

## Whistleblowers in ASEAN Countries: A Whither

Ahmad Daud Marsam Dollah<sup>1,3</sup>, \*Mohd Ab Malek Md Shah<sup>2,3</sup>, Rozaiha Ab Majid<sup>1,3</sup>, Siti Aisyah Basri<sup>1,3</sup>

<sup>1</sup>Faculty of Accountancy, UiTM Melaka, Malaysia

<sup>2</sup>Department of Law, UiTM Melaka, Malaysia

<sup>3</sup>Money Laundering Research Group (MLRG), Malaysia

\*malek625@uitm.edu.my

\*Corresponding Author: Mohd Ab Malek Md Shah

**Abstract:** Fraud, unlawful acts, and corruption are increasingly prevalent today. Many countries have established rules, norms, and legislation to guide the reporting of workplace misconduct. Whistleblowing has emerged as an effective strategy for exposing inappropriate organizational activities, whether to internal or external parties. Whistleblowing policies play a vital role in mitigating or eradicating fraud and wrongdoing, making it essential for every country to implement such measures. This paper examines the availability and enforcement of whistleblower protection legislation across ASEAN countries. A descriptive statistical analysis was employed in this study, with information on whistleblowing legislation gathered from reputable sources, including Malaysian law. The findings show that the absence of specific whistleblower laws and organizations in many ASEAN countries is challenging. However, whistleblowing helps strengthen governance by increasing transparency and accountability. Greater regional collaboration can lead to unified legal protections and stronger ethical governance.

**Keywords:** *Whistleblowing, protection, legislation, responsible institution*

---

### 1. Introduction

Fraud is defined as deceit, impersonation with the intent to deceive, and unlawful deception carried out to obtain an advantage (Özkul & Pamukçu, 2012).

Based on feedback gathered in 2021, BDO Malaysia has released its first Mid-Market Corporate Fraud Landscape. In the first half of 2023, BDO Malaysia conducted a study with feedback from a diverse variety of respondents around the ASEAN area, updating the Corporate Fraud Landscape as the region and the world adjust to a new normal following COVID-19. BDO Malaysia has reported in ASEAN Corporate Fraud Landscape 2023 that the nature of the fraud is as follows:

- Cybersecurity fraud: 25% in 2021-2022 reduced to 19% in 2023
- Corruption: 2.5% in 2021-2022 increased to 9.5% in 2023
- Asset misappropriation: 5% in 2021-2022 increased significantly to 25% in 2023
- Financial statement fraud: 27.5% in 2021-2022 reduced to 22% in 2023
- Procurement fraud schemes: 40% in 2021-2022 reduced significantly to 25% in 2023

Raman et al (2024) noted that in 2022, there were over 400,000 documented cases of consumer scams in Southeast Asia (SEA). This number has increased at a startling rate of more than 50% since 2020, when there were less than 150,000 occurrences. According to our study, SEA's overall losses may have exceeded US\$5.0 billion<sup>1</sup>, with the great majority of these losses being borne by customers.

Reddick (2024) reported that recent research has found that online fraud activities in SEA are still expanding, with organized scamming syndicates making an estimated \$64 billion annually worldwide. In Cambodia, Laos, and Myanmar, criminal organizations are using fraud to steal around \$43.8 billion annually, according to a report issued by the US Institute of Peace (Reddick, 2024; Priezkalns, 2024).

According to the ASEAN Corporate Fraud Landscape 2023, inadequate internal controls continue to be the leading cause of fraud. The remedial actions taken because of investigations are changes in processes and

controls, dismissal of employees, enhancement of the compliance function, enhancement of internal audit, sanction of employees/management and restatement of the financial statements.

The following categories contain the elements that Mrowiec (2022) determined to be significant for the incidence of internal whistleblowing in an organization: ethics, leadership, policies and procedures, retaliations and safeguards, social climate, organizational justice, education and training, reporting channels, communication, additional motivation, organization's size and structure, audit committee.

ASEAN Corporate Fraud Landscape 2023 summarised that employees at organizations with whistleblowing channels are more inclined to speak up, which helps them identify and respond to fraud faster than their counterparts without such channels. As a result, ultimately, these companies experience smaller losses.

