Compilation of Written Reports of Steering Group Members on UNCAC Implementation and Other Specific Topics in the Anti-Corruption Field

At each annual Steering Group meeting, members of the ADB/OECD Anti-Corruption Initiative for Asia and the Pacific report on their recent anti-corruption reforms and progress made since the previous Steering Group meeting. This document consolidates all reports that were submitted to the Secretariat for the 18th Steering Group Meeting.

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Bangladesh

A. UNCAC Chapter II: Preventive Measures

**UNCAC Provisions:**
- Art. 5: Preventive anti-corruption policies and practices
- Art. 6: Preventive anti-corruption body or bodies
- Art. 7: Public sector
- Art. 8: Codes of conduct for public officials
- Art. 9: Public procurement and management of public finances
- Art. 10: Public reporting
- Art. 11: Strengthen integrity and to prevent opportunities for corruption among members of the judiciary. Such measures may include rules with respect to the conduct of members of the judiciary.
- Art. 12: Private sector
- Art. 13: Participation of society
- Art. 14: Measures to prevent money-laundering

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - The government has taken decision to upgrade the Wing of the Cabinet Division with added manpower for implementation of NIS;
   - Meetings of the Advisory Council headed by the Honorable Prime Minster and its Executive Committee have been held;
   - Training programs have been organized for the heads of ethics committees and focal points of all the ministries;
   - A seminar has been organized with senior officials for introducing a full-fledged performance management system in the government offices;
   - The Cabinet Division has conducted a research on the implementation status of NIS in different ministries of the Government;
   - The Cabinet Division has cooperated with Transparency International Bangladesh (TIB) in their research on NIS implementation in private and public sectors;
   - In an effort to enhance accountability and to improve service delivery in the field administration, the government has issued a circular requiring the head of offices to conduct public hearing on a regular basis;
   - The Ministry of Public Administration has taken initiatives to formulate code of conducts for public servants by revising the existing conduct rules;
   - With a view to facilitating proactive disclosure of public information, the Government has launched on June 2014 the National Web Portal containing more than 25 thousand websites for the Government offices;
   - With the assistance of Development Partners, the National Integrity Implementation Unit at the Cabinet Division has been strengthened.
2. Measures Being Planned to Implement UNCAC provisions
   - A project is under implementation for automation of the Grievance Redress System (GRS);
   - Regular submission of wealth-statement by the Government employees has been made obligatory;
   - Creation of an office of the Ombudsmen;
   - Digitization of land records system for better land management and reduction of land related disputes;
   - Training for the innovation officers and the innovation team members.

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
   - Implementation of the action plans of the NIS in all the 16 state and non-state institutions;
   - Update and proper implantation of conduct rule for official;
   - Adoption of a code of conduct for the Members of Parliament;
   - Specify qualification for appointment of the Supreme Court judges;
   - Ensuring their transparency and accountability in the private sector organizations and motivating them to introduce a culture of moral and ethical practices.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter II
   - Sensitizing the media, NGOs, educational institutions, private sector and political parties about NIS;
   - Capacity development of officers working with the implementation of the NIS;
   - Seminar and opinion sharing meetings with stakeholders at ministry and field administration;
   - Experience sharing with other countries.

**B. UNCAC Chapter III: Criminalization and Law Enforcement**

UNCAC Provisions:
- Art. 15: Article 15. Bribery of national public officials
- Art. 16: Bribery of foreign public officials and officials of public international organizations
- Art. 17: Embezzlement, misappropriation or other diversion of property by a public official
- Art. 18: Trading in influence
- Art. 19: Abuse of functions
- Art. 20: Illicit enrichment
- Art. 21: Bribery in the private sector
- Art. 22: Embezzlement of property in the private sector
Bangladesh

| Art. 23: Laundering of proceeds of crime |
| Art. 24: Concealment |
| Art. 25: Obstruction of justice |
| Art. 26: Liability of legal persons |
| Art. 27: Participation and attempt |
| Art. 28: Knowledge, intent and purpose as elements of an offence |
| Art. 29: Statute of limitations |
| Art. 30: Prosecution, adjudication and sanctions |
| Art. 31: Freezing, seizure and confiscation |
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| Art. 38: Cooperation between national authorities |
| Art. 39: Cooperation between national authorities and the private sector |
| Art. 40: Bank secrecy |
| Art. 41: Criminal record |
| Art. 42: Jurisdiction |

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   Bangladesh has revised the Anti-Terrorism Act for further tightening up of the measures for prevention of funding in terrorist activities;
   A law has been promulgated prohibiting Multi-Level Marketing business;
   A committee has been formed in the Bangladesh Bank for proper implementation of the Money Laundering Prevention Act 2012;
   The government is planning to provide institutional supports to the informants under the Whistle Blower Protection Act 2009.
   Initiative has been taken to improve police-citizen ratio.

2. Measures Being Planned to Implement UNCAC provisions
   Creation of permanent of attorney service instead of ad-hoc appointment of prosecution officials on political consideration;
   The government is taking measures to ensure the accountability of the judges
### Bangladesh

- Separation of investigation and enforcement departments in the police;
- Ensuring accountability of law-enforcement agencies;
- Bringing law enforcement agencies under wider coverage of NIS;
- Timely disposal of cases in the courts;

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III
- Special seminar may be arranged with the concerned departments on the issue of law enforcement agencies;
- Seminar may be arranged with the concerned authority on the judicial system.

### C. UNCAC Chapter IV: International Cooperation

**UNCAC Provisions:**
- Art. 43: International cooperation
- Art. 44: Extradition
- Art. 45: Transfer of sentenced persons
- Art. 46: Mutual legal assistance
- Art. 47: Transfer of criminal proceedings
- Art. 48: Law enforcement cooperation
- Art. 49: Joint investigations
- Art. 50: Special investigative techniques

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - Discussions are underway between Bangladesh and India to exchange criminals under extradition treaty between these two countries.

2. Measures Being Planned to Implement UNCAC provisions
   - More frequent exchange of information on money laundering and other related matters with international organizations.
   - Cooperation with Bangladesh Bank, Ministry of Finance, NBR and law enforcing agencies

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
   - Complicated and lengthy procedures in international cooperation in prevention of money laundering
   - Coping with the IT based skills of the criminals in money laundering

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter IV
Bangladesh

Drafting agreements/treaties for international cooperation on prevention of money laundering
The modern techniques of detecting illegal flow of money abroad

D. UNCAC Chapter V: Asset Recovery

UNCAC Provisions:
- Art. 52: Prevention and detection of transfers of proceeds of crime
- Art. 53: Measures for direct recovery of property
- Art. 54: Mechanisms for recovery of property through international cooperation in confiscation
- Art. 55: International cooperation for purposes of confiscation
- Art. 56: Special cooperation
- Art. 57: Return and disposal of assets
- Art. 58: Financial intelligence unit
- Art. 59: Bilateral and multilateral agreements and arrangements

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - The Anti-Corruption Commission of Bangladesh recently brought back from abroad several million USD of money laundering proceeds, which may be considered as a big initiative in recovery of national wealth;
   - Similar measures are underway to recover proceeds of illegal activities transferred to foreign countries

2. Measures Being Planned to Implement UNCAC provisions
   - Engaging specialized units and manpower for implementation

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
   - Difficulty in detecting the transfers of illegal proceeds where the criminals use most modern techniques

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter V
   - Information technology in prevention of money laundering
   - Knowledge about the scopes and means of international cooperation in prevention of illegal flow of money
E. Additional Developments

1. Member’s Report on dissemination and domestic use of the initiative’s knowledge products and events (Members are requested to report on how they have shared internally and used the Initiative’s (recent) learning events in their internal anti-corruption efforts)
   - Discussed in the inter-Ministerial meetings
   - Relevant agencies have been given guidelines or recommendations

2. Member’s Report on measures taken to share knowledge and experience with other countries, including to help strengthen the capacity of developing countries to implement the UNCAC
   - Bangladesh shared its experience of formulating and implementing the NIS with the SAARC Countries in the SAARC Cabinet Secretaries’ Meeting held in Dhaka in April 2014
Bhutan

A. UNCAC Chapter II: Preventive Measures

UNCAC Provisions:
- Art. 5: Preventive anti-corruption policies and practices
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- Art. 12: Private sector
- Art. 13: Participation of society
- Art. 14: Measures to prevent money-laundering

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   Bhutan launched National Integrity and Anti-Corruption Strategy (NIACS) 2014-2018, drawing lessons from the National Anti-Corruption Strategy (NACS) 2009. It provides an effective platform for promoting integrity and anti-corruption measures by strengthening systems and building alliances among public, private and civil society. The four strategic objectives of the NIACS are:
   i. Ensure political will and promote ethical leadership and integrity;
   ii. Inculcate ethical behaviour through education and awareness programs;
   iii. Promote cooperation and partnership for a collective alliance against corruption and
   iv. Strengthen systems to prevent and combat corruption.

   To ensure robust mainstreaming of NIACS in the 11th Five Year Plan (2014-2018), the implementation and monitoring of NIACS has been integrated in the national policy; the “implementation of NIACS by all agencies” is one of the Key Performance Indicators (KPIs) under National Key Results Area (NKRA) of “Corruption Reduced”.

   Further, the implementation of NIACS has been incorporated in the Government Performance Management System (GPMS) initiative, taking ownership in the
ADB/OECD Anti-Corruption Initiative for Asia and the Pacific and Kingdom of Cambodia

Bhutan

implementation of the strategy. The ACC now engages the cabinet every quarter on issues of national importance.

- As reported in the earlier country report, e-learning on Ethics and Integrity Management of the Civil Servant has been initiated with a long term goal of building a clean civil servant that upholds integrity, honesty, justice and rule of law. Since December 2011, more than 12,000 out of 25,310 civil servants have undertaken the course. During the period, similar courses have been developed and launched for the parliamentarians and justices and associate professionals in June 2014. These are in line with the second strategic objective of the NIACS and operationalization of Code of conducts of public officials.

- Bhutan Transparency Group (BTG – in interim board) has been formed with the support of Swiss Agency for Development and Cooperation (SDC). The group is expected to be registered as a Civil Society Organization (CSO) by the end of December 2014. The CSO is expected be a dedicated local anti-corruption CSO engaging in independent corruption diagnostics and anti-corruption advocacy. Its efforts will complement the works of ACC, supporting ACC in strengthening citizenry and community engagement.

- Towards building responsible citizenry in enhancing transparency and accountability culture in the society and lending true meaning to the government’s much proclaimed election commitment i.e. Wangtse Chirphel (Decentralization of power and resources) through conscious and comprehensive efforts towards fostering social accountability culture a framework was developed in August, 2013. Till date, Civil Society Organizations (CSO), media and general public have been trained and sensitized on Citizen Report Card (CRC), Community Score Card (CSC) and Budget Analysis and Expenditure Tracking and Social Audit. Further, the Department of Local Government, Royal Institute of Management and ACC signed a Memorandum of Understanding (MoU) to operationalize the tools in empowering citizens for enhanced transparency and accountability in the larger governance system.

Some of the initiatives of ACC in building capacities of various agencies in implementing anti-corruption measures and practices within their agencies (as part of implementing NIACS) in the reporting period are:

a) Conducted Corruption Risk Management (CRM) in five organizations (including ACC) and administered Integrity Diagnostic Tool (IDT) in 17 agencies. CRM and IDT are tools adopted by ACC to reduce the corruption risk with improved/enhanced systems, procedures and service delivery.

b) National Integrity Assessment (NIA) 2012 report was published in August 2013. The Integrity score is 8.37 on a scale of 0-10 (0-highly corrupt and 10-highly transparent). The agency specific results and the recommendation for better service delivery have shared and discussed with 10 agencies.

- In terms of engaging citizens, ACC conducted general advocacy and behavioral change programs as follows:

a) Conducted advocacy programs in 134 gewogs (sub district level), reaching out to about 20,676 people; till date 204, of 205, gewogs have been covered. The awareness and gewog advocacy programs targeted villagers, local government officials, public servants, business community and dzongkhag officials;
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Bhutan

b) Conducted technical sessions with National Council (house of review), National Environment Commission, Bhutan Development Bank Limited and Thimphu City Corporation for enhanced understanding of corruption issues and anti-corruption measures;

c) Trained 67 participants comprising engineers, finance managers and procurement officers of hydropower projects on “securing value for money in procurement”;

d) ACC also interacted with contractors and other participants from the private sector during the awareness workshop on public procurement organized by the Public Procurement Policy Division, Ministry of Finance; and

e) Other sessions includes interaction with trainees at Royal Institute for Governance and Strategic Studies, De-suups – Guardians of Peace, gewog administrators, youth groups, graduates, religious organizations and nurses among many others.

- Observed the International Anti-Corruption Day (IACD) and National Anti-Corruption Week (NACW) from 9 to 16th December, 2013 on the theme “Zero Corruption, 100% Development”. It was commemorated with different programs, viz. i) gewog advocacy program, ii) launching of the reports on ‘Integrity and Value Education in Schools’ that mainly emphasizes on being role models for the younger generation and upholding integrity by all individuals, teachers, family members and the society. NACW also saw a series of live panel discussion on national TV and radio on various anti-corruption topics.

- In order to sustain ACC as an effective, strong and credible organization, a critical governance imperative, a proposal on delinking ACC from the civil service, “Study on measures to safeguard the Constitutional Role of the Anti-Corruption Commission of Bhutan”, was presented to the Legislative and Good Governance Committees of the National Assembly in January, 2014. Further, the 2nd session of the 2nd Parliament discussed and recommended ACC and RCSC to mutually resolve the human resource issues (actually independence is guaranteed by the Constitution of the Kingdom).

- The Debarment Rule, drafted to ensure the conduct of business with responsible persons or entities by public agencies, has been published and adopted. Following that, Debarment Committee has been formed and is in the process of discussing modalities of operationalizing the Rules including public advocacy and awareness programs.

- The Ministry of Finance launched the National Internal Control Framework and Internal Auditors manual; the manual is expected to provide professional guidance and information for the internal auditors and enhance the quality and effectiveness of their services.

2. Measures Being Planned to Implement UNCAC provisions

- ACC signed MoU with Royal Institute of Management for enhanced co-operation and building capacities to undertake collaborative research and sustaining culture of quality research. This collaboration expects to enhance the research capacity in anti-corruption and facilitate policy makers with evidence based decision making. ACC and RIM is currently working on developing anti-corruption research program to be delivered with technical assistance of international and national expertise.

- The Ministry of Finance will be revising the Procurement Rules and Regulations 2009 and all the Standard Bidding documents quarterly from July 2014.
3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
   - The general perception that fighting corruption is the sole responsibility of ACC persists. There is lesser participation of civil societies, general citizens and individuals in the anti-corruption activities. However, this is expected to be change with the integration of NIACS in the development agenda and fostering of social accountability culture.
   - Poor accountability culture in the governance system.
   - General lack of competency and capacity to undertake empirical researches that can facilitate systemic interventions in policies and programs.
   - Persistent challenge in recruitment and retention of employees with high professional caliber and integrity (general reluctance to work in ACC).

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter II
   - Capacity building in the field of ethics and integrity
   - Strengthening research capacity of ACC and its partners.

B. UNCAC Chapter III: Criminalization and Law Enforcement

UNCAC Provisions:
   - Art. 15: Article 15. Bribery of national public officials
   - Art. 16: Bribery of foreign public officials and officials of public international organizations
   - Art. 17: Embezzlement, misappropriation or other diversion of property by a public official
   - Art. 18: Trading in influence
   - Art. 19: Abuse of functions
   - Art. 20: Illicit enrichment
   - Art. 21: Bribery in the private sector
   - Art. 22: Embezzlement of property in the private sector
   - Art. 23: Laundering of proceeds of crime
   - Art. 24: Concealment
   - Art. 25: Obstruction of justice
   - Art. 26: Liability of legal persons
   - Art. 27: Participation and attempt
   - Art. 28: Knowledge, intent and purpose as elements of an offence
Bhutan

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1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - For better coordination and meaningful cooperation, ACC signed MoU with Royal Monetary Authority, Road Safety and Transport Authority, Construction Development Board, Ministry of Foreign Affairs and National Land Commission Secretariat.
   - A guideline for investigation and prosecution of private sector corruption has been drafted for clear coordination and cooperation between the ACC, Office of Attorney General and Royal Bhutan Police.
   - In addition, ACC has developed “Guidelines on protection of and incentives to complainant, informer, witness and person who assist the commission” and it is yet to be adopted.

2. Measures Being Planned to Implement UNCAC provisions
   - MoU to be signed with Department of Immigration, Royal Bhutan Police, Department of Revenue and Customs, Royal Audit Authority and Royal Civil Service Commission.
   - Office of the Attorney General (OAG) has drafted a ‘Statute of Limitation' that would also include limitation periods for corruption offences. The draft is yet to be finalized.
   - The Investigation Manual is being revised incorporating the standard operating procedures based on the powers conferred by ACA 2011.

Construction Development Authority Bill has been drafted to establish the Construction Development Authority to regulate and promote the construction sector.
### Bhutan

In the Kingdom. This will facilitate dialogue between the private and public sector for the betterment of construction sector, also assisting in promotion of integrity, ethics and best practices in the construction sector.

   - Lack of coordination and cooperation among agencies in fighting corruption.
   - Obtaining information from agencies.
   - Lack of understanding of how corruption is perpetrated, motive and circumstances under which it is perpetrated by important stakeholders.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III
   - Basel Institute on Governance conducted a specialized training for the justices, attorneys, police, central bank officials and the ACC on anti-money laundering, detection and freezing of proceeds of crime and effective prosecution in June 2014.
   - Training needs for execution of protection of whistleblowers, witnesses and victims.

### C. UNCAC Chapter IV: International Cooperation

**UNCAC Provisions:**
- Art. 43: International cooperation
- Art. 44: Extradition
- Art. 45: Transfer of sentenced persons
- Art. 46: Mutual legal assistance
- Art. 47: Transfer of criminal proceedings
- Art. 48: Law enforcement cooperation
- Art. 49: Joint investigations
- Art. 50: Special investigative techniques

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - ACC renewed the MoU with the National Anti-Corruption Commission (NACC), Thailand to strengthen the existing relationship in establishing cooperation on preventing and combating corruption. This renewed the cooperation under the MoU signed in 2010.

2. Measures Being Planned to Implement UNCAC provisions
   - The UNCAC-Self Assessment indicates the readiness of ratification/accession to the UNCAC. Therefore, ACC submitted its proposal for ratification of the UNCAC to the Cabinet and the Ministry of Foreign Affairs.
Bhutan

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<th>The Australian Federal Police (AFP) will be conducting Basic Criminal Intelligence Course (BCIC) for the law enforcement agencies in September 2014.</th>
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D. UNCAC Chapter V: Asset Recovery

UNCAC Provisions:
- Art. 52: Prevention and detection of transfers of proceeds of crime
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- Art. 55: International cooperation for purposes of confiscation
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- Art. 57: Return and disposal of assets
- Art. 58: Financial intelligence unit
- Art. 59: Bilateral and multilateral agreements and arrangements

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - An expert team of two from the Basel Institute on Governance (BIG) conducted a tailor-made course on financial investigation and asset recovery for the ACC investigators and officials from other law enforcement agencies in June 2014. The training was conducted after an in-depth analysis of laws, institutions and capacities relevant to investigation and prosecution of corruption and related crimes in Bhutan.
   - The enforcement of Asset Declaration (AD) system in Bhutan has been strengthened with the adoption of Asset Declaration Rules 2012.
   - The Financial Intelligence Unit of Bhutan (FIUB) has entered into a Memorandum of Understanding (MoU) with Bangladesh Financial Intelligence Unit (BFIU) and the Korea Financial Intelligence Unit (KoFIU) concerning cooperation in the exchange of financial intelligence relating to money laundering, associated predicate offences and terrorist financing in July 2014.
   - At national level, the Financial Intelligence Unit of Royal Monetary Authority and the Anti-Corruption Commission (ACC) signed a Memorandum of Understanding (MoU) with respect to strengthening the existing cooperation and to expedite the exchange of information between the two agencies in July 2014.

2. Measures Being Planned to Implement UNCAC provisions
   - Being a member of the Asia Pacific Group on Money Laundering (APG), Bhutan is committed to Financial Action Task Force's (FATF) Mutual Evaluation (ME) process. Bhutan's 1st ME by APG Secretariat is scheduled tentatively in November 2015. Currently Bhutan is in process of forming a National Risk Assessment Working Group (NRAWG).
   - Second round a tailor-made training on financial investigation and asset recovery for the ACC investigators and officials from other law enforcement agencies will be conducted in October 2014.
3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
   Challenges in investigating corruption offences are overwhelming in the absence of special capabilities and capacity

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter V

E. Additional Developments

1. Member’s Report on dissemination and domestic use of the initiative’s knowledge products and events (Members are requested to report on how they have shared internally and used the Initiative’s (recent) learning events in their internal anti-corruption efforts)
   ACC informed and educated the general mass on knowledge, expertise, its importance and international best practices through the ACC Annual Report for 2013.
   The seminar confirmed that ACC’s effort in insulating the independence of the ACC from undue political influence and setting procedures for financial and human resources management independence is in line with international best practices. The report on “Study on measures to safeguard the Constitutional Role of the Anti-Corruption Commission of Bhutan” has been presented to the Legislative and Good Governance Committees of the National Assembly on 8th January, 2014. The proposal of ACC, to ensure its independence, also discussed in the 2nd session of the 2nd Parliament.

2. Member’s Report on measures taken to share knowledge and experience with other countries, including to help strengthen the capacity of developing countries to implement the UNCAC
   ACC shared its experience with the ACC, Bangladesh during its Strategic Planning Working Group meeting in April 2014, organized by GIZ.
   Upon invitation of the World Bank, ACC also participated in the Regional Conference on Asset Disclosure for Central & Western Africa at Senegal, Dakar to share Bhutan’s experience in Asset Declaration management and engage its young Senegalese counterpart, the National Office for the Fight against Fraud and Corruption (OFNAC) in April 2014.
   ACC Bhutan shared its experience in bringing together development and anti-corruption agenda at the Regional dialogue and knowledge fair on Accelerating human development in Asia Pacific: Transparency, Accountability and Voices against Corruption in June 2014, Bangkok.
**Hong Kong, China**

### A. UNCAC Chapter II: Preventive Measures

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#### 1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

**Art. 5-10**

Between July 2013 and June 2014, the Independent Commission Against Corruption (ICAC) of the Hong Kong Special Administrative Region (HKSAR), China (HKC) completed 59 reviews on public systems and procedures, covering public procurement, public works, contract management, law enforcement, licensing and regulatory systems, administration of government resources, etc. Over 90% of the advice given was accepted and effectively implemented. In addition, ICAC gave prompt corruption prevention advice on policies and procedures to government departments and public organisations on 545 occasions.

As an on-going initiative, ICAC provides corruption prevention services to major government construction projects. To ensure a level playing field in the tendering process of these major projects, an integrated approach is adopted whereby advice on the tender documents and tender assessment procedures are offered first, followed by ICAC’s representatives sitting as an observer on the tender assessment panels of the respective projects to further advise on the tender assessment procedures as and when appropriate. During the period, the Housing Department (HD)’s site supervision procedures were reviewed for the construction of public housing, and control measures were recommended to ensure that the procedures were corruption resistant. A series of integrity management workshops was also conducted for the staff of HD, consultants and contractors to raise their integrity standard and corruption prevention awareness.

