely grateful for the invitation extended by the Ministry of Housing and Local Government (KPKT) to present our plastic waste trade report titled “Ending Waste Colonialism: Governing Plastic Pollution” to the Deputy Director General of JPSPN, YBrs Encik Ahmad Zuhairi bin Muzakir, and his supportive team. The research findings have been extensively shared by the co-authors of the report, Wong Pui Yi, Wong Si Peng, and Nabila Zulkeflee, who have also emphasised the significance of KPKT in addressing the plastic issue in Malaysia.

In addition, the C4 Center would like to express our appreciation to the JPSPN team for their ongoing support, as they provided their insights during the initial process of this research. We anticipate further collaboration with JPSPN to combat plastic pollution and improve waste management in Malaysia, particularly with the imple-

mentation of the recently published Circular Economy Blueprint for Solid Waste in Malaysia (2025-2035).



INTERAGENCY WORKSHOP WITH NRES



C4 Center, along with other environmental NGOs including Basel Action Network, Sahabat Alam Malaysia, Persatuan Tindakan Alam Sekitar Kuala Langat (PTASKL), and Greenpeace has successfully coordinated an inter-agency workshop with the Ministry of Natural Resources and Environmental Sustainability of Malaysia (NRES) in Putrajaya. This 2-day workshop has established a forum for dialogue amongst authorities relating to waste trade, with the objective of emphasising the issues of governance in the process of waste trade and exploring ways forwards to overcome these challenges. Among authorities involved were the Department of Environment (DOE), National Solid Waste Management Department (JPSPN), the Royal Malaysian Customs Department (JKDM), SIRIM, local

councils in Selangor, and others.

The specific areas of waste trade that were discussed during the workshop were on plastic, electronic waste (e-waste), scrap metals, and paper. Various significant issues were raised during this workshop as the stakeholders pinpointed the loopholes at the certain process in waste trade that they specifically faced in their daily jobs. In addition, insightful discussions between NGOs and these authorities were conducted in order to overcome these challenges which the overarching objective is to have a better governance in waste trade to combat waste colonialism and mitigate the pollution of waste imports which have hindered Malaysia's waste management.



CLIMATE CHANGE FORUM 2024: *Path to COP29 Baku*



On 30 September, C4 Center was invited by the Ministry of Natural Resources and Environmental Sustainability (NRES) to attend the Climate Change Forum 2024: Path to COP29 Baku with involved the launching of the National Climate Change Policy (NCCP) 2.0 and discussion on Malaysia's path on climate change and its priorities during the upcoming United Nations Framework Convention on Climate Change (UNFCCC) negotiation during the 29th Conference of Parties (COP29) in Baku, Azerbaijan from 11-12 November.

During the launching of NCCP 2.0, NRES Minister Nik Nazmi stated that this new policy reflects further understanding on climate change and serves as the backbone for the Climate Change Act which is slated to be completed next year. NCCP introduces a new framework towards low carbon economy and some of the pathways emphasised in the policy are the Nationally Determined Contributions (NDC), Long-Term Low Emission Development Strategies (LT-LEDS), climate financing, and climate adaptation. The policy aims to establish a productive partnership with other national policies, including the National Energy

Transition Roadmap (NETR).

Following the launch of the NCCP, several insightful panel discussions were conducted including discussions on the way forward for NCCP implementation, COP Presidencies & the roadmap mission to achieve the 1.5°C benchmark, and innovative approaches to climate adaptation.