National Whistleblower Center. (n.d.) defined a whistleblower as a person who alerts those in positions of authority to correct wrongdoing about waste, fraud, abuse, corruption, or threats to public health and safety. Whistleblowers strive to draw attention to instances of abuse or neglect that endanger the public interest by raising the alarm within the very organization they work for (Bok, 1980).

## 2. Theoretical Background

Whistleblowing, according to Near and Miceli (1985), is the act of former or present organization members informing individuals or groups that may be able to take action against unlawful, immoral, or illegitimate acts that are under the control of their employers.

Whistleblower Protection Act (WPA) 2010 defines "whistleblower" as:

"Any person who discloses improper conduct to the enforcement agency under Section 6".

The WPA 2010 further defines "improper conduct" as any conduct which, if proved, constitutes a disciplinary offence or a criminal offence. Collins Dictionaries (2024) defines whistle-blowing as the act of telling the authorities or the public that the organization you are working for is doing something immoral or illegal. When an employee reports unethical or unlawful action by someone within their organization to an internal or external authority, this is known as whistleblowing. A whistleblower could be an employee of a business that has an impact on the environment and is unhappy with their employer's practices, or they might disclose ongoing harassment by management to their HR department. Whistleblowers may be legally protected from employment retaliation, yet it still happens sometimes (Indeed, 2024).

The term "whistleblowing mindset" refers to a mentality that predisposes people to certain interpretations and responses when they encounter misconduct. The most efficient technique to expose wrongdoings is through whistleblowing. Whistleblowers frequently safeguard their companies by disclosing important information (Arroyo et al, 2024). Hadli et al (2023) conclude that when they plan to report misconduct, government workers weigh the personal cost and the gravity of the offense. According to the study, a government servant's intention to blow the whistle is unaffected by their professional dedication. The study also reveals that the severity of misconduct cannot be moderated by legal protection; rather, it can only mitigate the impact of professional commitment and personal expense on the desire to report wrongdoing.

Asia Pacific Whistleblowing Landscape: Benchmarking & Best Practices by Baker McKenzie in 2022 reported that in Asia Pacific, handling whistleblower concerns has swiftly moved to the forefront for businesses. According to research, it is becoming clearer that whistleblowing programs must change and adapt to the legal and regulatory environment. Management must also conduct frequent reviews of these programs.

According to Asia Pacific Whistleblowing Landscape: Benchmarking & Best Practices (2022), 41% of company executives in the region said they have seen a rise in whistleblower reports in the last year; in certain nations and sectors, the percentages are significantly higher. This trend is supported by several variables, including

new laws, heightened media coverage, and incentives for whistleblowers in some nations, but the general direction of travel is evident. The percentage of whistleblower reports according to types of complaints is as follows: 72% of respondents have reported instances of harassment, discrimination, and/or bullying. 62% of respondents have complained about internal policy violations. Concerns regarding workplace health and safety have been reported by 55% of respondents. According to 59% of Australian respondents, it was difficult for them to determine whether the whistleblower rules applied to a specific report. A concern raised by 22% of respondents was that there was insufficient information in the complaint for the business to determine whether it was a protected

Asia Pacific Whistleblowing Landscape: Benchmarking & Best Practices by Baker McKenzie in 2022 reported that in Mainland China, the past few years have seen a notable advancement in whistleblower initiatives. An effective whistleblowing program is essential to a strong compliance program because it enables businesses to examine and resolve misbehavior that they might not have otherwise seen. When compared to the prior year, a sizable majority of businesses reported an increase in whistleblower complaints. Merely 9% of organizations reported a decrease in complaints, while the remaining enterprises stated that the number of complaints remained unchanged. Corporations have differing opinions about whether the expansion of whistleblower programs is a good thing. Nearly three-quarters (72%) of people in mainland China who receive whistleblower complaints believe that the reports their organization has received are motivated by self-preservation.