**Art. 7**

To enhance the integrity of voter registration for the Legislative Council (LegCo) Functional Constituency (FC) election, ICAC has started a new initiative to offer corruption prevention advice on membership administration to some 350 Umbrella Organisations (UOs) under various FCs since mid-2013. Members of the UOs are eligible for registration as voters in the respective FCs. In March 2014, ICAC together with the Constitutional & Mainland Affairs Bureau and the
Hong Kong, China

Registration and Electoral Office (REO) reviewed the initiative and agreed to continue the effort until the next LegCo election in 2016. Moreover, ICAC, the Department of Justice and REO reviewed the electoral legislations and administrative guidelines in August 2013. ICAC also provided corruption prevention input to the Home Affairs Department’s review on rural elections and introduction of the relevant legislative amendments in early 2014.

To uphold the integrity of public elections, ICAC has commenced a comprehensive “Support Clean Rural Elections” programme to tie in with the coming round of rural elections to be held in early 2015. This campaign comprised a wide range of education and publicity activities to alert relevant stakeholders to the anti-bribery election laws and to sustain a clean election culture in the community. A dedicated website and an enquiry hotline were also set up to answer enquiries from the public.

ICAC continued to visit the bureaux/departments (B/Ds) of the HKSAR Government to promote the reference package on managing conflict of interest and discuss strategies for promoting civil service integrity. So far, 66 B/Ds had been reached and over 100 thematic workshops had been conducted. To step up the dissemination of integrity messages, updated reference materials were provided to B/Ds for them to publish in their newsletters or intranets.

**Art. 8**

In collaboration with the Civil Service Bureau (CSB) under the Ethical Leadership Programme (ELP), ICAC reviewed and updated the Sample Guide on Conduct and Discipline in order to meet public expectation on the highest standard of integrity of government officers. With the information on the common law offence of Misconduct in Public Office (MIPO) beefed up and a new chapter on ‘Supervisory Accountability’, the new Sample Guide was promulgated to the Ethics Officers of all government departments for adoption in November 2013. Since then, ICAC has been offering tailor-made advice for individual departments to update their staff codes. CSB and ICAC continued to conduct joint visits to government departments to exchange views with their senior management on the implementation of integrity management and areas of concern in conduct and discipline matters.

Following the publication of the MIPO booklet, CSB and ICAC have jointly organised four MIPO seminars for different levels of civil servants to explain the offence from both the legal and corruption prevention perspectives. Over 1 000 civil servants have attended the seminars so far. The relevant presentation materials have been uploaded onto the “Resource Centre on Civil Service Integrity Management” intranet website for sharing amongst civil servants.

As part of the on-going efforts under the ELP to assist B/Ds in developing and sustaining an ethical culture in their organisations, CSB and ICAC continued to organise thematic workshops on a regular basis. CSB and ICAC also engaged individual B/Ds under the ELP in in-depth discussions and experience-sharing on the implementation of integrity management within their organisations.

To further promote and entrench an ethical culture in the civil service, CSB introduced a Special Citation Award under the biennial Civil Service Outstanding Service Award Scheme in 2013 to recognise the best integrity management practice in B/Ds.
ICAC has also reviewed and updated the sample codes of conduct respectively for members and employees of public bodies. The review has taken into account the codes of conduct of selected public bodies, the Sample Guide on Conduct and Discipline for government officers, local and overseas literature on public governance, the codes of conduct of other jurisdictions (e.g. United Kingdom, Australia, Canada, New Zealand, the OECD), the problems identified and recommendations put forward in the past corruption prevention studies conducted by ICAC, the Audit Commission’s reports and past ICAC cases concerning public bodies.

**Art. 9**
In view of the Government’s further devolution of procurement authority to individual government departments in 2013, ICAC undertook to assist government departments to review and enhance their procurement procedures to ensure that they were corruption resistant. In this connection, ICAC has completed detailed studies on the procurement practices of some major departments and consultation exercises for some smaller departments. Based on the findings, a corruption prevention best practice checklist is being compiled for all the departments’ reference. This best practice checklist is a user-friendly guide supplementary to the existing regulatory framework for government procurement.

**Art. 12**
In collaboration with the banking industry, ICAC continued to work on the capacity building programme for enhancing integrity management and corruption prevention in banking operations. The guide entitled Bank on Integrity – A Practical Guide for Bank Managers and a training video for bank managers were promulgated at a seminar jointly organised by the Hong Kong Monetary Authority and the Hong Kong Institute of Bankers (HKIB) for senior banking executives. The package aims at enhancing banking practitioners’ knowledge and skills in countering corruption, handling ethical dilemmas and implementing integrity management. HKIB would also incorporate ICAC’s training material into its relevant certificate courses.

There has been an increase in the number of requests from private organisations for services on corruption prevention in procurement. In this regard, ICAC completed a training/self-learning package on corruption prevention in procurement for use by the private sector, with the support and assistance of the major purchasing professional associations. The package consists of a training video comprising three inter-related episodes on various aspects of procurement functions highlighting the common corruption risk areas and system pitfalls, and a quick reference guide summarising the recommended preventive measures. It was launched in June 2014 through a seminar attended by over 200 procurement and general managers. More similar seminars would follow to meet the industry’s positive response and to promote the best practices and integrity management in procurement.

In view of the large number of infrastructure construction projects and an active property development market in 2014 and beyond, ICAC is collaborating with the construction industry to develop a capacity building package for raising the integrity standard and corruption prevention awareness of the industry practitioners involved, in particular the site supervisory staff. The package includes a training video and a pamphlet on the corruption risks and preventive measures at various stages of a property development project for reference and use by the industry practitioners.
The corruption complaint statistics in recent years reflected that catering is a corruption-prone industry. To address the concern, ICAC is in the process of producing a training/self-learning package on corruption prevention in catering management for use by training/educational institutions providing relevant programmes as well as for trade associations and catering operators. The package consists of a video and a quick reference guide. With input from the industry, the video features five short drama episodes covering different risky areas of catering operations, followed by training messages on the legal provisions against bribery, integrity management, corruption risks, common loopholes and preventive measures.

ICAC continued to offer corruption prevention services to newly listed companies within three months of their listing. So far, over 1,000 listed companies had been visited. About 65% of them had accepted corruption prevention services. ICAC produced short videos for private sector companies to highlight corruption risk in different trades, and related anti-bribery laws to promote zero tolerance of corruption.

An English version of a legal guide to Small and Medium Enterprises (SMEs) with operations in the Pearl River Delta region of China was promulgated to non-Chinese speaking business operators. The guide was jointly produced with the Guangdong Provincial People’s Procuratorate, China and the Commission Against Corruption of the Macao SAR Government, China. It aimed at alerting SME operators to abide by the anti-corruption laws in the respective regions and provide them with practical information on corruption prevention. Workshops were arranged for chambers of commerce and trade associations to strengthen the corruption prevention capabilities of SMEs.

**Art. 13**

ICAC has been disseminating probity messages to the youth in different phases of their school life through teaching packages, educational projects or face-to-face talks/workshops. A Youth Integrity Project (YIP) was organised in the 2013/14 school year to engage local tertiary students in promoting probity and to encourage exchange among local, Mainland and overseas tertiary students on integrity issues. The YIP comprised talks on personal ethics, Ambassador Programme, Team Competition on Promoting Youth Integrity and Resolving Ethical Challenges, and Hong Kong-based Exchange Programme and Youth Summit. Some 28,400 students were reached.

Through a youth association, the i-League was established in 2010. ICAC continues to engage young people in anti-corruption work. There are around 700 i-League members.

A territory-wide i-Teen Leadership Programme for Senior Secondary Students was launched in the 2013/14 school year as a pilot scheme to enlist young people’s support to anti-corruption work of ICAC. Over 800 senior secondary students from around 100 secondary schools were recruited as i-Teen Leaders to assist teachers in organising integrity activities in schools, reaching about 6,800 students.

ICAC continued to garner support from over 550 organisations from different sectors of the community in organising activities to put across anti-corruption messages. To underscore the community’s commitment, ICAC had collaborated with 18 District Councils and other district organisations to organise a wide
range of activities reaching about 509,000 people in 2013/14.

ICAC Club, which was established in 1997 to enhance community support and participation in the fight against corruption, has over 1,100 members from different walks of life. Club members had assisted in organising ICAC activities in the community for more than 5,800 service hours in 2013.

To tie in with ICAC 40th Anniversary, an open day composed of guided tours to various facilities in ICAC headquarters was organised in February 2014. Over 2,550 members of the public joined the event.

2. Measures Being Planned to Implement UNCAC provisions

**Art. 5–10**

ICAC will continue to review public sector procedures with a view to instituting corruption resistance procedures and practices.

ICAC will continue to recommend government departments and public organisations to adopt probity clauses in their public procurement contracts for various goods and services, with a view to upholding high ethical standards of their suppliers and contractors and promoting ethical practices.

**Art. 7**

ICAC will launch a series of clean elections campaigns to tie in with the next election cycle (2015-2017) covering the Chief Executive Election, LegCo Election and other public elections at district level.

ICAC will reach the management of all government B/Ds by various means to review their integrity promotion plans and the need to step up training on integrity management, especially managing conflict of interest.

Under the ELP, ICAC and CSB will continue to jointly organise thematic workshops for Ethics Officers and officers responsible for integrity management in government B/Ds. ICAC has plans to promulgate the corruption prevention best practice checklist on government procurement at a workshop to be organised jointly with CSB under the Ethical Leadership Programme in late October 2014. Besides, ICAC and CSB will organise more MIPO seminars for civil servants at all levels on a regular basis to enable them to better understand this common law offence.

ICAC has started to develop a web learning portal on integrity training for civil servants which will be launched in the first/second quarter of 2015. The portal will be hosted on a civil servants’ e-learning platform administered by the Civil Service Training and Development Institute of the HKSAR Government.

To enable Principal Officials (POs) and officials appointed under the Political Appointment System (PAOs) to have a better understanding of the anti-corruption law and related issues, an ICAC briefing session will be arranged for them in September 2014. This is the third briefing organised for POs and PAOs since 2012.
Art. 8
CSB and ICAC will continue to work closely with B/Ds through a proven three-pronged strategy, viz. prevention, education and training, and sanction, to uphold a high standard of integrity and probity in the civil service.

CSB will keep under constant review the service-wide rules and guidelines on conduct and discipline matters to ensure that they remain clear and adequate in present-day circumstances.

ICAC will issue before the end of September 2014 the revised sample codes of conduct to all public bodies. Thereafter, ICAC will follow up with individual public bodies to offer tailor-made advice on adopting the latest probity standards having regard to the public bodies’ organisational structure, resource capability, operational needs and risk exposures. Upon request, ICAC will assist public bodies in promulgating the standards set out in their revised codes, particularly to the front-line staff, through seminars and talks.

Art. 12
ICAC will continue to share anti-corruption experience and promote good governance and best practices in workshops and seminars organised for various professional bodies and trades related to accounting, banking, securities, insurance, testing and certification, real estates and construction, etc., as well as other private sector organisations including listed companies in Hong Kong.

ICAC will launch the capacity building package at a conference entitled “Construction Industry Conference – Engineering Risk Management and Integrity Building” in November 2014. About 200 government officials, consultants, contractors and representatives of consultant/contractor associations are expected to attend the conference.

At the end of 2014, a training/self-learning package on corruption prevention in catering management will be launched for use by the relevant training/educational institutions.

Art. 13
The Ambassador Programme for tertiary students, the i-Teen Leadership Programme for senior secondary students, ICAC Club and the i-League will continue. The Personal Ethics Module will continue to be promoted to tertiary education institutes for incorporation in their General Education and relevant programmes.
Art. 12:
The acceptance of ICAC’s services, including anti-corruption talks, formulation/review of staff code of conduct, corruption prevention measures to plug corruption loopholes and strengthen internal controls in private organisations, is entirely voluntary and subject to the policy and availability of resources of the private organisations.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter II

Art. 8:
From July 2013, the Civil Service Training and Development Institute of CSB has organised 14 workshops on integrity issues for managers at different levels within the civil service and 7 seminars for new recruits on integrity and core values. About 1,850 civil servants have attended the programmes.

Art. 12:
ICAC assists private sector organisations in the implementation of corruption prevention measures, e.g. development of staff codes of conduct, organisation of anti-corruption talks/workshops for management staff and frontline employees, and promotion of an ethical business culture.

Art. 14:
For our ongoing commitment to capacity building for the financial sectors, HKSAR has been organising anti-money laundering (AML) seminars for the financial sectors. Around 2,000 participants attended the annual series of AML seminars held between September and December 2013.

B. UNCAC Chapter III: Criminalization and Law Enforcement

UNCAC Provisions:
- Art. 15: Article 15. Bribery of national public officials
- Art. 16: Bribery of foreign public officials and officials of public international organisations
- Art. 17: Embezzlement, misappropriation or other diversion of property by a public official
- Art. 18: Trading in influence
- Art. 19: Abuse of functions
- Art. 20: Illicit enrichment
- Art. 21: Bribery in the private sector
- Art. 22: Embezzlement of property in the private sector
• Art. 23: Laundering of proceeds of crime
• Art. 24: Concealment
• Art. 25: Obstruction of justice
• Art. 26: Liability of legal persons
• Art. 27: Participation and attempt
• Art. 28: Knowledge, intent and purpose as elements of an offence
• Art. 29: Statute of limitations
• Art. 30: Prosecution, adjudication and sanctions
• Art. 31: Freezing, seizure and confiscation
• Art. 32: Protection of witnesses, experts and victims
• Art. 33: Protection of reporting persons
• Art. 34: Consequences of acts of corruption
• Art. 35: Compensation for damage
• Art. 36: Specialized authorities
• Art. 37: Cooperation with law enforcement authorities
• Art. 38: Cooperation between national authorities
• Art. 39: Cooperation between national authorities and the private sector
• Art. 40: Bank secrecy
• Art. 41: Criminal record
• Art. 42: Jurisdiction

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   • Since July 2013, ICAC has continued to investigate and prosecute corruption and other offences identified by the UNCAC.

2. Measures Being Planned to Implement UNCAC provisions


On 5 June 2014, the Court of Final Appeal (CFA) handed down the judgment of HKSAR v Li Kwok-cheung George and Anor (FACC 4, 5, 6 of 2013) in relation to
the offence of "dealing with property known or believed to represent the proceeds of an indictable offence" ("money laundering").

The question in the CFA is whether the expression "proceeds of an indictable offence" in section 25(1) of the Organised and Serious Crimes Ordinance (OSCO), Cap. 455 of the Law of Hong Kong, is confined to money gained from the commission of an indictable offence, or, instead, extends to money used in the furtherance of such an offence.

Section 2(6)(a) of OSCO defines "a person's proceeds of an offence" as "any payments or other rewards received by him at any time... in connection with the commission of that offence". The Respondent argued that section 2(6)(a) widens the concept of "proceeds of an indictable offence" in section 25(1) to extend to money or property received in circumstances in which such receipt may be said to be "in connection with" the commission of an indictable offence even if that money or property is known not to be tainted as a benefit received on account of the commission of such offence.

The CFA rejected the Respondent's wide interpretation of OSCO. It held that the ordinary meaning of "proceeds" was money or property derived from the commission of an offence. Section 25A of OSCO imposes a duty to report suspected money laundering offences and makes express provision to cover property which "was used in connection with" or which "is intended to be used in connection with" an indictable offence, suggesting that the Respondent's wide interpretation was wrong. The CFA also gave due weight to the words "or other rewards" in the phrase "payments or other rewards". The payment must be in the nature of a reward, linking the payment and the commission of the offence. Further, the CFA accepted that, in interpreting sections 2(6) and 25(1) in the light of OSCO's fundamental purpose, the word "proceeds" had to be understood to refer only to money or property which represented an economic benefit gained by the relevant defendant in connection with the commission of the underlying indictable offence.

In the light of the above, the CFA unanimously allowed the appeal and quashed the conviction of money laundering.

Despite the above ruling, HKSAR Government will continue with the measures previously undertaken to implement UNCAC provisions.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III

ICAC officers continued to receive training through courses and workshops organised by ICAC and other institutions in Hong Kong and overseas for strengthening their professional capabilities and knowledge in various aspects of enforcement work. Training since July 2013 included financial investigations (including AML legislation, money laundering methodologies, asset and fund tracing skills, etc), fraud and public corruption investigations, advanced smart phone forensics, computer forensics and anti-corruption executive programs, etc.
C. UNCAC Chapter IV: International Cooperation

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1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

ICAC continues to enjoy high respect from fellow anti-corruption and law enforcement agencies and remains a key player in the global anti-corruption network. In November 2013, the Commissioner of ICAC paid a duty visit to New York and Washington D.C. to exchange ideas with relevant United States government agencies on enhancing co-operation in law enforcement and on international developments in fighting corruption. In the same month, he attended the 7th Annual Conference and General Meeting of the International Association of Anti-Corruption Authorities (IAACA) in Panama. In March/April 2014, he attended the IAACA Executive Committee Meeting held in Barcelona, Spain. The agenda of the meeting covered the work plan of IAACA, the review of the implementation of the UNCAC, knowledge sharing and cooperation strategies.

ICAC participated in international anti-corruption and related conferences with a view to enhancing international cooperation in fighting corruption and promoting ethics.

To keep overseas anti-corruption agencies abreast of ICAC’s latest initiatives, ICAC arranged the agencies having registered for a knowledge management system of IAACA to subscribe to ICAC Post, an online newsletter issued regularly.

2. Measures Being Planned to Implement UNCAC provisions
3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter IV

In November 2013, ICAC organised a Command Course attended by its Chief Investigators and senior officers from various law enforcement agencies in Hong Kong, Mainland China and overseas. The course provided the participants with a platform for experience sharing and networking with their counterparts from different jurisdictions around the world.

In February 2014, ICAC attended the 18th APEC Anti-Corruption and Transparency Working Group (ACTWG) Meeting and Workshop in Ningbo, China for experience and knowledge sharing in combating corruption. In August 2014, ICAC will attend the 19th APEC ACTWG Meeting and Workshop with a theme “Combating Business Bribery for a Healthy Economic Growth”.

ICAC will hold the 6th Symposium between 11 and 13 May 2015 to provide a platform for law enforcement agencies and regulatory bodies from around the world as well as eminent international organisations to exchange experiences and explore strategies and new initiatives for combating corruption and strengthening international co-operation.

In May 2015, ICAC will also host the 3rd meeting of the Economic Crime Agencies Network when delegates from various law enforcement agencies and international organisations will renew their commitment to tackle cross-jurisdictional fraud, bribery and corruption; share knowledge and promote public awareness of issues surrounding economic crimes.
### D. UNCAC Chapter V: Asset Recovery

**UNCAC Provisions:**
- Art. 52: Prevention and detection of transfers of proceeds of crime
- Art. 53: Measures for direct recovery of property
- Art. 54: Mechanisms for recovery of property through international cooperation in confiscation
- Art. 55: International cooperation for purposes of confiscation
- Art. 56: Special cooperation
- Art. 57: Return and disposal of assets
- Art. 58: Financial intelligence unit
- Art. 59: Bilateral and multilateral agreements and arrangements

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - (List of measures)

2. Measures Being Planned to Implement UNCAC provisions
   - (List of measures)

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
   - (List of issues)

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter V
   - (List of topics and needs)
E. Additional Developments

1. Member’s Report on dissemination and domestic use of the initiative’s knowledge products and events (Members are requested to report on how they have shared internally and used the Initiative’s (recent) learning events in their internal anti-corruption efforts)

   The Hong Kong Ethics Development Centre (HKEDC) of ICAC, established with the support of six major commercial chambers in HKC, has co-organised seminars/workshops with different trade associations including those of SMEs as well as with relevant professional organisations relating to accounting, securities, construction works, real estate, testing and certification, etc., and spoken at conferences on business and professional ethics.

   HKEDC has established/maintained different networks with different trades and professions in the private sector (e.g. banks, commercial chambers and trade associations) to leverage their support for promotion of anti-corruption messages and corruption prevention services to their staff/member companies through workshops, sharing sessions and feature articles.

   The Centre of Anti-Corruption Studies (CACS) of ICAC provides resources for the study and analysis of issues pertaining to the fight against corruption in Hong Kong and internationally. The Centre promotes ICAC corruption prevention philosophy internationally and fosters cooperation with international and regional anti-corruption organisations and academic institutions to explore new initiatives to reduce and prevent corruption.

2. Member’s Report on measures taken to share knowledge and experience with other countries, including to help strengthen the capacity of developing countries to implement the UNCAC

   HKEDC of ICAC shares knowledge and experience in the promotion of business and professional ethics with other countries through its website, e-newsletters and e-alerts; feature articles in publications of the Hong Kong Trade Development Council and chambers of commerce; briefings for overseas visitors; visits to other countries and participation in international conferences.

   The CACS of ICAC provides a platform for scholarly exchange with regional and international anti-corruption organisations and academic institutions through visits and thematic conferences/seminars organised periodically.
Indonesia

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<td>Art. 6: Preventive anti-corruption body or bodies</td>
<td>The enactment of the presidential instruction no 2/2014 to ensure the implementation of UNCAC Provisions (Anti-Corruption Action Plan)</td>
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<td>Art. 7: Public sector</td>
<td>Coordination with 7 Ministries and public institution in Minerals Sector to develop action plan in preventing bribe and corruption at the mining sector.</td>
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<td>Art. 8: Codes of conduct for public officials</td>
<td>Integrity pact signed by Governor and Vice Governor Candidates which present their commitment to combat corruption, improving integrity and transparency at the election</td>
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<td>Art. 9: Public procurement and management of public finances</td>
<td>KPK in cooperation with Audit and Development Supervising Agency (BPKP) is conducting a Coordination and Supervision to 33 provinces in Indonesia in area of Province Budget, Mining, Revenue and food security</td>
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<td>Art. 10: Public reporting</td>
<td>The Indonesian government has decided to amend its “Rice for the Poor” program (Raskin) based on recommendations by the Corruption Eradication Commission (KPK). KPK alleged that the Raskin program is plagued by cartel practices and several other irregularities including: invalid data of targeted households, fictitious distribution of Raskin rice, rice-price hikes despite subsidies, unfair distribution, and poor rice quality.</td>
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<td>Art. 11: Strengthen integrity and to prevent opportunities for corruption among members of the judiciary. Such measures may include rules with respect to the conduct of members of the judiciary.</td>
<td>KPK released White Paper on ‘ Anti-Corruption Agenda for President of 2014-2019. This paper consists of initiative of Corruption eradication, Law enforcement, Politics, Society and Governance.</td>
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- More transparent Recruitment Process for government Official by using Integrated Online Recruitment process
Remuneration reform in some institution
KPK conducted administrative assessment on: subsidized fertilizer management system, foreign-worker employment license service, policy of strategic commodity trade procedure, social assistance policy, corruption-risk mapping at the Indonesia Parliament body, non-taxable state revenue management policy, Fraud-Control System and Recruitment and facilitator management
Improve the transparency and accountability of IT based system for permit.

