

For immediate release

## **MEDIA STATEMENT**

### **IDEAS: First corporate liability case investigated under Section 17A MACC Act must be handled seriously to set precedence for the future**

**Kuala Lumpur, 20 March 2021:** The Institute for Democracy and Economic Affairs (IDEAS) welcomes the first corporate liability case that is being investigated under Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009 and urges the judiciary to handle the case seriously, as this will set important precedence for future cases.

It is the first time that Section 17A of the MACC Act 2009 has been imposed since coming into effect on June 1, 2020 in Malaysia. The offshore vessel company is charged with the account of bribery amounting to RM321, 350 – bringing the total net value of the project to RM1 billion.

Section 17A states that a commercial organisation commits an offence if a person associated with the organisation corruptly gives, agrees to give, promises or offers to any person any gratification with an intention: (a) to obtain or retain business for the commercial organisation, or (b) to obtain or retain an advantage in the conduct of business for the commercial organisation.

Tricia Yeoh, CEO of IDEAS commented, “Bribery is a serious offence and corporate liability is important to ensure that corporations are held accountable for their actions when such misconduct takes place, which previously was not recognised as illegal in the eyes of the law. This Act enables proper investigations to be made over companies that are allegedly permitting corrupt practices to take place.”

If convicted, the accused will face imprisonment for a term not exceeding 20 years or fined for a sum of no less than 10 times the value of the gratification, or RM 1 million, whichever is higher or liable to both.

Yeoh added, “Corruption must be deterred, and IDEAS supports the MACC in their pursuit to hold the private sector liable for failing to exercise due diligence. The way this case is treated will set an important precedent for future cases, and we reiterate that the judiciary consider it seriously. If found guilty by the court of law, stern punishment must be provided for, so that future perpetrators will appreciate the severity of the corrupt act of bribery.”

“Separately, I also look forward to harsh punishments imposed for corrupt acts that are found amongst the civil service. Bribery often involves both parties, the private and public sector, and the law must recognise any wrongdoing that takes place on either side”, she concluded.

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**About IDEAS**

The Institute for Democracy and Economic Affairs (IDEAS) is a nonprofit research institute, dedicated to promoting solutions to public policy challenges, focussing on three overarching missions – advancing a competitive economy, ensuring trust in institutions and promoting an inclusive Malaysia. IDEAS is Malaysia’s first independent think tank, free of personal interests and partisan influences. For more information, visit [www.ideas.org.my](http://www.ideas.org.my).

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