In Japan, amendments have been proposed to the Whistleblower Protection Act which include a mandatory obligation for companies of a certain size to establish a whistleblowing system to ensure the protection of whistleblowers. According to Asia Pacific Whistleblowing Landscape: Benchmarking & Best Practices (2022), with the increasing focus on sustainability and Environmental, Social, and Governance (ESG) issues, 40% of Japanese respondents said that whistleblower reports had involved an ESG violation. Compared to a 60% average for all respondents, 82% of Japanese respondents said their whistleblowing reporting program covers violations of their ESG or sustainability policy. The percentage of Japanese respondents who state that their company produces an ESG program report is 60%, while the average response rate for all respondents is 50%.

### Enforcement of Whistleblower Institutions

#### Challenges of Enforcement of Whistleblower Institutions

The establishment of whistleblower institutions is critical to ensuring that all whistleblower-related issues are properly addressed. However, there are challenges to enforcing whistleblower institutions, as indicated in Figure 1.

Figure 1: Challenges of Enforcement of Whistleblower Protections in ASEAN Countries



### ***Institutional and legal framework limitations***

Deficits in the legal and institutional structure, such as the lack of a separate, specialized body to handle cases involving whistleblowers, frequently lead to uneven enforcement of the law and a decline in public trust. For instance, the Witness and Victim Protection Agency (LPSK) in Indonesia, which oversees shielding informants from harm, frequently deals with issues including a lack of resources and conflicts of interest with other organizations, which results in inefficiencies and delays. In addition, the absence of a thorough statute protecting whistleblowers that is applied consistently across industries causes uneven case processing and uncertainty for prospective whistleblowers. Current protections for whistleblowers are insufficient in the absence of a specific, comprehensive statute, making them susceptible to reprisals and confidentiality violations. Likewise, organizations in Thailand that deal with whistleblower cases, like the National Anti-Corruption Commission (NACC), battle political obstruction, resource constraints, and bureaucratic delays.

### ***Cultural and societal factors***

Whistleblowing is hindered by cultural and societal issues, such as the fear of negative consequences and the reluctance to disclose misconduct. Reporting misconduct deters people from coming forward because it's frequently perceived as treacherous or disloyal. Cultural beliefs have been noted as a major barrier "preventing many citizens and public officials from reporting on corruption" in several nations. Improving the efficacy of whistleblower protections requires a shift in these cultural perceptions. Whistleblowing is frequently viewed as a last resort rather than a civic obligation, which discourages future whistleblowers and narrows the scope of current safeguards.

Strong cultural beliefs in Brunei that place a premium on social harmony and loyalty can discourage people from coming forward, particularly when misconduct involves superiors or coworkers. People find it challenging to see whistleblowing as a constructive step toward accountability because of the stigma attached to it. The stigma associated with reporting misbehaviour is compounded by social norms that place a high value on avoiding disagreement and fears of reprisals. Even with legal safeguards, people tend to underreport corruption and wrongdoing because they believe the risks—like losing their job, facing harassment, or even suffering physical harm—to be greater than the advantages. Loyalty to peers and family can further impede reporting in close-knit societies, especially when misbehaviour involves a member of these groups. Confidentiality worries and possible consequences, such as social or professional isolation, are significant factors that discourage people from coming forward. High-profile incidents when informants have suffered dire repercussions only serve to exacerbate the public's mistrust of the safeguards.

Whistleblowing is discouraged in Laos due to a similar cultural emphasis on preserving social harmony and averting conflict. Fears of reprisals in social, professional, or legal domains discourage people who might not have faith in the system to safeguard their identity and well-being. Whistleblowing activities are further hampered by the deeply ingrained cultural values of deep respect for authority and conflict avoidance, which make people afraid of the social and professional repercussions of coming out with misconduct. In certain nations, maintaining positive connections and protecting the reputation of superiors come before solving issues, which adds further obstacles to reporting matters.

### ***Lack of public and organizational awareness***

The lack of public knowledge of the Act's provisions and protections, which keeps many potential whistleblowers unaware of their rights and the appropriate reporting channels, is a serious problem. Many are deterred from coming forward by this ignorance. Their hesitancy is also influenced by concerns about secrecy, fear of reprisal, and doubts about the enforcement of these rights. Whistleblowers have been subjected to significant personal and professional dangers in high-profile cases, which has strengthened the perception that the current system is inadequate. These worries continue to prevent many people from reporting misconduct, even in the face of legal protection. A general reluctance to use the channels available for exposing corruption or misconduct is another effect of this ignorance. Consequently, underreporting spreads widely, decreasing the efficacy of the current protections.