Art.10: Public reporting
Open Government Indonesia (OGI) is a movement to build a government that is more open, more participatory and more innovative. Open Government Indonesia was established on September 20th, 2011. Open Government Indonesia (OGI) is part of a global movement of the Open Government Partnership (OGP), which currently has 60 member countries (and counting), where in 2013, Indonesia became Lead Chair OGP.

Art. 13: Participation of society
- Kanal KPK (Radio Channel) launched in August 2013, provides news, and information on corruption as well as other anti-corruption preventive measures
- Training of Trainers with 2000 University lecturers to prepare and develop Anti-Corruption Education subject and curriculum for University students
- 4th Indonesia Anti Corruption Forum , held at 10-12 June 2014 by KPK and Ministry of Development Planning together with Non government Organization (UNODC, Transparency International , Partnership and ICW)
- Developing Whistle blower system in government . LAPOR is initiated by the Presidential Working Unit of Supervision and Control of Development (UKP-PPP) in order to improve the participation of society as well as their interaction with the government in order to control development and public service programs. LAPOR is social media based, and integrated with 72 ministries, agency and local government.
- And KPK also has KWS (KPK Whistle Blower System) , to receive complaints of alleged corruption in any government agency
- KPK conducted Public Percepcion Survey
  This year, KPK in cooperation with 7 Universities has conducted public examination to 14 corruption case verdicts

Art. 14 : Measures to prevent money-laundering
- Indonesia is developing Personal Exposed Persons (PEPs) system via the Indonesian FIU (PPATK)
- KPK has initiated cooperation with Indonesia Financial Service Authority (Otoritas Jasa Keuangan-OJK)
- Functions of regulation and supervision of banks has been officially transferred from Bank Indonesia (BI) to the Financial Services Authority (OJK), since December 31, 2013. OJK and PPATK has signed Memorandum of Understanding to prevent Anti- Money Laundering Act in banking or financial institution

2. Measures Being Planned to Implement UNCAC provisions
Indonesia

Art 5.
To develop “one stop service” for mining license at the Directorate General of Minerals and coal (Ministry ESDM)
To improve oversight and sanction toward corrupt officials at the natural resources sector
To develop Anti-Corruption education subject at University
2014 Anti-Corruption Film Festival. Indonesia is planning to hold a 2014 Anti-Corruption Film Festival in 10 cities: Jakarta, Bandung, Badung (Bali), Pontianak, Purbalingga, Yogyakarta, Makassar, Malang, Mataram, and Palembang
The government will issue a Social Protection Card (KPS) to all eligible households under the amended Raskin program, and would sell subsidized rice to about 15.5 million qualifying households.

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
   Gap between UNCAC Provisions and Indonesian Law
   Draft of New Anti-Corruption Law which include the recommendation from UNCAC review is not enacted yet.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter II
   Governance and transparency at the public sector
   How to improve public participation in preventing corruption
   Code of conduct and integrity of public officials
   Preventing conflict of interest at the public sector

B. UNCAC Chapter III: Criminalization and Law Enforcement
UNCAC Provisions:
- Art. 15: Article 15. Bribery of national public officials
- Art. 16: Bribery of foreign public officials and officials of public international organizations
- Art. 17: Embezzlement, misappropriation or other diversion of property by a public official
- Art. 18: Trading in influence
- Art. 19: Abuse of functions
- Art. 20: Illicit enrichment
- Art. 21: Bribery in the private sector
- Art. 22: Embezzlement of property in the private sector
- Art. 23: Laundering of proceeds of crime
### Indonesia

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<td>Art. 42:</td>
<td>Jurisdiction</td>
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1. **Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013**
   - There is a significant increase in the number of corruption cases investigated by KPK from 49 cases in 2012 to 101 cases in 2013.
   - The former top judge of Indonesia’s constitutional court (AM) was jailed for life for accepting more than $5 million in bribes to influence rulings, to sway decisions on local election disputes.
   - KPK prosecutors called for a 17-year prison sentence for a former Bank Indonesia deputy governor for his alleged role in the bailout of Bank Century in 2008, which resulted in state losses of over US$592 million.
   - Indonesia has finished Study on Gratuity, Ilicit Enrichment, Trading in influence, Bribery in private sector and Obstruction of Justice.
   - KPK cooperate with Law enforcement authority conduct Law enforcement training.

2. **Measures Being Planned to Implement UNCAC provisions**
   - KPK to handle money laundering related to corruption cases.
Indonesia

| Lack of experience within law enforcement agency in the investigation of money laundering case and asset recovery |
| Different level of knowledge within judiciary on how to implement Indonesia's new law on money laundering |
| More sophisticated modus operandi; |

| 4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III |
| Money laundering investigation technique |
| Presenting electronic evidence at the court and the admissibility of electronic evidence in the court |

| C. UNCAC Chapter IV: International Cooperation |
| UNCAC Provisions: |
| Art. 43: International cooperation |
| Art. 44: Extradition |
| Art. 45: Transfer of sentenced persons |
| Art. 46: Mutual legal assistance |
| Art. 47: Transfer of criminal proceedings |
| Art. 48: Law enforcement cooperation |
| Art. 49: Joint investigations |
| Art. 50: Special investigative techniques |

| 1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013 |
| In October 2014, KPK signed Bilateral cooperation with CVC (Central Vigilance Commission) India |
| In January 2014, KPK in cooperation with PRC law enforcement authorities and Immigration have successfully detained KPK’s fugitive (AW) in China |
| KPK has been actively participated in the 2nd Economic Crime Agency Forum in Singapore |
| ACT Net and ACWG meeting in China August 2014 |

| 2. Measures Being Planned to Implement UNCAC provisions |
| To establish MoU with CAC Timor-Leste |
| To participate in Anti-Corruption forum such as APEC ACTWG, G20 ACWG, etc. |
3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

- Differences in the legal system (civil vs. common law, dual criminality requirement, refusal of in absentia trial, etc.);
- Prohibition of “fishing expedition” (lack of significant correlation between the crime and the requested jurisdiction/account/materials);
- Lack of resources (cost, manpower, expertise etc.) both quantitatively and qualitatively;
- Lack of capacity of the investigator/prosecutor in dealing with corruption case related with foreign jurisdictions/entities

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter IV

- Multi-jurisdiction corruption and money laundering cases investigation
- International asset forfeiture and asset recovery

D. UNCAC Chapter V: Asset Recovery

UNCAC Provisions:
- Art. 52: Prevention and detection of transfers of proceeds of crime
- Art. 53: Measures for direct recovery of property
- Art. 54: Mechanisms for recovery of property through international cooperation in confiscation
- Art. 55: International cooperation for purposes of confiscation
- Art. 56: Special cooperation
- Art. 57: Return and disposal of assets
- Art. 58: Financial intelligence unit
- Art. 59: Bilateral and multilateral agreements and arrangements

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

   In 2013, KPK has successfully returning more than 122 Billion Rupiah (USD 12.2 Million) to the state.

2. Measures Being Planned to Implement UNCAC provisions

   The enactment of the Asset Forfeiture Bill
3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

- More sophisticated modus operandi to conceal the proceed of crime
- Lack of resources (cost, manpower, expertise etc.) both quantitatively and qualitatively;
- Lack of experiences of the investigator/prosecutor in dealing with corruption case related with foreign jurisdictions/entities

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter V

- International asset forfeiture
  - Independence of the ACAs remains a problem for Indonesia. The amendment made to the Criminal Code Procedures (KUHAP) and Penal Code (KUHP), whose draft was submitted to the House of Representatives in January has the potential to reduce KPK’s power in investigating and prosecuting corruption cases. It limits the KPK’s power, restricting the commission’s authority to wiretap suspects or conduct preliminary investigations.

E. Additional Developments

1. Member’s Report on dissemination and domestic use of the initiative’s knowledge products and events (Members are requested to report on how they have shared internally and used the Initiative’s (recent) learning events in their internal anti-corruption efforts)
   - In November 2013, KPK conducted a workshop on whistleblower and justice collaborator protection to coordinate and find solution on challenges faced by agencies responsible for whistleblower protection in carrying out their duties (KPK, LPSK, BNN, National Police, Attorney General).
   - With regard to the confidentiality of information, KPK has created a secure online system to report corruption case, namely KPK whistleblower system (KWS). In November 2013, KPK organize national Seminar to promote this system to all government inspectorate. It is expected that every government inspectorate can develop similar secure system to protect whistleblower. In 2014, based on KPK’s recommendation, the President has agreed to give instruction to all ministries to create the online whistleblower system in 47 Ministries.

2. Member’s Report on measures taken to share knowledge and experience with other countries, including to help strengthen the capacity of developing countries to implement the UNCAC
   - KPK receive delegation from other countries who want to learn about KPK’ experiences. The delegates are from Timor Leste, Vietnam, Bangladesh, Malaysia, 12 middle east and Africa countries.
# Korea

## A. UNCAC Chapter II: Preventive Measures

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### 1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

**Art. 5: Preventive anti-corruption policies and practices**

Since 2002, the Korean government has conducted the Integrity Assessment every year to measure the integrity levels of public sector organizations. The results of the assessment are mainly based on a survey of citizens and public officials who directly experienced corruption-prone services of the public organizations subject to the assessment. The Integrity Assessment has won the 1st prize in the category of Preventing and Combating Corruption in the Public Service at the 2012 United Nations Public Service Awards (UNPSA).

In 2013, the Anti-Corruption & Civil Rights Commission (ACRC) conducted the Integrity Assessment for a total of 653 public organizations. The organizations subject to the assessment has been expanded to local councils and universities of education and junior colleges in addition to central and local government agencies, public service related organizations, offices of education, and national and public universities. The ACRC applies different assessment criteria for local councils, public medical institutions, and colleges and universities.

According to the results of the Integrity Assessment published in December 2013, the average integrity score of public organizations in Korea stood at 7.86 points on a scale of 0 to 10, remaining the same as in the previous year. In 2013, more than 240,000 people participated in the survey. 0.7% of the survey respondents said that they provided money, entertainment or favors to public officials, slightly lower than the 2012 figure of 1.0%.

In addition to the assessment of public organizations introduced in 2002, the ACRC has conducted the Integrity Assessment for high-level officials since 2011. In 2013, the ACRC developed a tool to analyze corruption risks of high-level public officials and conducted a pilot assessment for 60 public organizations.

Since 2002, the Korean government has carried out the Anti-Corruption Initiatives Assessment to measure the effectiveness of efforts made by public
organizations to prevent corruption and increase transparency and integrity. The results of the Assessment are used to disseminate best practices and provide consulting service for the organizations which performed poorly in the assessment. In 2013, a total of 225 public organizations were subject to the Assessment, including 10 national and public universities, which got low scores in the Integrity Assessment in 2012.

**Art. 9: Public procurement and management of public finances**

The Act on Contracts to Which the Local Government is a Party was revised to introduce a mandatory Integrity Pact system and disclose the entire process of contracting for local governments. The revised Act entered into force on 6 August 2013. According to the revised Act, a company that intends to bid for or sign a contract with a local government will be required to sign an Integrity Pact to pledge that it will not offer gratuities, money, gifts or entertainment to public officials and those that have breached the Pact will be debarred from local government bids for up to two years. Additionally, all local governments will be required to make public all stages of contracting from planning, bidding to payment.

On 15 October 2013, the Government Welfare Fraud Report Center was established under the ACRC to receive and handle reports on welfare fraud, give guidance, improve related laws and systems and provide protection and rewards for whistleblowers. From January to July 2014, the Center received 457 reports and handled 1,585 enquiries on welfare fraud.

Since January 2014, the ACRC has been preparing a bill to prohibit financial damage against the government by making false and illegal claims. The bill will stipulate the recovery of the total amount of financial damage to public organizations incurred by false and illegal claims. In the case of false and illegal claims intentionally or habitually made, the claimant will have to pay two to five times of the claims as punitive damages.

With the revision of the Code of Conduct for the Employees of the Public Procurement Service (PPS) in February 2014, the PPS has made it mandatory to provide education on the Code of Conduct for their employees at the time of new employment, promotion and appointment for the Senior Executive Service. The revised Code also contains provisions to offer guidance on post-employment restrictions for prospecting retirees.

**Art.12: Private sector**

In December 2013, the ACRC and the Federation of the Korean Industries (FKI) co-published “Exploring the Road to Ethical Business Practices,” a best practice casebook on business ethics. The publication is part of various cooperative projects that the two organizations have been conducting since they concluded an MOU to spread ethical business practices in July 2013. It contains the best practices of 10 private companies and 10 public organizations rated as best public organizations in the ACRC’s Anti-Corruption Initiatives Assessment for three consecutive years.

The ACRC organizes training courses on business ethics for ethics managers of public corporations and private companies, and sends Business Ethics Brief, a monthly newsletter on latest domestic and global trends in ethical business practices, to more than 6,000 corporate managers, members of civil society groups, and university students by e-mail.

The Ministry of Security and Public Administration submitted the revised draft of the Public Service Ethics Act to the National Assembly on 23 June 2014. The revised Act is aimed at enhancing restrictions on the post-employment of public officials. According to the bill, the period of the post-employment restriction will be extended from the current two years to three years immediately after a public official’s retirement. For high-level public officials in the second grade or higher, the standard for determining “relationship with official duties” will be significantly expanded from the current “department” to “organization” to which he or she belonged for five years immediately before retirement. In addition, the record on public officials’ re-employment for 10
Korea

years after retirement will be disclosed to the public as well as the results of the review by the public service ethics committee on approval of re-employment.

In January 2014, “National Health Insurance Act" was revised to introduce a "two-out system" for illegal rebates. Under the revised Act that took effect on 2 July 2014, when pharmaceutical companies are caught for offering illegal rebates to medical care institutions, they will face suspension of payment for medical care benefits up to 12 months. If the pharmaceutical companies are once again detected for illegal rebates, their medicines will be excluded from the list of the medicines to which medical care benefits are applied.

Art. 13: Participation of society

In 2013, the Anti-Corruption Training Institute under the ACRC provided training for 4,685 participants, including public officials, compliance officers in private companies, university students and teachers, and six online courses for 70,290 public officials.

The ACRC conducted a program designed to nurture university students as anti-corruption experts (ACE) and a train-the-trainer program for university students and graduates. For five months from July 2013, 56 students joined the ACE program to produce training and promotional contents on integrity issues, and 14 participants attended the train-the-trainer program to learn how to develop anti-corruption training programs for young people and build their capacity as future anti-corruption instructors.

The ACRC provides financial support for anti-corruption campaigns led by civil society groups to promote voluntary and creative efforts for raising public awareness of transparency and integrity issues. In 2013, the ACRC provided a 341 million won (about 325,000 dollars) fund for 23 projects on “promoting public interest whistleblowing," “enhancing transparency in local councils," “raising awareness of corruption," “preventing waste of government budget," and “promoting civil rights.”

Art. 14: Measures to prevent money-laundering

The Act on Reporting and Use of Certain Financial Transaction Information was amended in line with the international standards for anti-money laundering. The amended Act entered into force on 13 November 2013. The purpose of the amendment is to mandate financial institutions to report all suspicious financial transactions regardless of the amount of the transactions, and in the case of wire transfers, to make it obligatory for financial institutions to share information about the remitter and the remittee.

2. Measures Being Planned to Implement UNCAC provisions

Art. 5: Preventive anti-corruption policies and practices

In 2014, the ACRC plans to conduct the Integrity Assessment for 724 public organizations. Public medical institutions and research agencies whose integrity levels were assessed biennially will be subject to assessment every year starting from 2014.

In 2014, the ACRC plans to conduct the Anti-Corruption Initiatives Assessment for 256 public organizations. The Assessment will be expanded to city and county governments with over 500,000 residents and national and public universities with over 3,000 new students.

Art. 13: Participation of society

In 2014, the Anti-Corruption Training Institute plans to provide training for 6,000 participants, including 810 public officials for Train-the-Trainer Course; 680
In 2014, the ACRC will provide a 305 million won (about 290,000 dollars) fund for more than 20 anti-corruption projects conducted by civil society groups to “create corruption-free local community” and “promote civil rights.”

### 3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

- 

### 4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter II

#### B. UNCAC Chapter III: Criminalization and Law Enforcement

**UNCAC Provisions:**

- Art. 15: Article 15. Bribery of national public officials
- Art. 16: Bribery of foreign public officials and officials of public international organizations
- Art. 17: Embezzlement, misappropriation or other diversion of property by a public official
- Art. 18: Trading in influence
- Art. 19: Abuse of functions
- Art. 20: Illicit enrichment
- Art. 21: Bribery in the private sector
- Art. 22: Embezzlement of property in the private sector
- Art. 23: Laundering of proceeds of crime
- Art. 24: Concealment
- Art. 25: Obstruction of justice
- Art. 26: Liability of legal persons
- Art. 27: Participation and attempt
- Art. 28: Knowledge, intent and purpose as elements of an offence
- Art. 29: Statute of limitations
- Art. 30: Prosecution, adjudication and sanctions
- Art. 31: Freezing, seizure and confiscation
- Art. 32: Protection of witnesses, experts and victims
Korea

- Art. 33: Protection of reporting persons
- Art. 34: Consequences of acts of corruption
- Art. 35: Compensation for damage
- Art. 36: Specialized authorities
- Art. 37: Cooperation with law enforcement authorities
- Art. 38: Cooperation between national authorities
- Art. 39: Cooperation between national authorities and the private sector
- Art. 40: Bank secrecy
- Art. 41: Criminal record
- Art. 42: Jurisdiction

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

**Art. 15: Bribery of national public officials**

The ACRC submitted the Bill on the Prohibition of Illegal Solicitations and the Prevention of Conflicts of Interest of Public Officials to the National Assembly on 5 August 2013. Under the Bill, a public official who receives money or other item of value from anyone will face **criminal punishment or an administrative fine regardless of the intention of the bribe payment**.

**Art. 18: Trading in influence**

According to the conflict of interest bill submitted to the National Assembly in August 2013, a person who made an **illegal solicitation to a public official will be punished with an administrative fine**, and the public official who performed his or her duties in an illegal and improper manner in response to illegal solicitation will face criminal punishment. The bill contains various mechanisms for preventing conflicts of interest, including the prohibition of public officials from performing duties involving their private interest, restriction on their outside activities, restriction on financial transactions with businesses, and prohibition of the use of undisclosed information.

**Art. 31: Freezing, seizure and confiscation**

On 12 November 2013, the bill to revise “Criminal Procedure Act” and “Act on Regulation of Punishment of Criminal Proceeds Concealment” was submitted to the National Assembly. The revised acts are aimed at **facilitating the tracing of the property of those who failed to return ill-gotten gains and confiscation of the property concealed under the name of a third party** such as family member and close associate. In order to enhance the effectiveness of confiscation, the amended act stipulates that a prosecutor may take such action as demanding the attendance of related persons, demanding taxation or financial transaction information, and applying for a search and seizure warrant.

**Art. 33: Protection of reporting persons**

In 2013, the ACRC handled 27 cases of requests for **protection of whistleblowers** from disadvantageous treatments by taking steps to guarantee their employment and protect their physical safety and confidentiality. Over the same period, it provided about USD 900,000 to whistleblowers as **compensation**.
in 37 cases, which resulted in increasing or recovering government revenues.

Under the Act on the Protection of Public Interest Whistleblowers that came into effect on 30 September 2011, the ACRC can take protective steps and provide compensation for those who reported an act that infringes on the health and safety of the public, the environment, consumer interests and fair competition. Those who disclosed bribery of foreign public officials are also protected under this Act. In 2013, the ACRC received a total of 2,876 whistleblowing reports on the violation of the public interest, including health (1,211 cases), public safety (293 cases), the environment (167 cases), consumer interests (190 cases), fair competition (87 cases), and others (928 cases). It took measures to protect the whistleblower’s employment status including reinstatement, while providing public interest whistleblowers with financial rewards in 319 cases, totaling about USD 200,000.

The revised draft of the “Act on the Protection of Public Interest Whistleblowers” was submitted to the National Assembly on 27 September 2013. In order to expand the protection of whistleblowers, the revised act will be applicable to a total of 280 laws pertaining to public interest violation by adding 100 laws that are directly related to the health and safety of the people, bear on the majority of the people or require the strong protection of whistleblowers, including the “School Meals Act,” the “Public Health Control Act,” the “Motor Vehicle Management Act,” the “Safety Control of Dangerous Substances Act,” and the “Act on Prevention of Divulgence and Protection of Industrial Technology.” The amended act will also strengthen the effectiveness of protective measures by imposing an administrative financial penalty on those who did not perform the ACRC’s order to take protective measures. It also includes provisions on dual punishment against violators and their supervisors or employers to strengthen the responsibility of a corporate body as well as monetary awards to encourage whistleblowing.

### Measures Being Planned to Implement UNCAC provisions

- [ ]

### Issues, Challenges and Constraints in the Implementation of UNCAC Provisions

- [ ]

### Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III

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Korea

### C. UNCAC Chapter IV: International Cooperation

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1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013  
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2. Measures Being Planned to Implement UNCAC provisions  
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### Korea

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

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4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter IV

#### D. UNCAC Chapter V: Asset Recovery

**UNCAC Provisions:**
- Art. 52: Prevention and detection of transfers of proceeds of crime
- Art. 53: Measures for direct recovery of property
- Art. 54: Mechanisms for recovery of property through international cooperation in confiscation
- Art. 55: International cooperation for purposes of confiscation
- Art. 56: Special cooperation
- Art. 57: Return and disposal of assets
- Art. 58: Financial intelligence unit
- Art. 59: Bilateral and multilateral agreements and arrangements

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

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2. Measures Being Planned to Implement UNCAC provisions

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3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

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4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter V

-
Korea

E. Additional Developments

1. Member’s Report on dissemination and domestic use of the initiative’s knowledge products and events (Members are requested to report on how they have shared internally and used the Initiative’s (recent) learning events in their internal anti-corruption efforts)

   The ACRC shared the outcome and major discussions made during the 18th Steering Group meeting and the 12th Regional Seminar, which were held in Dili in July 2013, with relevant agencies and the general public as well as its staff by posting the mission report on the intranet and the governmental website for overseas mission reports (http://btis.mospa.go.kr).

2. Member’s Report on measures taken to share knowledge and experience with other countries, including to help strengthen the capacity of developing countries to implement the UNCAC

   The ACRC hosted the International Forum on Anti-Corruption Best Practices on 3 September 2013 to share and spread best practices on the prevention and investigation of corruption in the Asia-Pacific region. The meeting brought together more than 140 participants from government agencies, civil society and academia from eight countries.

   The ACRC organized an anti-corruption workshop for four officials from the Central Commission for Internal Affairs of Vietnam on 9-10 September 2013.

   The ACRC organized the training program on the “code of conduct for public officials” for three officials from the Corruption Eradication Commission of Indonesia on 26-28 November 2013.

   The ACRC held a training seminar for seven high-level public officials of anti-corruption related agencies in the Kyrgyz Republic on 10-14 February 2014.

   The ACRC has been conducting the Korea-UK Anti-Corruption Partnership Initiative to share information about the policies on bribery, false claims against government, recovery of the proceeds of crime, and protection for whistleblowers between the two countries for a year starting from April 2014.

