

Malaysia
UNU
(Ethics office)

Note to Ms. Pollard

Approval for Dr. Mohamed Yasin's Directorship in SIRIM Berhad
(a company wholly owned by the Government of Malaysia)

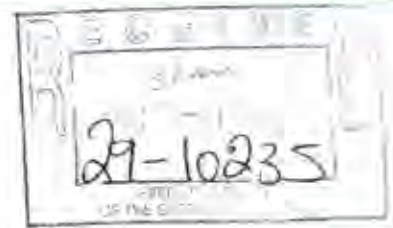
1. Please refer to the communication received from the Under Secretary in the Ministry of Finance of the Government of Malaysia requesting approval of the Secretary-General for Dr. Mohamed Salleh Mohamed Yasin to function as a Member of the Board of Directors of SIRIM Berhad. Dr. Yasin is currently the Director of the United Nations University- International Institute of Global Health based in Kuala Lumpur. The Ethics Office, who had been requested for advice, has recommended that the request from the Malaysian Government should be declined.
2. In this context and after consideration of the reasoning advanced by the Ethics Office, I would tend to agree with the views of Mr. Benson. I would, accordingly, request that you write to the Under Secretary in the Ministry of Finance of the Government of Malaysia conveying the views that their request cannot be acceded to. Copies of the communication dated 14 August 2009 from the Government of Malaysia and the note from Mr. Benson dated 30 September 2009 are attached for your reference.

Vijay Nambiar
Vijay Nambiar
2 October 2009

Cc: Ms. Kane
Mr. KIM
Mr. Benson

29-08832
29-10235

VR
Note to Mr. Nambiar



I refer to the letter from Mr. Eshah Mear Suleiman, Ministry of Finance in Malaysia of 14 August 2009, requesting your approval to allow Dr. Mohamed Salleh Mohamed Yasin of the United Nations University to continue to serve on the SIRIM Berhad Board of Directors. (29-10235)

While Dr. Yasin has been a member of the SIRIM Board since 2004, before joining the Organization, it appears as a consequence of the financial disclosure exercise, he is only now seeking approval for this outside activity.

Dr. Yasin's continued membership on the Board of Directors for SIRIM Berhad raises several issues for consideration, including conflicting loyalties, serving individual member states and whether there is a benefit to the Organization by his participation.

Corporate law generally requires that members of the Board of Directors owe a fiduciary obligation to the corporation to act in the best interests of the Corporation, which might not always be aligned with the best interests of the UN. As well, should he, as a member of the Board become privy to insider information of the UN, his fiduciary obligation to the corporation would demand that he disclose the information, if it were considered to be in the interests of the corporation; this could put his loyalties in conflict as well as his obligation to maintain confidences. A similar situation may arise in the reverse, that is, information received in confidence from the corporation, should not be withheld, if it were in the interests of the UN.

Since SIRIM Berhad is a wholly owned entity of the government of Malaysia, the issue of serving individual member states arises and calls into question the value added or the benefit the Organization might gain from this service. You may recall that the Ethics Office has always been of the view that where a member state has requested the participation of a UN staff member, such a request must be made to the Secretary-General and it is understood that any participation by the UN staff member in relation to an activity of a Member State must be done in their official capacity; a UN staff member cannot participate in his or her personal capacity where the outside activity is at the request of a Member State. Since the activity will be undertaken in the staff member's official capacity, such an activity must be of benefit to the United Nations and the achievement of its goals. Based on the foregoing, it is difficult to discern the benefit Dr. Yasin's participating would provide nor how it would advance the Organization's goals.

In view of the above, I would recommend that the request from the Ministry of Finance for Malaysia be graciously declined. //

Robert Benson
Director
Ethics Office

30 September 2009



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(MINISTRY OF FINANCE MALAYSIA)
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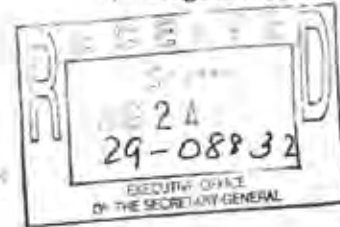
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14 August 2009



His Excellency Ban Kee-moon
The Secretary General of the United Nations
UN Headquarters
First Avenue at 46th Street
New York
NY 10017
The United States of America

ACTION *Mr. Ban*
COPY *VA*



Your Excellency,

Approval for Dr. Mohamed Salleh Mohamed Yasin's Directorship in SIRIM Berhad (formerly known as Standards and Industrial Research Institute of Malaysia), a company wholly-owned by the Government of Malaysia

With reference to the above matter, we have been informed that the approval of the UN Secretary General is required for an employee of the UN to be a member of the Board of Directors of a company.

2. Dr. Mohamed Salleh Mohamed Yasin is currently the Director of the United Nations University – International Institute of Global Health based in Kuala Lumpur. Dr Mohamed Salleh has been on the Board of Directors of SIRIM Berhad since 22 September 2004 which was before he joined the United Nations University – International Institute for Global Health.

3. For your information, SIRIM Berhad is a company which is wholly-owned by the Government of Malaysia and also a premier Research and Technology organisation providing timely and focused research on technologies which cover many science disciplines. SIRIM Berhad is also the champion of Quality and has gained international recognition in Standards and Conformity Assessment, underlying its mission of making businesses more competitive through quality and technology innovations.

4. With the vast experience and knowledge of more than 20 years particularly in the areas of science and technology, it is believed that through Dr. Mohamed Salleh's directorship in SIRIM Berhad, he would contribute greatly towards enhancement of research and technological development in Malaysia. Dr. Mohamed Salleh's involvement in SIRIM Berhad also serves as a platform for the United

Nations University – International Institute of Global Health to work with policy makers of Science and Technology in Malaysia and build network with researchers in academia and the industry.

5. In this regard, I would like to seek Your Excellency's kind consideration to approve Dr. Mohamed Salleh Mohamed Yasin's directorship in SIRIM Berhad.

Thank you.

Regards,



(ESHAH MEOR SULEIMAN)

Undersecretary

Investment, MOF (Inc.) and Privatisation Division

Ministry of Finance Malaysia