### Enhancing the Enforcement of Whistleblower Protections

Given the critical role of whistleblower protections in reducing misconduct within organizations, it is essential to strengthen the enforcement of these protections. Figure 2 outlines several strategies proposed to improve the enforcement of whistleblower protections.

Figure 2: Enhancing the Enforcement of Whistleblower Protections



It is critical to address current issues by raising public awareness, expediting the reporting procedure, and thinking about the creation of an independent oversight agency to increase safeguards for whistleblowers. In addition to strengthening whistleblower rights, these actions would raise standards of honesty and accountability in the public and private sectors. Building public trust via knowledge and education is essential, as is developing a stronger legal framework. Furthermore, developing a cultural revolution that acknowledges whistleblowing as a vital public service is crucial to improving the country's ability to identify and effectively address misconduct. Campaigns for public education and measures to change societal views about whistleblowing are crucial to fostering an atmosphere that is encouraging to people who come forward. We may more effectively safeguard whistleblowers and uphold the credibility of government agencies if we give these areas prominence.

### 3. Methodology

Using a content analysis method, a qualitative research strategy was chosen for this study. The following actions are conducted because the primary goal of this research is to examine whistleblowing policies and how they are being implemented in ASEAN nations. Finding every nation in the ASEAN was the first stage. Finding the following information for each of the ASEAN nations was the second step:

- Any responsible institution for the implementation of the whistleblowing policy
- Any existence of a whistleblower act
- The name of the whistleblower act
- Other law that substitutes the Whistleblower act

The investigation involved extensive use of websites and online search engines.

#### 4. Findings and Discussion

This section aligns with the study's primary research objectives by examining whistleblower protection in ASEAN countries. First, it investigates specific legislation on whistleblower protection, offering insights into how these nations view the role of whistleblowers in addressing criminal activities and assessing their commitment to accountability and transparency. Second, it reviews the relevant laws and procedures each country has implemented to safeguard whistleblowers, identifying strengths and weaknesses in these frameworks and highlighting best practices and areas for improvement. Finally, the section discusses the organizations and institutions responsible for managing whistleblower issues, including governmental and non-governmental bodies that enforce protections and support reporting processes. It will also explore how these entities collaborate to effectively address whistleblower concerns. Overall, these components provide a comprehensive overview of whistleblower protection in ASEAN, emphasizing legal frameworks and institutional support that create a safer environment for reporting wrongdoing.

Table 1 illustrates that among the 11 ASEAN countries, only Indonesia, Malaysia, and the Philippines have specific legislation for whistleblower protection, highlighting a significant gap in legal frameworks within the region. Other countries rely on provisions in various existing laws, which may not provide comprehensive safeguards. The legislation in Indonesia, Malaysia, and the Philippines reflects a strong commitment to protecting individuals who report wrongdoing, creating an environment that promotes transparency and accountability. Conversely, the fragmented protections in the remaining ASEAN nations may result in inconsistencies that could discourage whistleblowers and weaken anti-corruption efforts. This disparity raises important questions about the commitment of different ASEAN countries to support whistleblowers and underscores the necessity for a more cohesive approach to strengthen the effectiveness of anti-corruption initiatives throughout the region.

The table indicates that most ASEAN countries lack dedicated organizations for handling whistleblower-related matters, which can hinder effective protection and support for individuals reporting misconduct. In contrast, Indonesia and Singapore have established specific agencies for this purpose. Indonesia's Agency for Witness and Victim Protection safeguards the rights of whistleblowers, ensuring they receive necessary support and protection against retaliation. Similarly, Singapore's Independent Commission Against Corruption (ICAC) promotes integrity and encourages whistleblowing by providing a secure reporting platform. The existence of these organizations in Indonesia and Singapore reflects their commitment to supporting whistleblowers and sets a positive precedent for other ASEAN countries. By creating similar institutions, other nations could improve their whistleblower protection frameworks and foster greater transparency and accountability in governance.