   The ACRC organized the Training Course for International Anti-Corruption Practitioners in May 2014. Ten participants from ten Asian, African and South American countries attended the two-week training program.

   The ACRC provided eight officials of the Independent Authority Against Corruption of Mongolia with extensive training on the Corruption Impact Assessment and the Code of Conduct for Public Officials on 16-18 June 2014.

   The ACRC organized the training program on the Integrity Assessment for five officials from the Corruption Eradication Commission of Indonesia on 18-22 August 2014.
Macao, China

A. UNCAC Chapter II: Preventive Measures

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1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

- The bill for a new Law, criminalizing the active bribery of foreign public officials and officials of international organizations includes a provision to disallow the tax deductibility of expenses that constitute bribes, as per article 12(4) of UNCAC. This bill has entered the final phase of the legislative process and has been passed in its first reading at the Legislature and shall be tabled for second (final) reading within 2014.
- A total of 153 sessions of seminars were organized for nearly 10,102 civil servants in the public sector, themes included integrity, code of conduct for civil servants and public procurement.
- 58 seminars were organized for over 3,349 staff members and CEO of private enterprises.
- Over 213 sessions of seminars and activities were organized for 9,990 primary and secondary schools students to instill positive values like honesty and integrity.
- Co-organized the activity of “integrity week” with 2 secondary schools.
- 2013 marks the election of the member of the Legislative Assembly. To promote clean election, the CCAC organized its volunteer team to deliver pamphlets and posters to different residential buildings in Macao to increase voter’s awareness of clean election.
- Organized 11 sessions of clean election seminars with a total of 605 attendants in August to September 2013.
- A radio drama series were produced and launched to promote clean election in August and September 2013.
Macao, China

- Three variety shows were organized in different district in Macao to spread the message of clean election to Macao voters in August 2013.
- The entries of the slogan design competition about clean election started in early 2013 had been evaluated and prizes were awarded in one of the variety show in August 2013.
- In line with its mission to promote a clean Legislative Assembly election this year, the CCAC published a new book titled Win by the Fair Line to inspire the young generation to reflect on how fair competition and personal integrity are important on social development, and to this end the young people of Macao will be motivated to support a corruption-free election. The book features articles with a theme of “fair competition” by 22 writers and outstanding people from the educational and cultural communities. The book was officially launched in one of the variety show held in August 2013.
- The Secondary school integrity teaching kit “Learn and Think” has been successfully launched after its trial version. 14 schools have adopted it.
- Join the Macao Ricci Bazaar and set up game booth to promote integrity awareness to students.
- Film new education short movie clips for better demonstration of legal knowledge in seminars for civil servants.
- To celebrate Children’s Day and entrench positive values like honesty and integrity to primary students, the CCAC organized an event called “Celebrate Children’s Day with William, the Integrity Bear”, for primary students. Over 332 from 14 schools had joined the activity. This year, besides inviting primary students to the branch office to join the activity, CCAC has also sent staff to different schools to organized the activity to students. Over 338 from 12 schools had joined the event.
- In order to encourage primary students to write stories about integrity based on either their own experiences or those of others surrounding them, so as to lead students to cultivate positive moral values, the CCAC and the AECM co-organized the “Short Story Collecting Activity about Integrity for Primary Students” for primary 4-6 students to write stories based on the topics such as “honesty”, “probity”, “sense of justice”, “law-observance”, “responsibility” and “fairness”. The activity received satisfactory response, a total of 300 entries from 28 schools were collected from the students. The panel judges had selected 30 entries of distinction and 60 entries of merit and award them according in the event as an appreciation to their efforts. The award ceremony was held in June 2014.
- The newly amended Legal Regime of Declaration of Assets and Interests came into effect on 22nd April 2013. In order to execute the duty of the above law, starting from 2013/10/19, President’s Office of the Court of Final Appeal uploads part four of all the received applications, which are required to disclose by law, to Macao SAR Court website (www.court.gov.mo), so that public can read them.

2. Measures Being Planned to Implement UNCAC provisions
- The working Group for the review of UNCAC implementation continue study the possibility to report the need for legislative reviews and measures in certain matters through the proper channels and put forward some of the study result, inter alia, the bill for a new Law, criminalizing the active bribery of foreign public officials and officials of international organizations.
- The working Group for the review of UNCAC implementation is preparing the work for the 2nd round of UNCAC implementation (Chapter II and V).
3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
- The legislative process in the Macao SAR usually takes longer than desirable

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter II
- The members of the working group for the review of UNCAC implementation have attended a series of international seminars and workshops related with this subject promoted by different institutions
- CCAC has attended 16th APG ANNUAL MEETING 2013 which was held in Shanghai from 2013/07/15 to 2013/07/19
- CCAC has attended 2013 APG / EAG Joint Typologies & Capacity Building Workshop which was held in Mongolia from 2013/09/21 to 2013/09/28

B. UNCAC Chapter III: Criminalization and Law Enforcement

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Macao, China

| Art. 31: Freezing, seizure and confiscation |
| Art. 32: Protection of witnesses, experts and victims |
| Art. 33: Protection of reporting persons |
| Art. 34: Consequences of acts of corruption |
| Art. 35: Compensation for damage |
| Art. 36: Specialized authorities |
| Art. 37: Cooperation with law enforcement authorities |
| Art. 38: Cooperation between national authorities |
| Art. 39: Cooperation between national authorities and the private sector |
| Art. 40: Bank secrecy |
| Art. 41: Criminal record |
| Art. 42: Jurisdiction |

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - The draft bill for a new Law, criminalizing the active bribery of foreign public officials and officials of international organizations has entered the final phase of the legislative process and has been passed in its first reading at the Legislature and shall be tabled for second (final) reading within 2014. Penalties are in line with those for bribery of domestic public officials.
   - The newly amended Legal Regime of Declaration of Assets and Interests came into effect on 22nd April 2013. In order to execute the duty of the above law, starting from this year 19 Oct, President’s Office of the Court of Final Appeal uploads part four of all the received applications, which are required to disclose by law, to Macao SAR Court website (www.court.gov.mo), so that public can read them.

2. Measures Being Planned to Implement UNCAC provisions
   - The Government had planned a global assessment concerning money laundering risk at Macao and new prevention measures facing the new trends of globalization and internationalization of Macao
   - CCAC had planned several trainings regarding to financial investigation techniques, and enhancement of professional investigation techniques, analysis skills, intelligence analysis regarding bribery offences in the public and private sector for Commission Against Corruption

   - The legislative process in the Macao SAR usually takes longer than desirable
• Lack of expert and knowledgeable instructors who are familiar with both the Macao SAR legal system and its practical problems

### 4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III

- The members of the working group for the review of UNCAC implementation have attended a series of international seminars and workshops related with this subject promoted by different institutions
- CCAC has attended Cellebrite UFED Certification Training on Mobile Forensic which was held in Singapore from 2013/07/28 to 2013/08/01
- CCAC has attended The 13th Training Course held by the People's Public Security University of China which was held in Beijing from 2013/12/08 to 2013/12/17
- CCAC has attended Protection Detail Briefing Course which was held in Bangkok from 2013/12/15 to 2013/12/21
- National Police University of China— CCAC Investigators’ criminal investigation technology course No. 1 was held in Shenyang from 2014/03/29 to 2014/04/12
- CCAC has send expert to assist the legislation of the Guangdong Provincial Prevention of Corruption Bill which was held in Guangzhou from 2014/05/16 to 2014/05/17
- CCAC has attended 16th APG ANNUAL MEETING 2013 which was held in Shanghai from 2013/07/15 to 2013/07/19
- CCAC has attended 2013 APG / EAG Joint Typologies & Capacity Building Workshop which was held in Mongolia from 2013/09/21 to 2013/09/28
- CCAC has attended ICAC Chief Investigators’ Command Course No. 33 which was held in Hong Kong from 2013/11/03 to 2013/11/30. The course is designed to meet the professional needs of middle managers in a law enforcement environment, who have potential to advance to senior positions within their respective agencies. It also provides a valuable opportunity for participants from across the world to exchange their experiences and ideas.
Macao, China

**C. UNCAC Chapter IV: International Cooperation**

<table>
<thead>
<tr>
<th>UNCAC Provisions:</th>
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</thead>
<tbody>
<tr>
<td>• Art. 43: International cooperation</td>
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<td>• Art. 44: Extradition</td>
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<tr>
<td>• Art. 45: Transfer of sentenced persons</td>
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<td>• Art. 46: Mutual legal assistance</td>
</tr>
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<td>• Art. 48: Law enforcement cooperation</td>
</tr>
<tr>
<td>• Art. 49: Joint investigations</td>
</tr>
<tr>
<td>• Art. 50: Special investigative techniques</td>
</tr>
</tbody>
</table>

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - In order to implement the *Framework Agreement on Cooperation Between Mainland China, Hong Kong and Macao*, a working group had been set up.
   - In order to strengthen the exchange and cooperation in integrity building between the two places, Macao, *Hong Kong* and the Guangdong Provincial had organized different activities on *Integrity Building between 3 territories*.
   - The CCAC continue to cooperates with anti-corruption departments and Department of Supervision from Hong Kong and China under a mutual case assistance mechanism.

2. Measures Being Planned to Implement UNCAC provisions
   - The legislative and judicial process in the Macao SAR usually takes longer than desirable.
   - Macao is part of China and the international cooperation is not within the high degree of autonomy conferred to our Special Region in accordance with the Basic Law as authorized by the National People’s Congress.
### 3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
- In-house training and a few number of course out of Macao directly or indirectly regarding the issues had been organized

### 4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter IV
- CCAC has attended Cellebrite UFED Certification Training on Mobile Forensic which was held in Singapore from 2013/07/28 to 2013/08/01
- CCAC has attended 16th APG ANNUAL MEETING 2013 which was held in Shanghai from 2013/07/15 to 2013/07/19
- CCAC has attended 2013 APG / EAG Joint Typologies & Capacity Building Workshop which was held in Mongolia from 2013/09/21 to 2013/09/28
Macao, China

### D. UNCAC Chapter V: Asset Recovery

<table>
<thead>
<tr>
<th>UNCAC Provisions:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Art. 52: Prevention and detection of transfers of proceeds of crime</td>
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<tr>
<td>Art. 53: Measures for direct recovery of property</td>
</tr>
<tr>
<td>Art. 54: Mechanisms for recovery of property through international cooperation in confiscation</td>
</tr>
<tr>
<td>Art. 55: International cooperation for purposes of confiscation</td>
</tr>
<tr>
<td>Art. 56: Special cooperation</td>
</tr>
<tr>
<td>Art. 57: Return and disposal of assets</td>
</tr>
<tr>
<td>Art. 58: Financial intelligence unit</td>
</tr>
<tr>
<td>Art. 59: Bilateral and multilateral agreements and arrangements</td>
</tr>
</tbody>
</table>

1. **Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013**
   - Continuing attending the UNCAC conference and IAACA conference
   - Amendment had been made at the Penal Procedure Code
   - The working Group for the review of UNCAC implementation had already started the study of the new measures facing the increasing transnational and organized crime of corruption

2. **Measures Being Planned to Implement UNCAC provisions**
   - Continue to convene Inter-departmental meeting with Procuratorate and Secretary for Administration and Justice about the International cooperation and implementation of UNCAC provisions
   - Continue to cooperate with Macao FIU and other law enforcement organizations
   - Exchange the relevant experiences with congener institutions
   - The working Group for the review of UNCAC implementation is studying the possibility to report the need for legislative reviews and measures in certain matters
### 3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
- The legislative and judicial process in the Macao SAR usually takes longer than desirable,
- Lack of resource and competence

### 4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter V
- The members of the interdepartmental working group for the review of UNCAC implementation have attended a series of international seminars and workshops related with this subject promoted by different institutions

### E. Additional Developments

1. Member’s Report on dissemination and **domestic** use of the initiative’s knowledge products and events (Members are requested to report on how they have shared internally and used the Initiative’s (recent) learning events in their internal anti-corruption efforts)
   - The materials and events of the initiative have been adapted for the internal trainings or information, specially some professionals thematic studies
   - The working Group for the review of UNCAC implementation is studying to adequate way to share with the other government agencies expert

2. Member’s Report on measures taken to share knowledge and experience with **other countries**, including to help strengthen the capacity of developing countries to implement the UNCAC
   - The CCAC had send expert to assist and share knowledge and experience with the anti-corruption and/or prevention departments from related countries e.g. Singapore
   - The CCAC had send expert to do the assessment with the aim to assist Afghanistan to implement the UNCAC
Malaysia

Malaysia

A. UNCAC Chapter II: Preventive Measures

UNCAC Provisions:

- Art. 5: Preventive anti-corruption policies and practices
- Art. 6: Preventive anti-corruption body or bodies
- Art. 7: Public sector
- Art. 8: Codes of conduct for public officials
- Art. 9: Public procurement and management of public finances
- Art. 10: Public reporting
- Art. 11: Strengthen integrity and to prevent opportunities for corruption among members of the judiciary. Such measures may include rules with respect to the conduct of members of the judiciary.
- Art. 12: Private sector
- Art. 13: Participation of society
- Art. 14: Measures to prevent money-laundering

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

1.1. The setting up of Integrity Units

In efforts to prevent corruption in the public sector, the Government of Malaysia under its NKRA Against Corruption initiatives has embarked on establishing Integrity Units in Ministries, Departments and Agencies as well as Government-Linked Companies. This initiative has been translated and put into practice vide Service Circular No.6/2013 entitled “Establishment of Integrity Unit in all public agencies”.

The Integrity Unit, which is to be headed by a Certified Integrity Officer, will serve as the focal point for the management of integrity issues within the public agencies under the supervision of the newly established (in 2013) Public Agency Integrity Management Division (PAIMD) of the MACC.

Table 1 below shows the Ministries, Government Departments where MACC CeIOs have been deployed, and Table 2 below show the GLCs which have established Integrity Units.
### Table 1 - ATTACHMENT OF MACC OFFICERS IN INTEGRITY UNIT IN OTHER MINISTRY OR AGENCIES - Integrity Units of Public Agencies

<table>
<thead>
<tr>
<th>ITEM</th>
<th>AGENCY</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Ministry of Education Malaysia</td>
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<td>2</td>
<td>Ministry of Home Affairs</td>
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<td>3</td>
<td>Ministry of Health Malaysia</td>
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<td>4</td>
<td>Ministry of Natural Resources and Environment</td>
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<td>5</td>
<td>Ministry of Agriculture and Agro-based Industry</td>
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<td>6</td>
<td>Ministry of Domestic Trade, Cooperatives and Consumerism</td>
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<td>7</td>
<td>Immigration Department Malaysia</td>
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<td>8</td>
<td>Royal Customs Malaysia</td>
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<td>9</td>
<td>Road Transport Department</td>
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<td>10</td>
<td>Public Private Partnership Unit (UKAS), Prime Minister's Department</td>
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<td>11</td>
<td>National Anti-Drug Agency</td>
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<td>12</td>
<td>Forestry Department Peninsular Malaysia</td>
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<td>13</td>
<td>Agriculture Department Malaysia</td>
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<td>14</td>
<td>Majlis Amanah Rakyat (MARA)</td>
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<tr>
<td>15</td>
<td>Ministry of Plantation, Industries and Commodities</td>
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<tr>
<td>16</td>
<td>Ministry Of Urban Wellbeing, Housing and Local Government</td>
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<td>17</td>
<td>Ministry of Women, Family and Community Development</td>
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<td>18</td>
<td>Ministry of Youth and Sports</td>
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<td>19</td>
<td>National Registration Department</td>
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<td>20</td>
<td>Ministry of Transport</td>
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<td>21</td>
<td>Ministry of Tourism and Culture</td>
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<td>22</td>
<td>Ministry of Defence</td>
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<td>23</td>
<td>Ministry of Works</td>
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</tbody>
</table>
Table 2- Integrity Unit in Government Linked-Companies

<table>
<thead>
<tr>
<th>ITEM</th>
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<tr>
<td>1</td>
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<td>2</td>
<td>Felda Global Ventures Berhad (FGVH)</td>
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<tr>
<td>3</td>
<td>Lembaga Tabung Haji (TH)</td>
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<td>4</td>
<td>Special Affairs Unit, Telekom Malaysia Berhad</td>
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<tr>
<td>5</td>
<td>Johor Corporation (Jcorp)</td>
</tr>
<tr>
<td>6</td>
<td>Syarikat Prasarana Negara Berhad (SPNB)</td>
</tr>
</tbody>
</table>

1.2. **Initiative to Training for Members of Parliament**

The Perception of corruption in politicians has remained very high among the people with 42% of the public believing that political institutions are corrupt. In an effort to remedy this problem an initiatives has been set up in the GTP 2.0 to create further awareness and improve the understanding of Members of Parliament in corruption related offences, penalties and impact. It will be mandatory for MPs to attend the annual training event in order to remind them and to improve their own understanding, which will hopefully be translated in action. The training will be conducted by the Malaysia Anti-Corruption Academy three times a year. The first training session will commence after the 13th General Election in 2013.

1.3. **Declaration of Assets by Members of Parliament and elected candidates**

The challenge posed by this initiative is for such declarations to be made public. As it stands there is no consistency in the practice by ruling government under the National Front Coalition (BN) and those under the People’s Alliance or Pakatan Rakyat (PR) as regards public disclosure of the assets declared. Till date, all BN MPs declarations of assets are made to the Prime Minister but made available only to the Chief Commissioner of MACC. Elected candidates of the PR –controlled states of Penang, Selangor and Kelantan, on the other hand, are made public and can be viewed from their state government websites. This challenge could be overcome by having a Political Parties act as proposed by the NKRA Against Corruption GTP 2.0 initiative mentioned above.

1.4. **MACC Corruption Prevention Secretariat in Institutes of Higher Learning and Teacher’s Education**
Malaysia

The MACC’s Community Education Division in carrying out its function to enlist support of the public to combat corruption has played a significant role as secretariat to corruption prevention committees established in institutes (both public and private) of higher learning as well as institutes of Teachers Education.

2. Article 9-Initiatives to transform the Accountant General reporting process

The AG report is an important document keeping tabs on the Government’s financial transactions and is a key tool in identifying possible cases of corruption involving the government. The report which is tabled to Parliament once a year, does not only audit finances of ministries but also raises issues and questions on the performance of government projects.

Although the report is a crucial check-and-balance tool, delays and government inaction in addressing concerns or recommendations arising from the report have led to unfavorable public perception over the ability of the Government to act on the causes of corruption and fraud. As most these problems pertain to the reporting process, the Anti-Corruption NKRA has proposed the implementation of four new initiatives in the GTP2.) to streamline the AG reporting process. The initiative on Fast-tracking access to AG Performance Audit Report (FTAGAR) for Immediate Action will highlight the importance of separating the financial audit from the performance audit to create a more digestible Performance Audit which will be tabled at every Parliamentary sitting, or a minimum of thrice a year. In doing cases of corruption and misconduct can be more easily identified and the period between the issuance of the audit and the investigation process of enforcement agencies can be fast-tracked by up to 12 months.

Implementation of the FTAGAR calls for the establishment of 3 other initiatives: (1) the Action Committee on AG Report chaired by the AG’s office which will convened after every Performance Audit report has been tabled in Parliament. Members of the Committee will include auditors and officers of the MACC and related enforcement agencies. (2) the AG online dashboard which is essentially a status report on outstanding cases that are currently undergoing or have yet to be investigated by the relevant authorities. It will update the public on outstanding issues in the AG report, promote transparency, induce pressure to expedite resolution of issues and improve public perception. Though implemented in 2012, the first formal review of its effectiveness will be conducted at the end of 2013.(3) the Putrajaya Inquisitorial Committee(PIC) chaired by the Prime Minister. The PIC’s main focus is to clear backlog of cases identified by the AG that have yet to receive any action.

3. Article 13- Setting up of Civil society engagement line

The MACC recognizes the roles played by leaders of the society and non-governmental organisations in voicing out their opinions on corruption. These influential community groups are believed to be very effective in assisting the MACC in educating the public on the fight against corruption. For these groups to be involved, the MACC must first gain their confidence and support regarding its anti-corruption initiatives.

The Civil Society Engagement Service Line was thus set up to increase corruption prevention activities with the civil society with the following objectives:
Malaysia

- To enhance public perception and confidence towards the MACC.
- To gain support from civil society and NGOs in championing the efforts to eradicate corruption.
- To influence members of civil society to become agents of change and key communicators, and
- To encourage a culture of integrity among Malaysians.

2. Measures Being Planned to Implement UNCAC provisions

**Article 7- Initiative to incorporate anti-corruption education into the textbooks for primary 4 to form 5**

This initiative is to address the problem of internalization by students regarding the value of tolerance and acceptance of bribery as a way of life in the employment market. The government therefore deems necessary that proper remedial action be taken to inculcate right habits and values for students in their formative levels. The goal of this initiative is to help groom a future generation to not only understand the need be incorruptible but also to arm themselves with the proper tools and mentality to support the Government efforts to stamp out corruption.

The MACC has been tasked to identify key messages on anti-corruption which can be integrated into existing primary and secondary school text books and this will be followed by an awareness – creating session within the Curriculum Development and Textbooks Division of the Ministry of Education.

**Article 7- Initiative to improve political financing**

This initiative aims to prevent internal leakage of funds meant of political parties:
- All political financing meant for political parties must be held in party accounts, not individual accounts
- The immediate issuance of receipts upon point of reception of all contributions to political parties will be mandatory
- All donations must properly recorded and accounted for in enough detail and according to generally accepted accounting standards.
- Party accounts will be externally audited
- When donations are collected or held by third parties on behalf of political parties, all funds must be transferred to party accounts within 14 days of collection.

**Article 9- Upgrading MyProcurement and integration with related procurement portals**

The plan is to enhance MyProcurement to be the “landing page” for government procurement by integrating it with various other portals. This will turn MyProcurement into a one-stop site that will provide a umbrella view of all the government’s e-procurement practices. The GTP 2.0 initiative will also see improvements made to publish results on direct negotiation deals and details of government procurement such as advertisement quotation and tender results for the public’s view and hence allow greater transparency in the government’s procurement process. In addition to that a database on market prices of items will be made available to assist ministries in benchmarking product prices. Ministries will also be asked to publish procurement plans to allow for better monitoring of ministry procurements. The enhanced MyProcurement site will provided information on past procurement records, sourcing and contractual information, and
services such invoicing and payment advice. The integration process of Myprocurement with other portals should be completed by 2014 and the rollout to the public in 2015.

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

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4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter II

B. UNCAC Chapter III: Criminalization and Law Enforcement

<table>
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Malaysia

- Art. 36: Specialized authorities
- Art. 37: Cooperation with law enforcement authorities
- Art. 38: Cooperation between national authorities
- Art. 39: Cooperation between national authorities and the private sector
- Art. 40: Bank secrecy
- Art. 41: Criminal record
- Art. 42: Jurisdiction

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

**Article 37-Monitoring of Compliance Units of the enforcement agencies**

Under the Government Transformation Programme 1.0 (2010-2012) the Government of Malaysia has formed compliance units in the MACC, Royal Malaysia Police, Royal Customs Department, Immigration Department, and the Road Transport Department. Under the GTP 2.0 (2013-2015) the work going forward is to ensure that those compliance units are meeting their performance targets.

