

'ACT FIRMLY ON VIOLATIONS'

Anwar calls on
MACC, AG to probe
governance issues
in all govt agencies
thoroughly

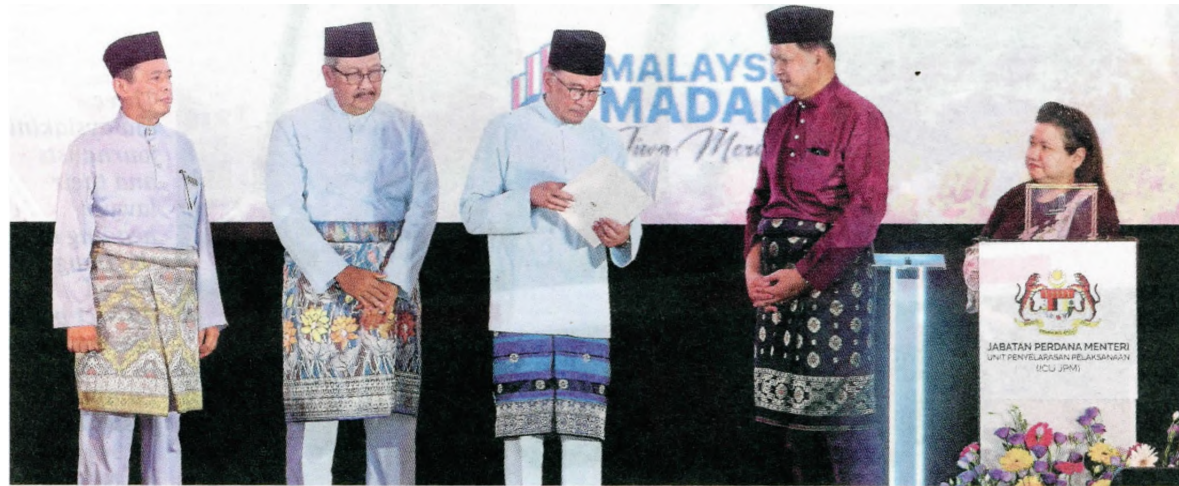
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PRIME Minister Datuk Seri Anwar Ibrahim has called on the Malaysian Anti-Corruption Commission (MACC) and the auditor general (AG) to act firmly by thoroughly investigating all agencies, ministries and statutory bodies for governance violations.

He said governance violations still persisted and involved not only political appointees, but also professionals and civil servants.

"Based on the reports I have read, (these violations) are not related to whether the person is politically appointed. We appoint individuals, whether they are politicians, professionals or civil servants, as long as they follow the rules and are closely monitored by the Finance Ministry, the AG and MACC.

"I urge everyone to reassess their roles and ensure that the concept of Madani is truly understood and implemented. Otherwise, it will remain just another slogan," Anwar said at the launch of the Guidelines on the Management and Governance of Federal Statutory Bodies here.



Prime Minister Datuk Seri Anwar Ibrahim launching the Guidelines on the Management and Governance of Federal Statutory Bodies in Kuala Lumpur yesterday. With him are (from left) Malaysian Anti-Corruption Commission Chief Commissioner Tan Sri Azam Baki, Public Service Department director-general Datuk Seri Wan Ahmad Dahlan Abdul Aziz, Prime Minister's Department Implementation Coordination Unit director-general Datuk Seri Azman Ibrahim and Auditor General Datuk Wan Suraya Wan Mohd Radzi. PIC BY SAIFULLIZAN TAMADI

Anwar also reminded statutory bodies to adhere to their founding objectives.

He said according to an economist's estimation, some agencies had spent almost 50 per cent of their allocations on operating expenses and only 20 per cent on their intended purposes.

"A statutory body formed to help the poor and fishermen, but has excessively high management costs, is certainly unfair because it was established to help the people."

Federal Statutory Bodies (FSB) were now required to set up internal audit units based on the guidelines launched yesterday.

The Guidelines on the Management and Governance of Federal Statutory Bodies, which was implemented based on a general cir-

cular issued on April 30, said the internal audit units were aimed at evaluating and enhancing the effectiveness of risk management, internal controls and recommending improvements in the management of agencies.

It said audit reports must be presented at the FSB board of directors' meeting at least every quarter. The reports should include recommendations for corrective actions and improvements concerning any non-compliance found within the agency's management.

The quarterly reports must also contain achievements of the agency's annual audit plan, statistics, status of actions taken on audit findings and any obstacles and challenges faced in carrying out the audits.

Appropriate oversight systems must also be established, particularly at the supervisory ministry level to ensure that the FSB complied with all policies, laws and regulations.

"The internal audit unit for statutory bodies is responsible for conducting audits on companies or statutory corporations that do not have their own (audit) units," according to the guidelines.

The unit is responsible for auditing the management of activities and finances, including the evaluation of financial information and statements, existing ICT systems, asset management, financial management and agency projects or programmes. **Additional reporting by Hazwan Faisal Mohamed**