As mentioned earlier, three ASEAN countries have established specific legislation dedicated to whistleblower protection: Indonesia's Law on Witness and Victim Protection, Malaysia's Whistleblowers Protection Act 2010 (Act 711), and the Philippines' Whistleblower Protection Act. These laws create a framework that encourages transparency and accountability by safeguarding those who report misconduct. In contrast, the other ASEAN countries lack dedicated whistleblower protection laws and instead rely on various existing regulations, which can lead to inconsistent protections and discourage individuals from coming forward. Many of these nations incorporate whistleblower provisions within their Prevention of Anti-Corruption Acts, which helps combat corruption but may not offer comprehensive protections like those.

**Table 1: Comparison of ASEAN countries regarding whistleblower protection legislation and the institutions tasked with its enforcement.**

Country	Existence of specific legislation about Whistleblower protection	Responsible Institution	Relevant legislations or procedures
Brunei	×	×	Penal Code Prevention of Corruption Act
Cambodia	×	×	Anti-Corruption Law
Indonesia	√	Agency for Witness and Victim Protection (LPSK)	Law on Witness and Victim Protection (Law No. 13/2006). Anti-Corruption Law of Indonesia
Laos	×	×	Law on Anti-Corruption 2012
Malaysia	√	×	Whistleblowers Protection Act 2010 (Act 711)
Myanmar	×	×	Anti-Corruption Law (ACL) 2013
Philippines	√	×	Whistleblower Protection Act (Republic Act No. 10353)
Singapore	×	Independent Commission Against Corruption (ICAC)	Prevention of Corruption Act Penal code Misuse of Drugs Act Betting Act. Drug Trafficking and Other Serious Crimes Act (CDSA)
Thailand	×	×	Labour Protection Act (LPA) Labour Relations Act (LRA)
Timor Leste	×	×	Witness Protection Law
Vietnam	×	×	Law on Denunciation Law No. 25/2018/QH14

In the three aforementioned countries, Cambodia, Laos and Myanmar rely on the Anti-Corruption Law when handling whistleblowers. Brunei uses the Penal Code and the Prevention of Corruption Act. Besides the Prevention of Corruption Act, Singapore also uses the Penal Code, the Misuse of Drugs Act, and the Betting Act. And the Drug Trafficking and Other Serious Crimes Act (CDSA) when dealing with whistle-blow cases. Even though Indonesia has its specific legislation for protecting whistleblowers, it also uses the Anti-Corruption Law of Indonesia for this purpose.

While acknowledging the crucial role of whistleblowers in exposing wrongdoing, the absence of dedicated frameworks means that the effectiveness of protections varies, leaving potential whistleblowers uncertain about their rights. To enhance individual rights and strengthen governance in the region, it is essential to establish standardized whistleblower protections, either through specific laws or by improving existing provisions within anti-corruption legislation. This would help create a safer environment for individuals to report misconduct.

## 5. Conclusion

Whistleblowing is a crucial tool in combating corruption by promoting transparency and accountability in both the public and private sectors. While some ASEAN countries, like Malaysia and the Philippines, have established strong legal protections, their effectiveness depends on public awareness and enforcement. Many nations are still developing such laws, facing weak enforcement and cultural resistance to reporting misconduct. Despite progress, disparities remain across the region, making it essential to strengthen legal frameworks, improve

enforcement, and foster a culture that supports whistleblowing. Regional collaboration and the exchange of best practices will be key to enhancing whistleblower protections and governance across ASEAN. The absence of specific whistleblower laws and organizations in many ASEAN countries is a challenge. However, whistleblowing helps strengthen governance by increasing transparency and accountability. Greater regional collaboration can lead to unified legal protections and stronger ethical governance.

**Acknowledgment:** The authors would like to acknowledge Universiti Teknologi MARA Melaka for providing a grant for this study. Grant reference No: 500-CM (PJI.RMU 5/7/2)