**Article 40-Monitoring of “Name and Shame” database**

The “name and shame” database set up under the GTP 1.0 initiative will continue to be implemented. The names of all persons will be uploaded on the MACC website within 2 weeks of their conviction. The publicly viewable website is to serve as a further deterrent to those considering taking the easy way out. Furthermore the database would be used by certain foreign embassies to determine issuance of travel visas.

2. Measures Being Planned to Implement UNCAC provisions

**Article 38-The setting up of an Executive Review Committee in the MACC**

Currently, MACC and the Attorney General’s Chambers (AGC) look only at specific sections in handling a case with the former conducting the investigation while the latter decides whether to proceed with prosecution. However, without a common platform where the case can be discussed by both bodies, delays may occur. The Anti-Corruption NKRA will set up an Executive Review Committee where cases can be jointly evaluated by the investigating officers and the Deputy Public Prosecutor. This will also overcome delays under the current practice of movement of investigation files from one person to another when further action needs to be taken by directives given by the DPP or requests from the investigation officers.


Malaysia’s implementation of UNCAC Chapter III provisions have been reviewed by the governmental experts of Kenya and the Philippines in February 2013 and the latter have identified a number of challenges which they opined that Malaysia needs to consider in order for Malaysia to fully comply with the provisions of certain Articles.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III
Malaysia

•
C. UNCAC Chapter IV: International Cooperation

UNCAC Provisions:
- Art. 43: International cooperation
- Art. 44: Extradition
- Art. 45: Transfer of sentenced persons
- Art. 46: Mutual legal assistance
- Art. 47: Transfer of criminal proceedings
- Art. 48: Law enforcement cooperation
- Art. 49: Joint investigations
- Art. 50: Special investigative techniques

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

In implementing the provisions of Article 48 of Chapter IV, the MACC has undertaken the following initiatives:

1.1 Signing of MOUs with following anti-corruption agencies of states parties:
   - MoU with Corruption Eradication Commission (KPK) Indonesia – date 30 October 2013
   - MoU with Federal Bureau of Anti-Corruption Austria (BAK)-date 23 May 2014

1.2 Working Group Meetings
   In efforts to promote further cooperation with anti-corruption agencies of neighboring states, the MACC has participated in the following Working Group Meetings:
   - MACC / CPIB Singapore Working Group Meeting on February 2014
   - MACC / ACA Brunei 10th Working Group Meeting on June 2014

2. Measures Being Planned to Implement UNCAC provisions
MACC will be hosting the 10th South East Asia Parties against Corruption (SEA-PAC) Meeting in Kuala Lumpur on 13 – 17 November 2014. The participants for the meeting are the Anti-Corruption Enforcement Agency in South East Asia.

In addition to the above, the MACC is also in the midst of signing MoU with Kyrgyzstan.

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

In regard to this aspect, Malaysia’s implementation of UNCAC Chapter IV has been reviewed by the governmental experts of Kenya and the Philippines in February 2013 and they have identified certain challenges which, like Chapter III above, are in their view have to be considered by Malaysia in order to achieve full compliance.

Below is a summary of the challenges posed by the reviewing experts:

<table>
<thead>
<tr>
<th>NO</th>
<th>CHALLENGE</th>
<th>ARTICLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Malaysia is encouraged to make the requisite notification to the United Nations as to whether it would accept UNCAC as a legal basis for extradition.</td>
<td>Article 44 paragraph 6(a)</td>
</tr>
<tr>
<td>2</td>
<td>Noting that Malaysia has previously extradited its nationals, Malaysia should ensure that future treaties address the obligation to expeditiously submit cases for prosecution and that this is followed in practice.</td>
<td>Article 44 paragraph 11</td>
</tr>
<tr>
<td>3</td>
<td>Malaysia is encouraged to comprehensively review its existing treaties to ensure that they meet all UNCAC requirements. The reviewers welcome Malaysia’s indications that future extradition treaties are tailored to be consistent with UNCAC provisions.</td>
<td>Article 44 paragraph 18</td>
</tr>
<tr>
<td>4</td>
<td>Malaysia may wish to monitor as much as possible the application of bank secrecy measures to ensure that also in future cases bank secrecy requirements do not delay the provision of MLA.</td>
<td>Article 46 paragraph 8</td>
</tr>
<tr>
<td>5</td>
<td>Malaysia is encouraged to embrace the rendering of non-coercive assistance, taking into account its flexible application of the dual criminality principle.</td>
<td>Article 46 paragraph 9 (b)</td>
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<td>6</td>
<td>There has been no experience in the transfer of prisoners for providing testimony or assistance, and Malaysia should ensure that the requirements of the Convention are adhered in future cases.</td>
<td>Article 46 paragraph 10, 11, &amp; 12</td>
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Malaysia

| 7  | Malaysia is encouraged to make the requisite notifications to the United Nations as to its central authority and acceptable language for MLA. | Article 46 paragraph 13 |
| 8  | Malaysia should consider specifying in its model request form that requests for MLA are acceptable in English. | Article 46 paragraph 14 |
| 9  | Malaysia should ensure that the undertaking it requires from requesting States that a request does not have as its primary purpose the assessment or collection of tax is not interpreted in a manner contrary to the Convention. | Article 46 paragraph 22 |
| 10 | Malaysia may consider reviewing the MACMA to enable its authorities to postpone rather than refuse assistance that could prejudice a criminal matter in Malaysia, noting that the Act is interpreted and applied this way in practice. | Article 46 paragraph 25 |
| 11 | Malaysia is encouraged to review the MACMA and treaties to ensure that consultations with requesting States are held before refusing or postponing assistance. | Article 46 paragraph 26 |

N.B. Action plans to address the above UNCAC Chapter IV challenges are under the purview of the Attorney General’s Chambers and the focal point will report the development once we have obtained the responses from the AGC.

D. UNCAC Chapter V: Asset Recovery

UNCAC Provisions:
- Art. 52: Prevention and detection of transfers of proceeds of crime
- Art. 53: Measures for direct recovery of property
- Art. 54: Mechanisms for recovery of property through international cooperation in confiscation
- Art. 55: International cooperation for purposes of confiscation
- Art. 56: Special cooperation
- Art. 57: Return and disposal of assets
- Art. 58: Financial intelligence unit
- Art. 59: Bilateral and multilateral agreements and arrangements

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - Art 52 - Under Malaysian Law, prevention and detection of transfers of proceeds of crime covered under:
ii. Sect 35 MACCA (Malaysian Anti-Corruption Commission Act) 2009 – Investigation of share, purchase account, etc.
iii. Sect 3(h) MACMA (Mutual Assistance in Criminal Matter Act) 2002 (for cross border investigation and prosecution) – International assistance in criminal matters on the identification or tracing of proceeds of crime and property and instrumentalities derived from or used in the commission of a serious offence or foreign serious offence. Under this domestic act, the interpretation of serious offence includes offence as defined under Malaysian Anti-Money Laundering Act 2001. Request should be made through MLA (Mutual Legal Assistance).

Art 53 - Measures for direct recovery of property was explained under Sec. 3(c) MACMA (Mutual Assistance in Criminal Matter Act) 2002 (for cross border investigation and prosecution). International assistance in criminal matters on the recovery, forfeiture or confiscation of property in respect of a serious offence or a foreign serious offence. Under this domestic act, the interpretation of serious offence includes offence as defined under Malaysian Anti-Money Laundering Act 2001.

Art 54 - Mechanisms for recovery of property through international cooperation in confiscation was explained under Sec. 3(c) MACMA 2002 (for cross boarder investigation and prosecution). Request should be made through MLA (Mutual Legal Assistance).

Art 55 - National cooperation for purposes of confiscation was explained under Sec. 3(c) MACMA 2002 (for cross boarder investigation and prosecution). Request should be made through MLA.

Art 56 - Special Cooperation. MACC has set up operational working group committee with Anti-Corruption Brunei and Corrupt Practice Investigation Bureau in Singapore. Through this mechanism, each agency could share information for investigation and intelligence purpose. Apart of that, each agency could assist among themselves for any investigation and intelligence matters for them to conclude their investigation. This cooperation been made without request of MLA.

Art 57 - Return and disposal of assets was explained under:
   i. Sect 60 AMLATFA 2001 – Release of property seized under investigation or prosecution.
   ii. Malaysia Treasury Instruction, Chapter B – return and disposal of asset under investigation and prosecution

Art 58 - Financial Intelligence Unit (FIU). Central Bank of Malaysia has established special unit called Financial Intelligence Unit as to monitored financial system of financial institutions in Malaysia. Under Sec. 9 (1) AMLATFA 2001, the FIU in Central Bank may, in writing, authorize any enforcement agency or its designed officers to have access such financial information for the purpose of performing the enforcement agency's function.
Malaysia

3. Measures Being Planned to Implement UNCAC provisions

- The Government tabled a bill to amend the AMLATFA 2001 in June 2014
  - The amendments provide clearer provisions regarding reporting obligations for reporting institutions to ensure preventive measures can be implemented more effectively and will strengthen enforcement measures relating to declaration of cross-border cash and bearer negotiable instruments.
  - The amendments expand the scope of investigation and enforcement action against cases of money laundering and terrorist financing to enable a more holistic and comprehensive investigation and enforcement.
  - Investigative powers of law enforcement agencies will also be strengthened to enable more effective investigation and to ensure the governance process is more transparent in relation to the freezing, seizure and forfeiture of assets that are currently being investigated.
  - The bill will also allow more effective enforcement and prevention through punishment and heavier penalties.
  - The amendments aim to reduce the total crime rate in the country. As most of the criminal activity is motivated by money, crime can be reduced by going after the proceeds of criminal activities and cutting access to the financial system.

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

- Dual criminalities issues
- Legal framework differences
- Time constraint

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter V

E. Additional Developments

1. Member’s Report on dissemination and domestic use of the initiative’s knowledge products and events (Members are requested to report on how they have shared internally and used the Initiative’s (recent) learning events in their internal anti-corruption efforts)

2. Member’s Report on measures taken to share knowledge and experience with other countries, including to help strengthen the capacity of developing countries to implement the UNCAC

The MACC has carried out the following activities in the spirit of Article 60 UNCAC:-
2.1. **International Anti–Corruption Academy Course (IACA)**

The Malaysian Anti-Corruption Commission (MACC) in partnership with IACA conducted the Master in Anti–Corruption Studies (Module VI) course in Malaysia Anti–Corruption Academy (MACA) in May 2014. The participants for this Master Programme included an official from Malaysia. While the lectures are from Australia, Singapore, Hong Kong and Malaysia.

2.2. **Study visit at the Serious Fraud Office, New Zealand**

As for in year 2013, MACC does not have any staff secondments with the ECAN member countries but MACC have make a study tour to Serious Fraud Office, New Zealand in October 2013. Ten officers from MACC and twenty five officers from Royal Malaysia Police (RMP) have involved in this study visit to learn and study the best practices and to forge meaningful networking for future cooperation.

2.3. **Benchmarking of best practices at the anti-corruption/law enforcement agencies in Hong Kong SAR, South Korea, India, Australia, UK, Macao SAR and Indonesia**

Officers from the MACC have made study visits to anti-corruption/law enforcement agencies in Hong Kong SAR, South Korea, India, Australia, UK, Macao SAR and Indonesia between November and December 2013 to learn the best practices, and conduct gap analysis in benchmarking the MACC Transformation Programme for prevention activities with those from the countries visited.

Besides that, the MACC has also sent its officer to attend the ICAC Hong Kong Chief Investigators Command Course since the course was organize by ICAC Hong Kong
Mongolia

### A. United Nations Convention against Corruption, Chapter II: Preventive measures

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<td>Article 14: Measures to prevent money-laundering</td>
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#### Article 5: Preventive anti-corruption policies and practices

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

IAAC worked together with the UNDP, Asia Foundation and Mongolian Women Lawyers’ Association to produce the second Anti-Corruption policy paper under the initiative of the Office of the President of Mongolia. For that matter, the National Program Working Group was established under the Office of the President of Mongolia, which comprised of researchers and representatives from relevant government agencies and NGO’s. After the development of the first draft of the National Program, the Mongolian Women Lawyers’ Association organized debates and discussions on the draft around the country. The debates were organized from November in 21 provinces and 9 districts of the capital city. The debates were held from November - December 2013 in 21 provinces and 9 districts of the capital city and were organized in the following form:

1. Consultation meetings: Consultative meetings were held 13 times with 247 people from public and private sector, NGO’s and media.
2. Discussions. Organized a total number of 60 discussions throughout the 21 provinces and 9 districts of the capital city. The discussions were held for 40-50 people in one event and were divided into two sections: for citizens and for civil servants. Total number of people involved: 2107 citizens and 1136 civil servants. The number of discussions held and high number of people enrolled in the discussions gives us high hopes that the second policy paper we drafted has reflected the will and the wish of the public.
During the consultation meetings and discussions, the corruption situation report, general context and the concept of the program and the information about the ideas and proposals from individuals and organizations were informed to the public through television, radio and printed press. For instance, Eagle TV, TV8, Mn25, Tv5, Parliament Tv, Sch Tv, MNC channels were critical in reporting the consultation meetings and the television reports are archived in a CD. Also, single issue magazine called Crazy Point was published with the purpose of introducing the information about the Program Draft. The Program draft was sent to the Office of the President of Mongolia.

### Article 6: Preventive anti-corruption body or bodies

IAAC is an independent government body responsible for corruption prevention, public awareness, corruption investigations, intelligence and asset disclosure. Within its prevention and public awareness function, IAAC:

- Published the following materials in 2013 and 2014:
  - “Fair Mazaalai” children’s book;
  - “A Conversation With a Friend” children’s book;
  - “For a Competent Official” handbook;
  - “For a Member of State Great Khural” handbook;
  - Handbook described the Law on Conflict of Interest in an easy to understand format;
  - “Introducing Anti-Corruption Legislation” handbook;
  - “Toim” magazine issue dedicated to the International Anti-Corruption Day.

- IAAC conducted Evaluations on Integrity Level in years 2008, 2010, 2012, from which it concluded that the level of integrity is demising year after year for mid and senior year students in secondary schools. Considering the situation will worsen if the students develop an understanding that unfairness is compromising, start adapting to unfair society and systematic actions needs to be taken to raise the integrity level of high school seniors, the Prevention and Public Awareness Department of IAAC produced and following an action plan together with the National Authority for Children. The first work done under the plan was to integrate the subject of integrity and ethics in the 2013-2014 opening class of a new school year lectured nationwide by the President of Mongolia, which was met with enthusiasm and was conducted under the general subject of “Rule of Law and Children’s Participation.” The content was crafted to give an understanding that ignoring unfairness leads to integrity decay and the message delivered by the President nationwide has raised the importance.

- IAAC initiated the broadcasting of popular documentaries and a short film titled: “Unnatural disaster of China: Tears of Sichuan Province”, “Where’s our money?” and “Psst, don't tell anyone” which covered anti-corruption issues. Major TV channels in the country assisted the broadcasting.

- To raise public awareness on the perils of corruption in society, IAAC has undertaken actions to involve the professional arts and culture institutions. In collaboration with the Dornod province Drama Theatre artists, IAAC produced television play named “Tuluus” (English “Debt”). The play was released on DVD for public audience with the assistance of Asia Foundation.

- The Department is working to produce documentary series based on actual corruption cases called “Tur Tumen Nudtei” or “The State has Thousand Eyes.” As a beginning, two episodes of the series called “Wrong Lane” and “What Goes Around Comes Around” are ready for broadcast with the support of Asia Foundation.
In cooperation with STaR Initiative, IAAC organized trainings with the subject “Financial Investigation” and “Mutual Legal Assistance” to the personnel from IAAC, Ministry of Justice, GIA, State Prosecutor General’s Office, National Police, and lecturers from School of Law, National University of Mongolia on May 6-10, 2013.

IAAC organized “Together for a Just Society” campaign in cooperation with UNDP, UNODC, Asia Foundation, Mercy Corp, National University of Mongolia, Student Association of National University of Mongolia, Defense University of Mongolia, Law Enforcement University of Mongolia, Zorig Foundation, Mongolian Employers’ Association, SEVEN television, Blue Mongolia Printing LLC, National Time News Television, Mongolian National Chamber of Commerce and Industry, and Otgontenger University. The campaign includes:

1. Within the auspices of the campaign we set up www.hamtdaa.mn website and hamtdaa.mn facebook page to reach children and the youth through social media;
2. On November 5, 2013, organized parliamentarian debate city championships under the subject of Youth and their Involvement in combating Corruption and Conflict of Interest;
3. Organized conference on prevention from corruption and conflict of interest on December 1, 2013 at the lecture hall of the School of Foreign Service, National University of Mongolia;
4. Organized poster contest for designers with the subject “Corruption Free Society” from November 29 to December 7, 2013. The participating works have been posted on Hamtdaa.mn Facebook page. It has been planned to distribute the printed posters to government bodies;
5. With the request of our organization and the funding of Asia Foundation, lector Amarbat U. presented series of lectures with the subject “Seven Habits of a Fair Person” to secondary school seniors as well as freshmen and sophomores of college. A total of 4900 students were enrolled in the lectures.;
6. Three minute song with a video called “Hamtdaa” or “Together” was created by COMPASS band which was intended to become the anthem for just society and fairness;
7. IAAC, in cooperation with Zorig Foundation, organized a parade march under the slogan “Together for a Just Society” on December 7, 2013, celebrating World Youth Day. The parade started from the Central Tower of UB to the National University of Mongolia building, where the participants formed the word “together” and marched to the Government Building V for the finale. A total number of 200 people participated in the event voluntarily. IAAC is planning to organize the parade again in 2014.

As part of its functions, IAAC produced “Anti-Corruption Activities Evaluation Method” for government organizations in order to evaluate and assess their corruption prevention activities. In cooperation with the Asia Foundation, IAAC selected the panel of analysts to evaluate the 2013 anti-corruption activities of government bodies. As a result, with the funding from Asia Foundation, MDS Associates team analyzed and evaluated the anti-corruption activities of 52 government bodies (7 institutes under the State Great Khural of Mongolia, 16 ministries and 29 agencies) and “Onch Shidel” NGO team analyzed and evaluated the anti-corruption activities of 71 government bodies (of which 50 organizations are state owned entities) as an independent evaluator. In reference to the results of the evaluations, IAAC worked together to eliminate the deficiencies in the organizations scored lower points.

IAAC, Asia Foundation and the Administration Department of the Capital City Governor’s Office are executing project “Hamtdaa” in 2014 at the Capital City General Planning Department, Education Department, Health Department as well as Property Relations Department. The project addresses good governance, transparency and corruption, conflict of interest prevention issues. The project plan includes a total of 28 separate tasks to be accomplished, of
which 23 tasks are completed, 4 tasks ongoing with 80 percent of works is done and one project is pending the planned project start date. That concludes that currently the project plan has been fulfilled at 97 percent.

- IAAC has conducted 40,144 separate trainings to 222 organizations on Anti-Corruption legislation in 2013, 2014 combined. In addition, in cooperation with the Cabinet Office of the Government of Mongolia, IAAC organized “Corruption and conflict of interest prevention methods” online consultative meeting with 525 delegates of 21 provinces of Mongolia. The meeting was organized with the assistance of USAID and Asia Foundation.
- IAAC teams worked in all 21 provinces Mongolia during January 3 to May 11 of 2013 as well as in all counties of Tuv, Selenge, Zavkhan, Khovd, Bayankhongor, Khuvsgul and Sukhbaatar provinces during January-July of 2014. These trips were intended to promote anti-corruption legislation, monitor its implementation, to meet with local people in person to hear their ideas, proposals and complaints, to check the corruption prevention activities of the local administration offices and state owned entities.
- To make the activities of government agencies transparent to the public, eliminate bureaucracy and to have the government activities comply with the anti-corruption legislations, IAAC has chosen numerous government bodies and worked closely with them for a certain period of time.

**Article 7: Public Sector**

1. In accordance with the Civil Service Law of Mongolia, the Civil Service Council of Mongolia abolished the Ordinance on Civil Service Bar Examination of 2009 in July 2013 and enacted new ordinances. With this change the bar examinations for civil servants begun to be organized based on modern information technology. Also, the structural change allowed the civil service career pursuers to take the examination when an opening available instead of held once in a year format.
2. As soon as new vacancy spot is opened, the government agencies send the vacancy requests to the Civil Service Council, which uploads it in its own website. Every citizen can visit the website and be informed of the information therefore ensuring transparency.
3. Some government organizations are working to produce their list of “Corruption sensitive jobs, positions, services.”
4. On March 16, 2012, the Government of Mongolia renewed the public servant pay scale and the raised the minimum wage standard. According to the Government decision, the wage of a public servant was raised by MNT 80 by February 2012 and by 23 percent by May of the same year. With these changes the average wage of a civil servant has become MNT 630,000.
5. The General Council of Courts decided to raise the wages of judges and chief justices with its order number 16 dated July 18, 2013. With the decision monthly wages were raised in the following order:
   - Wage of control chief justice MNT 4.5 million;
   - Wage of control judge MNT 4.2 million;
   - Wage of Appellate Court chief justice MNT 4.0 million;
   - Wage of Appellate Court judge MNT 4.9 million;
   - Wage of Court of First Instance chief justice MNT 3.8 million;
   - Wage of Court of First Instance judge MNT 3.7 million.
6. IAAC has been organizing trainings to promote anti-corruption legislature in accordance to its graphic of trainings to conduct for the government institutions in 2014.

**Article 8: Codes of Conduct for Public Officials**
1. In years 2013 and 2014, IAAC submitted proposals for the ethics rule drafts of 16 government bodies as part of its function.

2. According to the 2013 Civil Service Council Report, a total number of 395 complaints were received, which were categorized as following:
   - Fired 124
   - Civil service selection, conclusions, reserves, appointments 66
   - Professional examination, criteria, conclusions, reserves, appointments 79
   - Unethical or illegal conduct of civil servants 40
   - Related to selection of high ranking civil servants 21
   - Penalized 13
   - Related to pensions and wages 13
   - Demotion 9
   - Released of duties due to restructuring 7
   - Related to the activities of Public Board 5
   - Information through “1111” center 16

   The Council has analyzed the requests and had all the requests resolved by the relevant bodies. Also, the Council for some requests were resolved by the Council and its staff. For instance, in 2013 one dispute on illegal demotion, 4 disputes on invalid firing, a total of five disputes were resolved by the Council’s special commission. The implementation status of the Council’s dispute resolution decisions:
   - Decision fulfilled by the relevant official – 2
   - Decision was argued, but ruled by court of administrative cases to have substantial legal basis – 2
   - Decision still being disputed at court – 1.

In 2013, the ethics committees of government organizations have penalized 118 officials for unethical conduct, of which 89 officials were penalized as first instance and 29 officials were penalized for repeated violations.