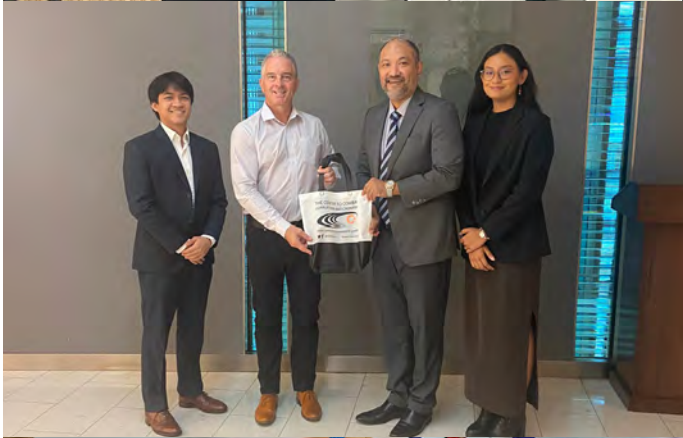
Following this forum, C4 Center looks forward to the implementation of the NCCP. We hope this ensures the achievement of our NDC and LT-LEDS target, with a process that is equitable, transparent, and includes meaningful public participation. We also emphasise that greenwashing elements in the net zero mechanism - such as carbon offset and Carbon Capture Utilisation and Storage projects - need to be avoided in the climate change adaptation. Thus, C4 Center will continue to monitor the progress of our climate initiatives and be actively engaged in the development of the Climate Change Act.

EMBASSY VISITS



Towards the end of July to early September of 2024, C4 Center had the pleasure of making courteous visits to the Embassy of the Federal Republic of Germany, the Embassy of Switzerland, the Delegation of European Union to Ma-

laysia, the Australian High Commission, the Embassy of the United States of America, Canadian High Commission and the Embassy of Sweden. C4 Center initiated these visits in hopes of better understanding the contributions and



initiatives made by the embassies and high commissions in Malaysia, in addition to discussing the anti-corruption landscapes between their respective countries and Malaysia in the areas of policy-making, business and economics.

C4 Center is very honoured to have had fruitful discussions and thankful for the hospitality shown by the ambassadors, high commissioners, and their representatives. We look forward to future collaborations and the partnerships fostered!

CLOSED DOOR SESSION WITH THE ANTI-CORRUPTION DELEGATION FROM UZBEKISTAN



On 19th August 2024, C4 Center had a closed door session with the Anti-corruption delegation from Uzbekistan comprising the Director of the Anti-Corruption Agency, a Member of Parliament, the Chairman of the Committee of the Legislative Chamber of Oliy Majlis on Anti-Corruption and Judicial Affairs, the First Deputy Head of the Department for combating economic crimes under the General Prosecutor's Office, and Chief Inspector of the Department for work with complaints, public relations and international cooperation of the Anti-Corruption Agency and First Secretary, Embassy of Uzbekistan in Malaysia (based in KL).

C4 Center was represented by our Chairman, Dr Terence Edmund Gomez, Founding Director, Cynthia Gabriel, CEO, Mr Pushpan Murugiah and Head of Research and Policy Advocacy, Arief Hamizan.

We shared some of our initiatives and reform agendas, as well as a discussion on good governance policies. It was a good first meeting and we hope to have future engagements that further develop anti-corruption policies in both nations.



MEDIA ENGAGEMENT



6 Press Statements released
in Quarter 3



C4 Center Featured in at least 24
articles or publications in Quarter 3



IG followers:
37 new followers in Q3
721 total followers



FB Followers:
21 new followers in Q3
6.3k Total followers



IG Reach:
5.4k reach in the 3rd
Quarter, 69.9% increase



FB Reach:
3.8k reach
in the 3rd Quarter



**Social Media
Outreach**



Content Interactions:
647 in the 3rd Quarter



Content Interactions:
164 in the 3rd Quarter



THE CENTER TO COMBAT
CORRUPTION AND CRONYISM

C Four Consultancies Sdn Bhd

201401002929 (1079003-M)

Unit A707, Block A

Pusat Dagangan Phileo Damansara 1

No. 9, Jalan 16/11, Off Jalan Damansara

46350, Petaling Jaya, Selangor, Malaysia

Tel: +603-7660 5140

Email: contact@c4center.org

www.c4center.org