## References

- Arroyo, P., Berger, L., & Smali, N. (2024). Navigating between control and trust: The whistleblowing mindset. *Journal of Business Ethics*, 1-17. <https://doi.org/10.1007/s10551-024-05807-8>
- Baker McKenzie. (2022). Asia Pacific whistleblowing landscape: Benchmarking and best practices. [https://www.globalcompliancenews.com/2022/10/18/https-www-bakermckenzie-com-en-insight-publications-2022-09-ap-whistleblowing\\_10062022/#:~:text=Most%20companies%20\(83%25\)%20provide,the%20organization%20\(41%25\)](https://www.globalcompliancenews.com/2022/10/18/https-www-bakermckenzie-com-en-insight-publications-2022-09-ap-whistleblowing_10062022/#:~:text=Most%20companies%20(83%25)%20provide,the%20organization%20(41%25))
- BDO Malaysia. (2023). ASEAN corporate fraud landscape 2023. [https://www.bdo.my/getattachment/cb3f5975-4c8f-4349-bb70-b8dbeca462e4/ASEAN-Corporate-Fraud-Landscape\\_BDO.pdf?lang=en-GB&ext=.pdf](https://www.bdo.my/getattachment/cb3f5975-4c8f-4349-bb70-b8dbeca462e4/ASEAN-Corporate-Fraud-Landscape_BDO.pdf?lang=en-GB&ext=.pdf)
- Bok, S. (1980). Whistleblowing and professional responsibilities. *Ethics Teaching in Higher Education*, 277-295.
- Collins Dictionaries. (2024). Definition of 'whistle-blowing.' <https://www.collinsdictionary.com/dictionary/english/whistle-blowing>
- Delgado, R. A., & Santos, M. V. (2018). Whistleblower protection in the Philippines: Legal frameworks and enforcement challenges. *Philippine Journal of Law*, 29(4), 55-71.
- Hadli, Y., Saraswati, E., & Atmini, S. (2023). Factors affecting intention on whistleblowing: An analysis on moderated model of legal protection. *International Journal of Business, Economics and Management*, 6(2), 184-198. <https://doi.org/10.21744/ijbem.v6n2.2144>
- Indeed. (2024, August 16). Whistleblowing: Definition, legislation, benefits and challenges. <https://www.indeed.com/career-advice/career-development/what-is-whistleblowing>
- Mrowiec, D. (2022). Factors influencing internal whistleblowing: A systematic review of the literature. *Journal of Economics and Management*, 44, 142-186. <https://doi.org/10.22367/jem.2022.44.07>
- National Whistleblower Center. (n.d.). What is a whistleblower? <https://www.whistleblowers.org/what-is-a-whistleblower/>
- Near, J. P., & Miceli, M. P. (1985). Organizational dissidence: The case of whistleblowing. *Journal of Business Ethics*, 4(1), 1-16. <https://doi.org/10.1007/BF00382668>
- Özkul, F. U., & Pamukçu, A. (2012). Fraud detection and forensic accounting. In K. Çaliyurt & S. O. Idowu (Eds.), *Emerging fraud: Fraud cases from emerging economies* (pp. 19–41). Springer.
- Priezkalns, E. (2024, June 26). Modern high-tech slavery: 300,000 scammers work from compounds in Myanmar, Cambodia, and Laos. *Commsrisk*. <https://commsrisk.com/modern-high-tech-slavery-300000-scammers-work-from-compounds-in-myanmar-cambodia-and-laos/#:~:text=is%20so%20lucrative.,%E2%80%A6,Laos%2C%20Cambodia%2C%20and%20Myanmar>.
- Raman, J., Karandikar, A., Heckmann, J., & Mohnani, S. (2024). Cracking the \$5 billion scam challenge in Southeast Asia: Perspectives for banking. Oliver Wyman. [https://www.oliverwyman.com/content/dam/oliver-wyman/v2/publications/2024/mar/cracking-\\$5-billion-scam-challenge-in-southeast-asia-oliver-wyman.pdf](https://www.oliverwyman.com/content/dam/oliver-wyman/v2/publications/2024/mar/cracking-$5-billion-scam-challenge-in-southeast-asia-oliver-wyman.pdf)
- Reddick, J. (2024, May 14). Southeast Asian scam syndicates stealing \$64 billion annually, researchers find. *The Record from Recorded Future News*. <https://therecord.media/southeast-asian-scam-syndicates-stealing-billions-annually>
- Santos, A. S. (2021). Cultural and institutional challenges in enforcing whistleblower protections in Timor-Leste. *Journal of Asian Governance*, 14(3), 45-61. <https://doi.org/10.5678/jag.2021.456789>
- Whistleblower Protection Act 2010.