3. The Inspection Section of the IAAC received a total of 211 requests and complaints in year 2013. 23.2 percent of the requests or 79 complaints were about abuse of power, 64 complaints (20.5%) concerned violations of specific laws and regulations. 95 complaints (30.5%) concerned conflict of interest by an official, 48 complaints (15.4%) concerned illicit enrichment and requests to inspect declarations of assets, and 25 complaints (8.3%) concerned other issues. As for resolutions concerning the complaints, for 45 complaints (15.9%) IAAC uncovered wrongful activity by officials and decided to press charges, for 48 complaints (17.2%) IAAC contacted the relevant organizations to eliminate violations, for 51 complaints (18.1%) IAAC demanded the relevant organizations to rescind illegal decisions and fulfill the implementation of the relevant laws and regulations, for 53 complaints (18.7%) any violations or illegal activities were not found, 26 complaints (9.2%) were transferred to State Investigation Department and Police Agency as complaints are in accordance with their functions, 47 complaints (16.6%) were transferred to other government agencies per the nature of the complaints, 12 complaints (4.2%) were rejected citing
4. The Inspection and Analysis Department of IAAC inspected around 2000 asset declarations in year 2013 and 255 officials were sanctioned for violations.

**Article 9: Public procurement and management of public finances**

1. As a result of reformed policy for government procurement implemented by New Government for Changes, in accordance with Article No. 6 issued on 27th of August, 2012 and in the framework of Deputy Prime Minister’s work affairs, the Procurement Agency, an implementing agency of Mongolian Government for organizing procurement of products and services with assets of government and state, has been established with 64 staff on 4th of October, 2013 and since has been functioning to improve procurement process, transparency, management and to have information available for general public.

2. The agency has been since announcing tenders, their results, establishing database for tenders, providing laws, regulations, examples and other documents regarding procurements, organizing online discussion regarding tender announcements and providing guidelines and instructions for interested parties.

3. The President of Mongolia has initiated draft “Law of Transparent Account” and the law has been approved by the parliament on 3rd of July, 2014 after one rejection. The principle of this law is to make information regarding national and state budget income, expense, cash flows, and financial reports, warrants of loans and borrowings, resolutions regarding asset spending and related actions transparent and available to general public. The law will be in compliance starting from 1st of January, 2015. Meanwhile, the government has ordered to take actions on preparing the legal and social environment, providing technological solutions, preparing compatible staff, advertising the law for the better understanding of public and involving NGOs in its actions.

4. As Asia Foundation and Transparency International proposed to the Mongolian Government for collaboration on making procurement process transparent and available for general public, the discussion on this collaboration for 2014 has been taken place on the Day for Anti-Corruption of 2013 within the Procurement community. A special program for improving and solving challenges in procurement process has been developed with the assistance of Procurement Agency, as the first step of the collaboration.

**Article 10: Public reporting**

1. New Government for Changes has formed “11 11 Center” in 2012, in order to eliminate bureaucracy, provide efficient services to the general public as in the framework of developing an open and transparent governance. As of 18th October, 2013’s statistics from “11 11 Center”, there had been over 900 comments, compliments, complaints and critics received, while most of those were concerning the educational and medical industries. Receiving public comments via “11 11 Center” was a step forward for agencies to reflect on their perspective decisions.

2. Prime Minister Altankhuyag holds 30 minutes meeting on every Thursday with reporters.

3. On 28th of May, 2014, Mayor of Ulaanbaatar had issued an order regarding the implementation of “Smart Ulaanbaatar” project. Following actions shall be taken in accordance with the project:
   - Migrating government services to online version
   - Opening one-stop service windows
   - Developing applications for smart devices
   - Developing transparent account environment
   - Developing transparent tender environment
### Article 11: Measures relating to the judiciary and prosecution services

1. In 2014 the Committee for Judges of the Mongolian Lawyers’ Association has approved the Ethics Rules of Mongolian Judges.
3. With the implementation of the Law on Judiciary of Mongolia, the Mongolian judiciary was reorganized in district formation, which allows provided the citizens district first, second, third and fourth courts. With this restructuring, the judges are designated by the President of Mongolia.
4. With the approval of the amendments to the Criminal Procedure Code of Mongolia by the Parliament on January of 2014, the crimes listed to the functions of Investigative Service under the Prosecutor General of Mongolia were registered under the investigation responsibilities of IAAC.

### Article 12: Private Sector

2. With the intention to contribute to the establishment of corruption free, healthy business environment and to the increase of participation for the deed by private sector and NGO’s, IAAC organized symposium named “Together for Corruption Free Society.”
3. As part of its function, IAAC conducted analysis on its electronic asset declaration database and relevant documents from State Property Committee of Mongolia. The results of the studies were presented at the session of the Standing Committee on Legal Affairs of the State great Khural. The Standing Committee acknowledged the results and decided to instruct the Government.
4. АТГ-ас хувийн хэвлэлэнд зориулан Ажил олгоч эздийн нэгдсэн холбоотой хамтран хэд хэдэн удаагийн сургалт, уулзлыг зохион байгуулсан. IAAC conducted several trainings and seminars to private sector representatives in cooperation with the Mongolian Employers’ Association.
5. With the funding from USAID, IAAC organized Corruption Prevention Seminar for Tax Authority and entrepreneurs as well as National Forum on National Forum on Enhancing Cooperation of Public, Private Sectors and Civil Movements against Corruption together with Non-Official Group against Corruption at the State Great Khural and the Mongolian Chamber for Commerce and Industry. The forum enrolled 90 participants from all sectors and produced a list of...
recommendations necessary for the Government to undertake to combat corruption, which was delivered to the Cabinet Office of the Government of Mongolia.

**Article 13: Participation of Society**

To promote active involvement of the public in anti-corruption activities, the Public Council under the Independent Authority against Corruption of Mongolia was established in 2007. The Public Council consists of 15 members, who are appointed by the President of Mongolia for 4 years. With the expiration of the term of the 2009 members, the President appointed the new members on May 14, 2014.

The following are certain NGOs committed to undertake realistic measures to combat corruption:

- **Zorig Foundation**: Organized project planning, internet meme contests and other social media campaigns that reached 604,744 people overall. The use of social media devices that are part of lifestyle for younger generations, such as Twitter and Facebook, definitely bringing new approach to the anti-corruption endeavors.

- **Mongolian Association of Local Administration**: The association has established a Memorandum of Understanding with IAAC and organized training seminars to introduce the anti-corruption legislation to the personnel of local administrations. The training enrolled personnel of Local Administrations and local Councils of 330 counties of 21 Provinces.

- **Globe International NGO, Zorig Foundation**: Senior Specialist Batzorig B. of IAAC participated in the plot writing team of 28 episode NTV TV series called “Water Flows Up,” which is intended to show the perils of corruption. The series was made under the Asia Foundations “Strengthening Transparency and Governance in Mongolia Project” and was funded by USAID.


- **Northeast Regional Center of the Institute of Press**: Produced radio series on the subject of corruption, conflict of interest and transparency which was broadcasted in Darkhan city.

- **Women Lawyers’ Association**: IAAC worked together with the UNDP, Asia Foundation and Mongolian Women Lawyers’ Association to produce the second Anti-Corruption policy paper under the initiative of the Office of the President of Mongolia.

- **MDS Associates**: With the funding from Asia Foundation, MDS Associates team analyzed and evaluated the anti-corruption activities of 52 government bodies (7 institutes under the State Great Khural of Mongolia, 16 ministries and 29 agencies) as an independent evaluator.

- **“Onch Shiiidel” NGO**: With the funding from Asia Foundation, “Onch Shiiidel” NGO team analyzed and evaluated the anti-corruption activities of 71 government bodies (of which 50 organizations are state owned entities) as an independent evaluator.

**Article 14: Measures to prevent money-laundering**

1. With the enactment of “Ordinance on Providing Information to Financial Intelligence Unit” by the Governor of Mongol Bank on May 5, 2014, the procedure to report suspicious bank transactions as well as transactions exceeding the MNT 20 million threshold to the Financial Intelligence Unit under the Mongol
Mongolia

bank has been regulated. The regulation also concerns the protection of privacy and secrecy of the information. Furthermore, the foreign transaction form was enacted with the first appendix of the document and consequently the commercial banks are using the form to report its information to the FIU.

2. The FIU of Mongolia in collaboration with the Ministry of Justice of Mongolia has produced the draft of the Anti-Money Laundering and Terrorism Law throughout the years of 2012 and 2013 to reflect the 40 Recommendations by the FATF as part of its review process. As a result, the State Great Khural of Mongolia ratified the new draft of 2006 the Anti-Money Laundering and Terrorism Law, amendments to 2004 Anti-Terrorism Law, amendments to the 2003 Company Registration Law on May 31, 2013.

3. As part of the FATF compliance, the session of the Government of Mongolia ratified the “Ordinance on producing the list of terrorists, monitoring and seizure of their assets” based on the relevant amendments to the Anti-Terrorism legislation and the UNSC Resolutions 1267, 1373 on October 12, 2013.

4. With the relevant amendments to the Criminal Code and Criminal Procedure Codes of Mongolia by the State Great Khural, it is considered that Mongolia has fulfilled the necessary implementations recommended by FATF. Therefore, on February 17, 2014 during the 22nd Plenary Meeting of FATF in Paris, the organization removed Mongolia from the gray list.

2. Measures Being Planned to Implement UNCAC provisions


4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III

B. UNCAC Chapter III: Criminalization and Law Enforcement

UNCAC Provisions:

- Art. 15: Article 15. Bribery of national public officials
- Art. 16: Bribery of foreign public officials and officials of public international organizations
- Art. 17: Embezzlement, misappropriation or other diversion of property by a public official
- Art. 18: Trading in influence
- Art. 19: Abuse of functions
- Art. 20: Illicit enrichment
- Art. 21: Bribery in the private sector
- Art. 22: Embezzlement of property in the private sector
- Art. 23: Laundering of proceeds of crime
- Art. 24: Concealment
Mongolia

- Art. 25: Obstruction of justice
- Art. 26: Liability of legal persons
- Art. 27: Participation and attempt
- Art. 28: Knowledge, intent and purpose as elements of an offence
- Art. 29: Statute of limitations
- Art. 30: Prosecution, adjudication and sanctions
- Art. 31: Freezing, seizure and confiscation
- Art. 32: Protection of witnesses, experts and victims
- Art. 33: Protection of reporting persons
- Art. 34: Consequences of acts of corruption
- Art. 35: Compensation for damage
- Art. 36: Specialized authorities
- Art. 37: Cooperation with law enforcement authorities
- Art. 38: Cooperation between national authorities
- Art. 39: Cooperation between national authorities and the private sector
- Art. 40: Bank secrecy
- Art. 41: Criminal record
- Art. 42: Jurisdiction

*The following statistics is related to investigation proceedings conducted by IAAC. The information provided in this statistics is constructed in such a way that it could not be divided according to the format of the reporting template.

The Investigation Department of IAAC has received a total of 406 complaints and information during the stretch of September 2013 to June 2014. Department opened criminal cases regarding 71 complaints or information (17.5%), refused to open criminal case for 210 complaints and information (51.7%) and transferred 72 complaints (17.7%) to other authorities responsible for the claims.

During the period, a total of 207 cases were investigated in accordance to its functions:
- 79 cases (38.2%) concerned abuse of power or office by state official;
- 18 cases (8.7%) concerned excess of authority by state official;
- 14 cases (6.8%) concerned abuse of authority by an official from business entity;
- 4 cases (1.9%) concerned abuse of authority by an official from NGO;
- 31 cases (14.9%) concerned receiving of bribe;
Mongolia

- 11 cases (5.3%) concerned giving of bribe;
- 8 cases (3.9%) concerned intermediary of bribe;
- 14 cases (6.8%) concerned spending of the budget funds contrary to their designations;
- And 28 cases (13.5%) concerned other crimes.

As for the resolution of the cases investigated:
- 49 cases (23.6%) were submitted to the Prosecutor with the proposal to indict;
- 30 cases (14.5%) were submitted to the Prosecutor with the proposal to terminate the case;
- 18 cases (8.7%) were submitted to the Prosecutor with the proposal to transfer the case to the authority administers the type of crime;
- 17 cases (8.2%) were merged with other cases;
- 11 cases were suspended from investigation.

Of all the cases submitted with the proposal to indict, 11 cases had court rulings.

As for the subjects of the cases:
- 28 people represent the political service positions;
- 76 represent administration service posts;
- 48 represent special service posts;
- 39 represent support service posts.

A total of MNT 65.8 Billion was damaged and lost as result of the criminal activities. MNT 3.3 billion was compensated at the investigation stage, property value of MNT 17.6 billion was seized, Court of First Instance ruled to confiscate MNT 7.978.707.222 as state revenue.

As for international cooperation, 9 MLA requests were sent to Germany, Republic of Korea, Switzerland, Singapore, Hong Kong and People's Republic of China through the Central Authority.

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
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2. Measures Being Planned to Implement UNCAC provisions
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4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III

-
C. UNCAC Chapter IV: International Cooperation

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1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
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2. Measures Being Planned to Implement UNCAC provisions
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4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III
   -
### D. UNCAC Chapter V: Asset Recovery

**UNCAC Provisions:**
- Art. 52: Prevention and detection of transfers of proceeds of crime
- Art. 53: Measures for direct recovery of property
- Art. 54: Mechanisms for recovery of property through international cooperation in confiscation
- Art. 55: International cooperation for purposes of confiscation
- Art. 56: Special cooperation
- Art. 57: Return and disposal of assets
- Art. 58: Financial intelligence unit
- Art. 59: Bilateral and multilateral agreements and arrangements

<table>
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<tr>
<th>1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013</th>
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Mongolia

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<tr>
<th>E. Additional Developments</th>
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</thead>
<tbody>
<tr>
<td>1. Member’s Report on dissemination and <strong>domestic</strong> use of the initiative’s knowledge products and events (Members are requested to report on how they have shared internally and used the Initiative’s (recent) learning events in their internal anti-corruption efforts)</td>
</tr>
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<tr>
<td>2. Member’s Report on measures taken to share knowledge and experience with <strong>other countries</strong>, including to help strengthen the capacity of developing countries to implement the UNCAC</td>
</tr>
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</tbody>
</table>
Nepal

### A. UNCAC Chapter II: Preventive Measures

#### UNCAC Provisions:
- Art. 5: Preventive anti-corruption policies and practices
- Art. 6: Preventive anti-corruption body or bodies
- Art. 7: Public sector
- Art. 8: Codes of conduct for public officials
- Art. 9: Public procurement and management of public finances
- Art. 10: Public reporting
- Art. 11: Strengthen integrity and to prevent opportunities for corruption among members of the judiciary. Such measures may include rules with respect to the conduct of members of the judiciary.
- Art. 12: Private sector
- Art. 13: Participation of society
- Art. 14: Measures to prevent money-laundering

#### 1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
- The outreach of the CIAA has been extended to five Development Regions and five Liaison Offices.
- Interaction and Consultation with non-public sectors about their role for combating corruption had been organized.

#### 2. Measures Being Planned to Implement UNCAC provisions
- Planning to establish CIAA as the lead agency to reconcile government’s anti-corruption efforts and to monitor the implementation of National anti-corruption Policy as well as coordinating and facilitating anti-corruption measures by different government agencies.
- Amendment of the Civil Service Act has been submitted to the legislature incorporating the provisions that no civil servants are allowed to take Permanent Resident (PR) and dual citizenship of other country.
- Amendment of Public Procurement Act is being made.
- Implementation of Vulnerability Diagnostic and research on corruption-prone area are going to be conducted.

#### 3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
- Difficulty to retain human resources due to not having own staff of CIAA; as the HR being deployed from different government service.
- Building capacity of the human resources
- Adoption of the codes of conduct of the members of the cabinets and parliamentarians
Transforming prototype social norms, values and settings against corruption
Building political consensus and solidarity against corruption and corrupt practices.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter II
Institutional capacity building of CIAA and human resource development.
Sensitization to the political sector for building consensus for anti-corruption moves.

B. UNCAC Chapter III: Criminalization and Law Enforcement

UNCAC Provisions:

- Art. 15: Article 15. Bribery of national public officials
- Art. 16: Bribery of foreign public officials and officials of public international organizations
- Art. 17: Embezzlement, misappropriation or other diversion of property by a public official
- Art. 18: Trading in influence
- Art. 19: Abuse of functions
- Art. 20: Illicit enrichment
- Art. 21: Bribery in the private sector
- Art. 22: Embezzlement of property in the private sector
- Art. 23: Laundering of proceeds of crime
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- Art. 29: Statute of limitations
- Art. 30: Prosecution, adjudication and sanctions
- Art. 31: Freezing, seizure and confiscation
- Art. 32: Protection of witnesses, experts and victims
- Art. 33: Protection of reporting persons
- Art. 34: Consequences of acts of corruption
- Art. 35: Compensation for damage
- Art. 36: Specialized authorities
Nepal

- Art. 37: Cooperation with law enforcement authorities
- Art. 38: Cooperation between national authorities
- Art. 39: Cooperation between national authorities and the private sector
- Art. 40: Bank secrecy
- Art. 41: Criminal record
- Art. 42: Jurisdiction

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - Extradition Act, 2014, Mutual Legal Assistance Act, 2014, Organized Crime Prevention Act, 2014 have been endorsed by the parliament and being implemented.
   - Money Laundering Prevention Act has been amended in order to incorporate the provisions of UNCAC.
   - Other relevant laws, rules and regulations are being amended in line with UNCAC.
   - Pair Review of UNCAC implementation has been going on

2. Measures Being Planned to Implement UNCAC provisions
   - Amendment of Commission for the Investigation of Abuse of Authority Act, 1991 and Corruption Prevention Act, 2002 are in the process of being amended in line with the Convention; so as to cover private sector as well.
   - Protection of the Witness, Informant, Victim and Experts Act is being formulated.

   - Extension of CIAA’s jurisdiction to the decisions made by the cabinet and policy decisions and to non-government sectors as well.
   - Establishment of Special Court or its unit at the place where CIAA has established its Regional and Liaison Offices
   - Constitutional Assembly has been in process of drafting New Constitution. So, there is lack of clarity on how anti-corruption agency like CIAA will be placed and authorized.
   - Lack of congruence in the functions of different anti-corruption agencies.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III
   - Technical support and knowledge transfer on scientific investigation and prosecution
   - Capacity building of the ACA and the human resources.
Nepal

C. UNCAC Chapter IV: International Cooperation

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1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - Memorandum of Understanding (MOU) has been signed with Integrity Vice Presidency for strengthening partnership and cooperation for curbing corruption.
   - Investigation officers and prosecutors from CIAA have been provided trainings on investigation skills in Malaysia Anti-corruption Academy (MACA).
   - Frequent interactions have been made to the Chief of ACAs of different countries on how to extend and strengthen mutual cooperation for controlling corruption.
   - Mutual Legal Assistance Act, 2014 has been endorsed by the parliament and being implemented

2. Measures Being Planned to Implement UNCAC provisions
   - Regional Conference to strengthen solidarity for curbing corruption in South Asia is going to be organized in December 2014.
   - A technical committee has been proposed for national and international coordination in technical level as well as for supporting the High Level Coordination Committee
   - Necessary arrangements are being made to establish CIAA as the Focal Point for UNCAC.

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
   - Weak coordination due to multiplicity of government institutions for anti-corruption endeavors.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter IV
   - Technical support on scientific investigation and knowledge sharing.
   - International experience sharing and interaction
   - International trainings for capacity building of the human resources.
Philippines

### UNCAC Provisions:

| Art. 5: Preventive anti-corruption policies and practices |
| Art. 6: Preventive anti-corruption body or bodies |
| Art. 7: Public sector |
| Art. 8: Codes of conduct for public officials |
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| Art.12: Private sector |
| Art. 13: Participation of society |
| Art. 14 : Measures to prevent money-laundering |

### Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

On December 19, 2013, the 1st State Conference on UNCAC Implementation and Review was conducted at the Malacañang Palace, Manila and was attended by officials, employees and representatives from the three Branches of government, Constitutional Commissions, development partners, civil society organizations (CSOs), business organizations, chambers of commerce, media, academe and other guests. The purpose of the Conference was to commence an annual review mechanism to track the status and progress of the implementation of the United Nations Convention against Corruption (UNCAC), especially the 21-Point Legislative Agenda (21-Point Agenda) which was adopted last December 2012.

The Office of the Ombudsman (OMB) collaborated with the Office of the President - Office of the Deputy Executive Secretary for Legal Affairs (OP-ODESLA) in: (1) the launch of the UNCAC Implementation and Review Mechanism, and (2) giving an update on the ongoing Integrity Management Program (IMP), and its collaborative plans with other Branches, private sector and CSOs.

One of the output of the Conference was the adoption of 1st State Conference Resolution 1/13 of December 19, 2013. The salient features of the said Resolution are:

- Recognition of the efforts of various Special Working Groups (SWGs);
- Statement of the request to Congress to prioritize appropriate legislative measures and proposals presented by the assembly;
Philippines

- Statement of the request to National Economic Development Authority, Legislative-Executive Development Advisory Council Secretariat, and Presidential Legislative Liaison Office to endorse legislative measures and proposals presented by the assembly;
- Formation of advocacy groups for the education of the public on the proposed agenda measures and creation of various fora;
- Establishment of the State Conference as an annual mechanism;
- Re-affirmation of the cooperation among Internal Working Groups (IWGs) and SWGs;
- Commitment in the participation and engagement in the furtherance of the various agenda measures and proposals;
- Resolution to request the Secretariat to provide necessary documentation and reports that shall make this initiative sustainable; and
- Resolution to request the joint Office of the President (OP) - OMB Technical Working Group to draft an Executive Order, for the President’s consideration, establishing a Presidential UNCAC Inter-Agency Committee which shall be tasked to ensure the successful implementation, review and monitoring of the Convention.

In the draft Executive Order, the priority bills among the 21-Point Agenda to be given priority in the 16th Congress were determined, viz.:

- Agenda Nos. 1 and 5 (Amendment of the Code of Conduct and Ethical Standards for Public Officials and Employees);
- Agenda No. 4 (Passage of law or amendment of any existing law/s to establish as a criminal offense active and passive trading in influence);
- Agenda No. 9 (Passage of Freedom of Information Act);
- Agenda No. 13 (Amendment of the Witness Protection Act and passage of the Whistleblower’s Protection Act); and,

- In the “Regional Dialogue on Transparency, Accountability and Voices against Corruption- Accelerating Human Development in Asia-Pacific” held in Bangkok on June 12-13, 2014, the Philippines won the United Nations Development Programme (UNDP) Social Innovation Fund for Anti-Corruption for a project proposal to set up “Citizen Empowerment Hubs” in university campuses across the country. The winning Philippine proposal was developed by UNDP Philippines, the Ateneo School of Government, and the Huairou Commission, and aimed for the “Citizen Empowerment Hubs” to serve as centers for capacity-building and technical assistance that will enable citizens and CSOs to meaningfully engage government. The Huairou Commission, in partnership with the Philippine-based CSO DAMPA, will then use the citizen hubs to train women to monitor the budgets of Disaster Risk Reduction projects, thus ensuring that the process is transparent and governed with integrity.

- The OP-ODESLA together with the OMB is now preparing for the commencement of the second cycle of the UNCAC country review, in accordance with the Memorandum of Agreement (MOA) between the said offices on UNCAC implementation and review.

- On March 10, 2014, the Senate of the Philippines passed the Freedom of Information Bill on its third and final reading. The Senate Bill’s counterpart in the House of Representatives, House Bill No. 3237 (“An Act to Strengthen the Right of Citizen to information held by the Government”), is still pending but is

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1 In the amount of of USD $50,000.
ADB/OECD Anti-Corruption Initiative for Asia and the Pacific and Kingdom of Cambodia

Philippines

Considered as an integral element of the present administration’s Good Governance and Anti-Corruption Plan of 2012-2016.

- In January 2014, the most recent anti-corruption strategy undertaken by the government is the requirement for cashless and checkless government transactions, which aims to improve budget management and prevent misappropriation of funds. Said strategy will first target the Armed Forces, the Department of National Defense, and the Department of Budget and Management.

- In support of the implementation of Republic Act (RA) No. 9485 or the Anti-Red Tape Act of 2007, the Civil Service Commission (CSC) and the Information and Communications Technology Office-National Computer Center established the Contact Center ng Bayan (CCB). The CCB is a feedback mechanism designated as the government’s main helpdesk where citizens can request information and assistance on government frontline service procedures, and report commendations, appreciation, complaints, and feedback. The initial implementation of the CCB ran from September 27, 2012 until March 31, 2014. There were six participating agencies in the pilot run, namely: CSC, National Competitive Council, Bureau of Internal Revenue, PhilHealth, Department of Health and Department of Trade and Industry. The number of participating agencies will soon increase to include the Land Registration Authority, Social Security System, and Philippine Atmospheric, Geophysical and Astronomical Services Administration.

As of July 15, 2014, WASAK or “Walang Asenso sa Kotong” (No Progress in Bribes) project in Quezon City was launched. WASAK, which was initiated by the Office of Senator Bam Aquino in collaboration with government agencies and private groups, seeks to provide necessary and timely assistance to business-related concerns in support of the implementation of RA 9485, or the Anti-Red Tape Act of 2007. Under the project, the CSC-CCB will serve as the feedback mechanism through which micro, small and medium entrepreneurs (MSMEs) can air out their complaints on red tape, kotong, and suhol (‘kotong’ and ‘suhol’ are terms for bribes) and report government personnel or agencies that cause undue delays in business transactions and projects. Aside from CSC, partners of the WASAK campaign include the OMB, Department of Trade and Industry, Department of Justice, Department of Interior and Local Government, National Competitiveness Council, Bantay.ph and Philippine Chamber of Commerce and Industry.

- By virtue of Ombudsman Office Orders No. 327 and 337, series, of 2014 effective June 1, 2014, the “Investment Ombudsman Team” was created as the agency’s contribution to enhancing integrity in the Philippine business climate towards achieving sustainable economic and inclusive growth. The American Chamber lauds this important initiative as a concrete manifestation of the sincerity of the Government to pin down corruption in the conduct of business, encourage foreign investments, and improve global competitiveness rankings.

- The Commission on Audit (COA) launched on March 7, 2014 its new website designed in accordance with the Integrated Government Philippines (iGovPhil) project of the Department of Science and Technology (DOST). The COA website has been upgraded to include a more user-friendly layout, interactive pages, a domain-wide search tool, and side-by-side preview of pages in separate sites, among other improvements. Said project is part of the COA’s commitment to strengthen its relationship with its various stakeholders and to increase transparency and accountability in government. Further, the iGovPhil Project, an initiative of DOST’s Information and Communications Technology Office and Advance Science and Technology Institute, aims to enhance government efficiency and effectiveness through interactive, interconnected and inter-operable government applications and online services.

- As part of the OMB’s Integrity Caravan, the OMB conducted a series of governance fora starting on August 30, 2013 and culminating on the OMB’s 26th Anniversary on May 12, 2014 at the Asian Development Bank (ADB) Auditorium in Ortigas Center, Mandaluyong City. As a public dialogue among multi-sectoral leaders and champions of good governance representing various stakeholders in the crusade against corruption, the Forum provided an avenue for
Philippines

insights on strategic policy reforms, integrity-building initiatives and best practices.

- The other activities of the OMB Integrity Caravan were:
  (1) The conduct of Ombudsman Integrity Lecture Series on various good governance and anti-corruption topics delivered by distinguished personalities from the local and global community. Included in the lecture series were the following topics:
    (a) The Important Role of Civil Society in the Battle against Corruption: An Indonesia Experience;
    (b) Overcoming Corruption: The Essentials;
    (c) Current Issues in the War against corruption; and,
    (d) The Vital Role of Government in Encouraging Private Sector Participation and Cooperation in Anti-Corruption and Complex Enforcement.

  (2) The conduct of the University Integrity Tour specifically designed to build the foundations of good governance and anti-corruption in the country's educational system;
  (3) Barangay Integrity Fora focused on the knowledge sharing and public exchange among barangay officials on ethical standards, good governance and public accountability; this provides an Orientation on the UNCAC; and
  (4) Integrity Development Contest for student and various levels aimed at introducing them to the fundamentals of good governance and anti-corruption through creative means including essay-writing, poster-making and short video production.

Sources:
http://www.investphilippines.info/arangkada/amcham-statement-investment-ombudsman/
www.coa.gov.ph
http://www.ph.undp.org/content/philippines/en/home/presscenter/articles/2014/06/16/philippines

2. Measures Being Planned to Implement UNCAC provisions
To prepare for the commencement of the second cycle of the UNCAC Country Review covering Chapters II (Prevention) and V (Asset Recovery) in 2015, the joint OP-OMB Technical Working Group conducted an Orientation – Workshop for stakeholders on 15 July 2014 at the Social Hall, Mabini Hall in Malacañang, Manila. A separate orientation for representatives of the business sector and civil society will be held on 05 August 2014.

Two rounds of consultation will be held on September 03 and 30 2014 for the 1st cycle review while a briefing of governmental experts will also be held on 17 September 2014.

A draft bill, SBN 2311, prepared by the Civil Service Commission and sponsored by Senator Grace Poe, amending RA No. 6713 or An Act Strengthening the Code of Conduct and Ethical Standards for Public Officials was submitted to the Senate of the Philippines.

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
   - Legislative inaction in the 16th congress

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter II
   - Training on using the UNCAC Self-assessment Checklist

B. UNCAC Chapter III: Criminalization and Law Enforcement

UNCAC Provisions:
- Art. 15: Bribery of national public officials
- Art. 16: Bribery of foreign public officials and officials of public international organizations
- Art. 17: Embezzlement, misappropriation or other diversion of property by a public official
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- Art. 28: Knowledge, intent and purpose as elements of an offence
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- Art. 40: Bank secrecy
- Art. 41: Criminal record
- Art. 42: Jurisdiction

### Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
1. A joint **OP-OMB Planning Workshop** was held on 23-24 January 2014 wherein participants identified which of the 21-Point Agenda should be prioritized. The five priority agenda identified were:
   - Amendment of the Code of Conduct and Ethical Standards for Public Officials and Employees;
   - Passage of a law or amendment of any existing law/s to establish as a criminal offense active and passive trading in influence;
   - Passage of the Freedom of Information Act;
   - Amendment of the Witness Protection Act and Passage of Whistleblower’s Protection Act; and
   - Passage of a bill creating additional divisions in the Sandiganbayan.

   Said agenda were submitted to the Legislative Executive Development Advisory Council for possible inclusion in the Presidential Legislative Agenda.

2. The OMB is working with the OP for the establishment of an UNCAC Inter-Agency Committee which will oversee the implementation, coordination, monitoring and review of Philippine compliance with the UNCAC. A meeting on the proposed Executive Order Creating a Presidential UNCAC Interagency Committee will be held on 4 August 2014.
2. Measures Being Planned to Implement UNCAC provisions

There are several pending bills in both Senate and House of Representatives to address the 21-Point Agenda, viz:

- **Art. 18: Trading in influence**
  House Bill (HB) No. 1585 (16th Congress) – An Act Penalizing Influence Peddling and for Other Purposes, pending since 30 July 2013

- **Art. 26: Liability of legal persons**
  1) Senate Bill No. (SBN) 1636 - An Act Amending Section 144 of Batas Pambansa Blg. 68, Otherwise Known as the Corporation Code of the Philippines by Increasing the Range of Penalties for Violation of its Provisions and for Other Purposes, pending as of 18 Sep. 2013
  2) SBN 2194 - An Act Amending Batas Pambansa Blg. 68 or the Corporation Code of the Philippines, pending as of 06 May 2014

- **Art. 29: Statute of limitations**
  SBN 2033 - An Act Amending Section 11 Of Republic Act Numbered 3019, Otherwise Known As The 'Anti-Graft And Corrupt Practices Act', By Increasing The Prescriptive Period For Its Violation From Fifteen (15) Years To Thirty (30) Years And For Other Purposes, pending as of 16 Dec. 2013

- **Art. 33: Protection of reporting persons**
  1) SBN 1932 - An Act Providing for the Protection, Security and Benefits of Whistleblowers, Appropriating Funds Therefor and for Other Purposes, filed on 18 Nov. 2013
  2) SBN 1614 - Whistleblower Protection, Security and Benefit Act of 2013, filed on 09 Oct. 2013
  3) SBN 1286 - Whistleblower Protection Act of 2013, filed on August 15, 2013

- **Art. 30: Prosecution, adjudication and sanctions**
  2) SBN 2140 - An Act Granting Retirement and Other Benefits to Employees of the Office of the Ombudsman Amending for that Purpose Section 6 of Republic Act No. 6770, Otherwise Known as 'The Ombudsman Act of 1989', and for Other Purposes, filed on February 25, 2014
  3) SBN 1726 - An Act Establishing a Retirement Benefit System for Prosecutors in the National Prosecution Service of the Department of Justice and in the Office of the Ombudsman, Providing Funds Therefor, And For Other Purposes, filed on September 19, 2013
  4) SBN 1725 - An Act Amending Section 6 of Republic Act No. 1379, Otherwise Known as the Forfeiture Law, to Provide a Fixed Percentage of the
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<thead>
<tr>
<th>Bill Number</th>
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<tr>
<td>SBN 1606</td>
<td>An Act Amending Section 6 of Republic Act No. 1379, otherwise Known as the Forfeiture Law, to Provide a Fixed Percentage of the Value of Forfeited Properties in Corruption Cases as Additional Funding for the Office of the Ombudsman and for Other Purposes, filed on September 10, 2013</td>
</tr>
<tr>
<td>SBN 605</td>
<td>An Act Amending Section 6 of Republic Act No. 1379, otherwise known as the Forfeiture Law, to Provide a Fixed Percentage of the Value of Forfeited Properties in Corruption Cases as Additional Funding for the Office of the Ombudsman and for Other Purposes, Filed on July 8, 2013</td>
</tr>
<tr>
<td>SBN 396</td>
<td>An Act Amending Republic Act No. 6770, Otherwise Known As The Ombudsman Act, Expediting The Prosecution Of Cases Recommended By Congress And For Other Purposes, filed on July 3, 2013</td>
</tr>
<tr>
<td>SBN 184</td>
<td>An Act Requiring Public Officials and Employees to Submit a Written Permission or Waiver in Favor of the Ombudsman to Look into all Deposits of Whatever Nature With Banks or Banking Institutions both Within and Outside the Philippines Including Investment Bonds Issued by the Government of the Philippines, its Political Subdivisions and Instrumentalities and Providing Penalties therefor, filed on July 1, 2013</td>
</tr>
<tr>
<td>HB No.4146</td>
<td>An Act Increasing the Prescriptive Period from Fifteen (15) Years to Thirty (30) Years for the Violation of Republic Act No. 3019 otherwise known as the ‘Anti-Graft And Corrupt Practices Act’ Amending Section 11 thereof; approved by the House on 2014-05-12, transmitted to the Senate on 2014-05-14 and received by the Senate on 2014-05-14</td>
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<tr>
<td>SBN 16</td>
<td>An Act Requiring Public Officials and Employees to Submit a Written Permission or Waiver in Favor of the Ombudsman to Look Into all Deposits of Whatever Nature with Banks or Banking Institutions both within and outside the Philippines Including Investment Bonds Issued by the Government of the Philippines, Its Political Subdivisions and Instrumentalities and Providing Penalties therefor, filed on July 1, 2013</td>
</tr>
</tbody>
</table>

Source:
http://www.congress.gov.ph/download/?d=billtext


The Philippines has identified that the common challenges and issues in the implementation of UNCAC provisions remain to be lack or insufficient inter-agency coordination, the specificities of our legal system and limited resources for implementation.
Philippines

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III

The Philippines has indicated that the following forms of technical assistance, if available, would assist it in better implementing the UNCAC:

1. Summary of good practices/lessons learned
2. Legislative drafting
3. Legal advice
4. On-site assistance by an anti-corruption expert
5. Development of an action plan for implementation
6. Investigative training and investigative techniques
7. Financial resources
8. Development of a central case management system, data collection and training

C. UNCAC Chapter IV: International Cooperation

UNCAC Provisions:
- Art. 43: International cooperation
- Art. 44: Extradition
- Art. 45: Transfer of sentenced persons
- Art. 46: Mutual legal assistance
- Art. 47: Transfer of criminal proceedings
- Art. 48: Law enforcement cooperation
- Art. 49: Joint investigations
- Art. 50: Special investigative techniques

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

- The Philippine Senate has concurred in the ratification of treaties on extradition and mutual legal assistance in criminal matters (MLATs) between the Philippines and the following treaty partners:

  **Extradition:**
  - PH-United Kingdom and Northern Ireland
  - Senate Resolution No. 36 adopted on March 04, 2014
ADB/OECD Anti-Corruption Initiative for Asia and the Pacific and Kingdom of Cambodia

Philippines

| PH-India | Senate Resolution No. 37 adopted on March 04, 2014 |
| PH-Spain | Senate Resolution No. 38 adopted on March 04, 2014 |

- **MLATs**: [1] The following MLATs, though ratified in 2012, are included in the 2014 Country Report because they were not reported to the ADB/OECD in the 2012-2013 Country Report.

  PH-United Kingdom and Northern Ireland
  Senate Resolution No. 81 adopted on May 08, 2012

  PH-China
  Senate Resolution No. 83 adopted on May 08, 2012

2. Measures Being Planned to Implement UNCAC provisions

  - The Department of Justice (DOJ), through the Office of the Chief State Counsel, is in the process of refining the proposed draft bills –
    - a. to amend or repeal Presidential Decree No. 1069 (*Philippine Extradition Law*)
    - b. for a stand-alone domestic legislation on Mutual Legal Assistance in Criminal Matters
    - c. to provide for a legal framework on Transfer of Sentenced Persons.

  - The Philippines is considering the amendment of its declaration to the UNCAC so that it can use the UNCAC as a basis for extradition, provided that dual criminality is satisfied. However, the language of the amendatory declaration is contingent on the outcome of the new Philippine Extradition Law.

  - The DOJ, through the Office of the Chief State Counsel, has made initial steps to explore the possibility for the Supreme Court to promulgate Rules to Govern Extradition Cases in order to provide predictability and uniformity in the rules to be followed in extradition proceedings.

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

  - The absence of uniform rules to apply in extradition cases affects the course of the proceedings, not only at the level of the Regional Trial
Philippines

<table>
<thead>
<tr>
<th>Courts but also during appeal as well.</th>
</tr>
</thead>
<tbody>
<tr>
<td>• In the absence of a stand-alone domestic law on MLA, the Philippines can only provide assistance mainly for treaty-based requests and, insofar as non-treaty based requests are concerned, only those requests for assistance which do not require compulsory process or coercive action from the courts.</td>
</tr>
<tr>
<td>• Some members of the Judiciary are not fully aware of matters involving international cooperation and its international best practices.</td>
</tr>
</tbody>
</table>

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter IV

| Trainings for members of the Judiciary on the international best practices relating to extradition and MLA. |
| Multi-disciplinary trainings among agencies involved in the extradition process, not only to increase awareness on the international best practices in international cooperation but also the difficulties and challenges encountered. |

D. UNCAC Chapter V: Asset Recovery

<table>
<thead>
<tr>
<th>UNCAC Provisions:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Art. 52: Prevention and detection of transfers of proceeds of crime</td>
</tr>
<tr>
<td>• Art. 53: Measures for direct recovery of property</td>
</tr>
<tr>
<td>• Art. 54: Mechanisms for recovery of property through international cooperation in confiscation</td>
</tr>
<tr>
<td>• Art. 55: International cooperation for purposes of confiscation</td>
</tr>
<tr>
<td>• Art. 56: Special cooperation</td>
</tr>
<tr>
<td>• Art. 57: Return and disposal of assets</td>
</tr>
<tr>
<td>• Art. 58: Financial intelligence unit</td>
</tr>
<tr>
<td>• Art. 59: Bilateral and multilateral agreements and arrangements</td>
</tr>
</tbody>
</table>

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

<table>
<thead>
<tr>
<th>Art. 52: Prevention and detection of transfers of proceeds of crime</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Customer Due Diligence</td>
</tr>
</tbody>
</table>

Sec. 9 (a) of Republic Act No. 9160, otherwise known as “The Anti-Money Laundering Act of 2001” (AMLA), as amended, requires covered persons (reporting entities) to establish and verify the true identity of their customers as well as those persons purporting to act on their behalf:
Sec. 9 (a) of the AMLA, as amended, provides:

“Customer Identification. - Covered persons shall establish and record the true identity of its clients based on official documents. They shall maintain a system of verifying the true identity of their clients and, in case of corporate clients, require a system of verifying their legal existence and organizational structure, as well as the authority and identification of all persons purporting to act on their behalf.”
(emphasis supplied)

In relation to persons entrusted with prominent public positions, Rule 3.b.2 of Revised Implementing Rules and Regulations (RIRRs) of the AMLA, as amended, includes them in the definition of politically exposed persons (PEPs) which is defined as follows:

“Politically Exposed Person” (PEP) refers to a natural person who is or has been entrusted with prominent public positions in the Philippines or in a foreign State, including heads of state or government, senior politicians, senior national or local government, judicial or military officials, senior executives of government or state owned or controlled corporations and important political party officials.

Rule 9.a.16 of the RIRRs prescribes the required customer due diligence measures for PEPs. It requires covered persons to take reasonable measures to determine whether a customer or beneficial owner is a PEP. In cases of higher risk business relationship with such persons including foreign PEPs, covered persons shall apply enhanced due diligence measures under Rule 9.a.9.a. In addition, Rule 9.a.16 provides that the “requirements for all types of PEPs should apply to family members or close associates of such PEPs”.

Rule 9.a.9.a (Enhanced Due Diligence) of the RIRRs states:

“Enhanced due diligence shall be applied to customers that are assessed by the covered institution or these Rules as high risk for money laundering and terrorist financing, which enhanced diligence, at a minimum, should observe the following measures:

i. Obtain senior management approval for establishing or continuing. (for existing customers) such business relationships;
ii. Take reasonable measures to establish the source of wealth and source of funds; and
iii. Conduct enhanced ongoing monitoring of the business relationship.”

2. Record Keeping
Sec. 9 (b) of the AMLA, as amended, mandates that:

“All records of all transactions of covered persons shall be maintained and safely stored for five (5) years from the dates of transactions. With respect to closed accounts, the records on customer identification, account files and business correspondence, shall be preserved and safely stored for at least five (5) years from the dates when they were closed.”

- **Art. 53: Measures for direct recovery of property**

Sec. 13 (b) of the AMLA, as amended, empowers the AMLC to act on a request for assistance from foreign State, in particular, the AMLC can apply “for an order of forfeiture of any monetary instrument or property in the court”. It is, however, required under Sec. 13 (b) that the “court shall not issue such an order unless the application is accompanied by an authenticated copy of the order of a court in the requesting State ordering the forfeiture of said monetary instrument or property of a person who has been convicted of a money laundering offense in the requesting State, and a certification or an affidavit of a competent officer of the requesting State stating that the conviction and the order of forfeiture are final and that no further appeal lies in respect of either.”

- **Art. 54: Mechanisms for recovery of property through international cooperation in confiscation**
- **Art. 55: International cooperation for purposes of confiscation**
- **Art. 56: Special cooperation**

The AMLC can assist other jurisdictions in the investigation and prosecution of money laundering cases and in the identification, tracing, freezing and confiscation of monetary instruments or property that are in any way related to unlawful activities or money laundering offense. Sec. 13 of the AMLA, as amended, provides the measures on mutual assistance. It states as follows:

“SEC. 13. **Mutual Assistance among States.** –

(a) Request for Assistance from a Foreign State. - Where a foreign State makes a request for assistance in the investigation or prosecution of a money laundering offense, the AMLC may execute the request or refuse to execute the same and inform the foreign State of any valid reason for not executing the request or for delaying the execution thereof. The principles of mutuality and reciprocity shall, for this purpose, be at all times recognized.

(b) Powers of the AMLC to Act on a Request for Assistance from a Foreign State by: (1) **tracking down, freezing, restraining and seizing assets alleged to be proceeds of any unlawful activity**
under the procedures laid down in this Act; (2) **giving information needed by the foreign State** within the procedures laid down in this Act; and (3) **applying for an order of forfeiture of any monetary instrument or property in the court**: *Provided*, That the court shall not issue such an order unless the application is accompanied by an authenticated copy of the order of a court in the requesting State ordering the forfeiture of said monetary instrument or property of a person who has been convicted of a money laundering offense in the requesting State, and a certification or an affidavit of a competent officer of the requesting State stating that the conviction and the order of forfeiture are final and that no further appeal lies in respect of either. *(emphasis supplied)*

(c) **Obtaining Assistance from Foreign States.** - The AMLC may make a request to any foreign State for assistance in (1) tracking down, freezing, restraining and seizing assets alleged to be proceeds of any unlawful activity; (2) obtaining information that it needs relating to any covered transaction, money laundering offense or any other matter directly or indirectly related thereto; (3) to the extent allowed by the law of the foreign State, applying with the proper court therein for an order to enter any premises belonging to or in the possession or control of, any or all of the persons named in said request, and/or search any or all such persons named therein and/or remove any document, material or object named in said request: *Provided*, That the documents accompanying the request in support of the application have been duly authenticated in accordance with the applicable law or regulation of the foreign State; and (4) applying for an order of forfeiture of any monetary instrument or property in the proper court in the foreign State: *Provided*, That the request is accompanied by an authenticated copy of the order of the regional trial court ordering the forfeiture of said monetary instrument or property of a convicted offender and an affidavit of the clerk of court stating that the conviction and the order of forfeiture are final and that no further appeal lies in respect of either.

(d) **Limitations on Requests for Mutual Assistance.** - The AMLC may refuse to comply with any request for assistance where the action sought by the request contravenes any provision of the Constitution or the execution of a request is likely to prejudice the national interest of the Philippines unless there is a treaty between the Philippines and the requesting State relating to the provision of assistance in relation to money laundering offenses.

(e) **Requirements for Requests for Mutual Assistance from Foreign States.** - A request for mutual assistance from a foreign State must (1) confirm that an investigation or prosecution is being conducted in respect of a money launderer named therein or that he has been convicted of any money laundering offense; (2) state the grounds on which any person is being investigated or prosecuted for money laundering or the details of his conviction; (3) give sufficient particulars as to the identity of said person; (4) give particulars sufficient to identify any covered person believed to have any information, document, material or object which may be of assistance to the investigation or prosecution; (5) ask from the covered person concerned any information, document, material or object which may be of assistance to the investigation or prosecution; (6) specify the manner in which and to whom said information, document, material or object obtained pursuant to said request, is to be produced; (7) give all the particulars necessary for the issuance by the court in the requested State of the writs, orders or processes needed by the requesting State; and (8) contain such other information as may assist in the execution of the request.
(f) Authentication of Documents. - For purposes of this Section, a document is authenticated if the same is signed or certified by a judge, magistrate or equivalent officer in or of, the requesting State, and authenticated by the oath or affirmation of a witness or sealed with an official or public seal of a minister, secretary of State, or officer in or of, the government of the requesting State, or of the person administering the government or a department of the requesting territory, protectorate or colony. The certificate of authentication may also be made by a secretary of the embassy or legation, consul general, consul, vice consul, consular agent or any officer in the foreign service of the Philippines stationed in the foreign State in which the record is kept, and authenticated by the seal of his office.

(g) Extradition. - The Philippines shall negotiate for the inclusion of money laundering offenses as herein defined among extraditable offenses in all future treaties.

Statistics

For the period July 2013 to July 2014, the AMLC filed the following money laundering cases based on the request for assistance from various jurisdictions.

<table>
<thead>
<tr>
<th>Cases</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application for Bank Inquiry</td>
<td>10</td>
</tr>
<tr>
<td>Petition for the Issuance of Freeze Order</td>
<td>2</td>
</tr>
<tr>
<td>Petition for Civil Forfeiture</td>
<td>1</td>
</tr>
</tbody>
</table>

- Art. 57: Return and disposal of assets

The AMLA, as amended, recognizes that there may be parties who have interest over the funds or properties subject of the petition for freezing, seizure or confiscation, and who did not intervene or were not impleaded in the case. Similar to other civil cases, third parties claiming an interest over the properties subject of the petition for forfeiture may intervene in the case.
If the order of forfeiture has already been issued by the court, Section 12(b) of the AMLA, as amended, provides such parties the right to claim such funds or properties, as follows:

“Section 12 (b). Claim on Forfeited Assets - Where the court has issued an order of forfeiture of the monetary instrument or property in a criminal prosecution for any money laundering offense defined under Section 4 of this Act, the offender or any other person claiming an interest therein may apply, by verified petition, for a declaration that the same legitimately belongs to him and for segregation or exclusion of the monetary instrument or property corresponding thereto. The verified petition shall be filed with the court which rendered the judgment of forfeiture, within fifteen (15) days from the date of the finality of the order of forfeiture, in default of which the said order shall become final and executory. This provision shall apply in both civil and criminal forfeiture.”

On the procedure relating to claiming such funds or properties, the Rule of Procedure on Civil Forfeiture, Asset Preservation and Freeze states that:

“Title VII Claims Against Forfeited Assets

Sec. 35. Notice to file claims. Where the court has issued an order of forfeiture of the monetary instrument or property in a civil forfeiture petition for any money laundering offense defined in Section 4 of Republic Act No. 9160, as amended, any person who has not been impleaded nor intervened claiming an interest therein may apply, by verified petition, for a declaration that the same legitimately belongs to him and for segregation or exclusion of the monetary instrument or property corresponding thereto. The verified petition shall be filed with the court which rendered the order of forfeiture within fifteen days from the date of finality of the order of forfeiture, in default of which the said order shall be executory and bar all other claims.

Section 36. How to file a claim, contents. In his petition, the claimant must state the complete facts, attach the affidavits of his witnesses, supporting documents and other evidence, and personally verify the claim. The claimant shall file the petition with the clerk of court, pay the docket and other lawful fees and submit proof of service of a copy of the claim upon the petitioner.

Section 37. Effect of non-compliance with requirements.-The court may dismiss the claim outright if it not sufficient in form and substance and is manifestly filed for delay. Otherwise, it shall issue a notice to the petitioner to file its comment on the claim.

Section 38. Notice to file comment. – Within fifteen days after notice, petitioner shall file a comment admitting or denying the claim specifically, and setting forth the substance of the matters which are relied upon to support the admission or denial. If the petitioner has no knowledge sufficient to enable it to admit or deny specifically, it shall state such want of knowledge. The petitioner in its comment shall allege in offset any fees, charges, taxes and expenses due it. A copy of the comment shall be served on the
Section 39. Disposition of admitted or uncontested claim. The court may, without hearing, issue an appropriate order approving any claim admitted or not contested by the petitioner.

Section 40. Hearing on contested claim. Upon the filing of a comment contesting the claim, the court shall set the claim for hearing within thirty days with notice to all parties.

Section 41. Final order. The court shall issue a final order on the contested claim within thirty days from submission.

Section 42. Appeal. An appeal to the Court of Appeals may be taken in the same manner as prescribed in Section 34 of this Rule.”

Rule 19 of the Revised Rules of Court states that:

“RULE 19
Intervention

Section 1. Who may intervene. A person who has a legal interest in the matter in litigation, or in the success of either of the parties, or an interest against both, or is so situated as to be adversely affected by a distribution or other disposition of property in the custody of the court or of an officer thereof may, with leave of court, be allowed to intervene in the action. The court shall consider whether or not the intervention will unduly delay or prejudice the adjudication of the rights of the original parties, and whether or not the intervenor's rights may be fully protected in a separate proceeding.”

- **Art. 58: Financial intelligence unit**

Section 7 of the AMLA, as amended, provides for the creation of the AMLC and its powers and functions, as follows:

1. to require and receive covered or suspicious transaction reports from covered persons;
2. to issue orders addressed to the appropriate Supervising Authority or the covered person to determine the true identity of the owner of any monetary instrument or property subject of a covered transaction or suspicious transaction report or request for assistance from a foreign State, or believed by the Council, on the basis of substantial evidence, to be, in whole or in part, wherever located, representing, involving, or related to, directly or indirectly, in any manner or by any means, the proceeds of an unlawful activity;
3. to institute civil forfeiture proceedings and all other remedial proceedings through the Office of the Solicitor General;
(4) to cause the filing of complaints with the Department of Justice or the Ombudsman for the prosecution of money laundering offenses;
(5) to investigate suspicious transactions and covered transactions deemed suspicious after an investigation by AMLC, money laundering activities, and other violations of this Act;
(6) to apply before the Court of Appeals, ex parte, for the freezing of any monetary instrument or property alleged to be laundered, proceeds from, or instrumentalities used in or intended for use in any unlawful activity as defined in Section 3(i) hereof;
(7) to implement such measures as may be necessary and justified under this Act to counteract money laundering;
(8) to receive and take action in respect of, any request from foreign states for assistance in their own anti-money laundering operations provided in this Act;
(9) to develop educational programs on the pernicious effects of money laundering, the methods and techniques used in money laundering, the viable means of preventing money laundering and the effective ways of prosecuting and punishing offenders;
(10) to enlist the assistance of any branch, department, bureau, office, agency or instrumentality of the government, including government-owned and -controlled corporations, in undertaking any and all anti-money laundering operations, which may include the use of its personnel, facilities and resources for the more resolute prevention, detection and investigation of money laundering offenses and prosecution of offenders;
(11) to impose administrative sanctions for the violation of laws, rules, regulations and orders and resolutions issued pursuant thereto; and
(12) to require the Land Registration Authority and all its Registries of Deeds to submit to the AMLC, reports on all real estate transactions involving an amount in excess of Five hundred thousand pesos (P500,000.00) within fifteen (15) days from the date of registration of the transaction, in a form to be prescribed by the AMLC. The AMLC may also require the Land Registration Authority and all its Registries of Deeds to submit copies of relevant documents of all real estate transactions.

Pursuant to Section 7 of the AMLA, as amended, the AMLC is composed of the Governor of the BSP as Chairman, the Commissioner of the SEC and IC as members. Under the same section of the AMLA, as amended, the AMLC is structured as a tripartite government agency whose members come from three different agencies tasked to supervise or examine the covered institutions identified in the AMLA, as amended. Notwithstanding the fact that its composition consists of members from the three different agencies, it acts independently of those agencies.

In support of such structure, Section 8 of the AMLA, as amended, mandated the creation of a Secretariat. The Secretariat is headed by an Executive Director appointed by the members of the AMLC for a term of five (5) years. The AMLA, as amended, requires that all members of the Secretariat must have served for at least five (5) years either in the IC, SEC or BSP and shall hold full-time permanent positions within the BSP.

As it stands now, the AMLC Secretariat is composed of five (5) groups: (1) Office of the Executive Director, (2) Legal Services Group, (3) Compliance and Investigation Group, (4) Information Management and Analysis Group and (5) Administrative and Financial Services Division. These different groups carry out the day-to-day functions of the AMLC. As of 15 July 2014, the AMLC Secretariat is composed of one hundred and one (101) officers and staff.
Philippines

- **Art. 59: Bilateral and multilateral agreements and arrangements**

  Yes. Section 7(7) of the AMLA, as amended states that the AMLC has the power “to implement such measures as may be necessary and justified under this Act to counteract money laundering.” The AMLC, in its Resolution No. 59, Series of 2006, authorize the Executive Director, or in his absence the duly designated Officer-in-Charge, AMLC Secretariat to furnish, upon request or spontaneously, available information that may be relevant to an analysis or investigation of financial transactions and other relevant information on persons or companies involved in possible money laundering and/or terrorist financing, except when the request for information pertains to politically exposed persons, natural or juridical, to the following:
  
  a) Member-FIUs of the Egmont Group;
  b) FIUs, whether or not members of the Egmont Group, which have an existing memorandum of understanding with the AMLC; and
  c) Domestic law enforcement and other concerned government agencies which have existing memorandum of agreement with the AMLC.”

**Statistics**

As of 15 July 2014, the AMLC entered into thirty-eight (38) memoranda of understanding with its counterpart financial investigation units (FIUs). As of said date, the AMLC also entered into twenty-two (22) memoranda of agreement (MOA) with various domestic law enforcement and relevant government agencies of the exchange of financial information and capacity building measures.

2. Measures Being Planned to Implement UNCAC provisions

- To prepare for the commencement of the second cycle of the United Nations Convention against Corruption (UNCAC) Country Review covering Chapters II (Prevention) and V (Asset Recovery) in 2015, the joint OP-OMB Technical Working Group conducted an Orientation – Workshop for stakeholders on 15 July 2014 at the Social Hall, Mabini Hall in Malacañang, Manila. A separate orientation for representatives of the business sector and civil society will be held on 05 August 2014.

- Two rounds of consultation will be held on September 03 and 30 2014 for the 1st cycle review while a briefing of governmental experts will also be held on 17 September 2014.

- Creation of an asset management office which will administer assets that are the subject of freeze or asset preservation orders or have been forfeited.
Philippines

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
   - Human, financial and other resources.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter V
   - Workshop on drafting of legislation for the proposed asset management office.
   - Training on financial investigation/forensic analysis of documents/information.

E. Additional Developments
1. Member’s Report on dissemination and domestic use of the initiative’s knowledge products and events (Members are requested to report on how they have shared internally and used the Initiative’s (recent) learning events in their internal anti-corruption efforts)
   -

2. Member’s Report on measures taken to share knowledge and experience with other countries, including to help strengthen the capacity of developing countries to implement the UNCAC
   -
Singapore

A. UNCAC Chapter II: Preventive Measures

<table>
<thead>
<tr>
<th>UNCAC Provisions:</th>
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<tbody>
<tr>
<td>Art. 5: Preventive anti-corruption policies and practices</td>
</tr>
<tr>
<td>Art. 6: Preventive anti-corruption body or bodies</td>
</tr>
<tr>
<td>Art. 7: Public sector</td>
</tr>
<tr>
<td>Art. 8: Codes of conduct for public officials</td>
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<tr>
<td>Art. 9: Public procurement and management of public finances</td>
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<tr>
<td>Art. 10: Public reporting</td>
</tr>
<tr>
<td>Art. 11: Strengthen integrity and to prevent opportunities for corruption among members of the judiciary. Such measures may include rules with respect to the conduct of members of the judiciary.</td>
</tr>
<tr>
<td>Art. 12: Private sector</td>
</tr>
<tr>
<td>Art. 13: Participation of society</td>
</tr>
<tr>
<td>Art. 14: Measures to prevent money-laundering</td>
</tr>
</tbody>
</table>

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

Singapore remains committed to maintaining an anti-money laundering regime fully aligned to the international standards recommended by the Financial Action Taskforce (FATF).

Singapore passed legislative amendments to the Corruption, Drug Trafficking and other Serious Crimes (Confiscation of Benefits) Act (CDSA), and the Mutual Assistance in Criminal Matters Act (MACMA) in order to strengthen Singapore’s ability to contribute to the global fight against transnational corruption and money laundering.

The Commercial Affairs Department (CAD), Singapore’s lead agency in the combat against money laundering, conducts regular outreach sessions for the industry to create awareness about the severe consequences of committing money-laundering offences, as well as educate participants on the importance of reporting suspicious transactions (STRs) and the risk indicators. Its outreach efforts are also targeted at enforcement agencies to raise awareness of the need to fight money laundering and the usefulness of STRs.

On 15 July 2014, the Monetary Authority of Singapore launched a public consultation on proposed amendments to its directions to financial institutions (FIs) on anti-money laundering and countering the financing of terrorism (AML/CFT). The proposed amendments draw reference from international best practices and the latest recommendations from the FATF, as well as formalise existing supervisory expectations and practices of FIs.

The key proposed amendments (expected to take effect by late 2014) will:

(a) Require FIs to perform a money laundering/terrorist financing (ML/TF) risk assessment at the wider institutional level, in addition to assessing the
ML/TF risk of individual customers;

(b) Elaborate on steps to be taken by FIs to identify and verify beneficial ownership of non-individual customers, such as companies and trusts;

(c) Formalise the need for FIs to screen customers and their connected parties;

(d) Cater for a risk-based approach for certain categories of politically exposed persons; and

(e) Put in place additional requirements for cross-border wire transfers exceeding S$1,500, such as customer due diligence on occasional transactions and minimum information fields in the message or payment instructions.

In April 2014, the Accounting and Corporate Regulatory Authority (Amendment) Bill was passed by Parliament. The Bill requires corporate service providers (CSPs) to register with the Accounting and Corporate Regulatory Authority (ACRA) in order to access ACRA’s electronic transaction system to file transactions on behalf of their clients. Upon registration with ACRA, CSPs will be required to comply with the terms and conditions pertaining to anti-money laundering and counter-terrorist financing measures prescribed in subsidiary legislation, if they prepare for or carry out transactions for customers concerning the following activities:

- forming corporations or other legal persons;
- acting, or arranging for another person to act (i) as a director or secretary of a corporation; (ii) as a partner of a partnership; or (iii) in a similar position in relation to other legal persons;
- providing a registered office, business address or correspondence or administrative address or other related services for a corporation, partnership or any other legal person; or
- acting, or arranging for another person to act, as a nominee shareholder for any person other than a corporation whose securities are listed on a securities exchange or a recognised securities exchange within the meaning of the Securities and Futures Act.

One of the terms and conditions requires CSPs to perform customer due diligence when engaging customers. For example, a CSP will be required to enquire if there is any beneficial owner in relation to a customer. If a CSP is aware that there is one or more beneficial owner in relation to the customer, he will be required to take reasonable measures to obtain information sufficient to identify every beneficial owner. He will also be required to keep records of the information relating to every beneficial owner. ACRA will be empowered to inspect such records. Law enforcement authorities in Singapore will also have the power to access these records for investigation purposes. The amendments are expected to take effect by late 2014.

The Corrupt Practices Investigation Bureau (CPIB) has conducted about 56 corruption prevention talks for both private and public sectors reaching out to a total audience of approximately 6,391 since July 2013. The CPIB works closely with other government agencies to conduct talks especially to new officers, and those whose work may expose them to opportunities for bribery and corruption. Recognising the importance of early prevention of corruption, the CPIB deepens its public education efforts with the youths who form the workforce of tomorrow. It organises regular Learning Journey Programmes for students from secondary schools to universities, inculcating the right values for life. The CPIB also collaborates with tertiary institutions to incorporate ethics and corporate governance modules in the undergraduate syllabus.

The CPIB has leveraged on the media as one of its public education platforms, to publicise cases of interest to create awareness and to deter corrupt
behaviour. Media releases of significant cases were issued to the local media outlets. The message of zero tolerance towards corruption was reinforced with the positive coverage of the cases.

On 9 December 2013, the CPIB launched a video competition for the public with the theme “Unite Against Corruption”. The event was to commemorate International Anti-Corruption Day and to educate the public on corruption issues.

The CPIB is always looking for opportunities to engage the private sector employees. In addition to the corruption prevention talks, the CPIB continuously engages the business community, and the banking and financial sectors through seminars and working with them to come up with anti-corruption programmes for their associates and employees. For example, the CPIB has worked with the Singapore Business Federation, the Institute of Internal Auditors in Singapore, the Singapore Hotel Association among others to organise programmes to engage their member organisations and the employees of these organisations. The Bureau has also reached out to niche and interest groups such as the Football Association of Singapore to educate new and existing players on the ills of corruption.

The Public Service Division (PSD) has issued a handbook in Jan 2014 to supplement the Code of Conduct that was updated in Sep 2013. The handbook highlights the key conduct principles and uses comic strips to illustrate these key principles in a light-hearted manner.

In 2013, three new measures were introduced by PSD to reduce the risk of fraud and corruption in the Public Service. All public officers are now required to declare whenever they visit the local casinos more than 4 times a month or if they purchase an annual entry pass. Tighter rules apply for certain groups of officers, e.g. those whose job nature poses a higher risk for fraud and corruption. The other measures introduced include Mandatory Job Rotation and Mandatory Block Leave for officers holding positions that are more susceptible to being suborned and exploited if the incumbent were to remain in the same job for too long.

2. Measures Being Planned to Implement UNCAC provisions

The PSD will continue to monitor the implementation of the three new measures to ensure that they meet their objectives.

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

A challenge encountered by the PSD is to ensure that the Code of Conduct addresses the unique requirements and demands of various public agencies that operate under different contexts, which thus requires the imposition of internal departmental rules.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter II

CAD continues to conduct programmes for regional financial intelligence units (FIU), law enforcement agencies and regulators to strengthen their capacities to detect and investigate money-laundering offences. In January 2014, CAD hosted the 24th run of the annual International Economic Crime Conference. The conference was attended by enforcement officers from Australia, Malaysia as well as local agencies in Singapore and covered topics such as the essentials of financial investigation and interview techniques. CAD also attended the Second Annual Meeting of the Economic Crime Agencies Network (ECAN) held in February 2014, where presentations were made by member agencies on case studies and/or best practices relevant to the investigation and prosecution of economic crimes. CAD presented on a recent crime trend – money mules, and shared with member agencies on the measures Singapore has undertaken to tackle this crime trend.
PSD will provide resource kits to public agencies to train their officers to better understand and relate to issues on Code of Conduct. The Civil Service College (CSC) introduced vignettes on Conduct dilemmas for discussion in milestone courses and training programmes. Through this, participants get a better understanding of the key principles of the Code of Conduct to help them make the right decision in their course of action. PSD also worked with CSC to train Human Resource officers so that they can better guide their colleagues.

### B. UNCAC Chapter III: Criminalization and Law Enforcement

**UNCAC Provisions:**

- Art. 15: Article 15. Bribery of national public officials
- Art. 16: Bribery of foreign public officials and officials of public international organizations
- Art. 17: Embezzlement, misappropriation or other diversion of property by a public official
- Art. 18: Trading in influence
- Art. 19: Abuse of functions
- Art. 20: Illicit enrichment
- Art. 21: Bribery in the private sector
- Art. 22: Embezzlement of property in the private sector
- Art. 23: Laundering of proceeds of crime
- Art. 24: Concealment
- Art. 25: Obstruction of justice
- Art. 26: Liability of legal persons
- Art. 27: Participation and attempt
- Art. 28: Knowledge, intent and purpose as elements of an offence
- Art. 29: Statute of limitations
- Art. 30: Prosecution, adjudication and sanctions
- Art. 31: Freezing, seizure and confiscation
- Art. 32: Protection of witnesses, experts and victims
- Art. 33: Protection of reporting persons
- Art. 34: Consequences of acts of corruption
- Art. 35: Compensation for damage
- Art. 36: Specialized authorities
- Art. 37: Cooperation with law enforcement authorities
- Art. 38: Cooperation between national authorities
Singapore

- Art. 39: Cooperation between national authorities and the private sector
- Art. 40: Bank secrecy
- Art. 41: Criminal record
- Art. 42: Jurisdiction

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

2. Measures Being Planned to Implement UNCAC provisions


4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III
   - CPIB, in collaboration with the AGC, organised a one-day training workshop conducted by UNODC regional advisor Mr Shervin Majlessi in November 2013. This workshop aimed to develop the capacities of government agencies that are key stakeholders to the UNCAC review process to participate gainfully in the UNCAC Review of Chapters II and III that Singapore is currently undergoing.
C. UNCAC Chapter IV: International Cooperation

UNCAC Provisions:
- Art. 43: International cooperation
- Art. 44: Extradition
- Art. 45: Transfer of sentenced persons
- Art. 46: Mutual legal assistance
- Art. 47: Transfer of criminal proceedings
- Art. 48: Law enforcement cooperation
- Art. 49: Joint investigations
- Art. 50: Special investigative techniques

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - CAD continues to contribute actively to discussions amongst law enforcement agencies on how to fight the money laundering threats at various fora, including meetings of the FATF, the Asia/Pacific Group on Money Laundering (APG), and the Egmont Group. At the bilateral level, CAD proactively exchanges information with its foreign counterparts to detect and investigate money laundering from both domestic and foreign predicate offences. The CDSA was amended to provide more flexibility for intelligence sharing between the Suspicious Transaction Reporting Office (STRO) and its foreign counterparts. Sharing is permitted, without the need for a formal arrangement such as a memorandum of understanding, as long as the safeguards for the use and confidentiality of the information are secured through an undertaking by the foreign authority. The amendments will take effect in September 2014.
   - CAD has access to the mechanisms of the International Criminal Police Organization (INTERPOL), of which the Singapore Police Force (SPF) is an active member, to exchange information with its foreign counterparts. In this regard, a key conduit is the 1-24/7 system, which facilitates communication amongst Interpol’s member states on matters related to criminal investigations, training and conferences.
   - Since July 2013, the Attorney General’s Chambers (AGC), which is Singapore’s Central Authority for mutual legal assistance, has processed numerous mutual legal assistance (MLA) and extradition requests, including international requests for evidence relating to investigation into or prosecution of transnational corruption offences.
   - Since July 2013, AGC has actively participated in various international anti-corruption conventions, including, but not limited to, several FATF, APG and UNCAC meetings.
   - AGC has continued with its practice of conducting MLA and extradition case review discussions with several requesting States. During such discussions, AGC has actively worked with the requesting States to see how they can satisfy Singapore’s requirements for provision of MLA and extradition.
AGC conducted study visits to Hong Kong in February 2014 and United States in June 2014 to learn about their best practices in processing MLA and extradition requests. AGC also hosted delegations from foreign anti-corruption commissions.

Every month, CPIB hosts foreign delegates from different parts of the world who come to Singapore to learn about our anti-corruption strategies, best practices and the success behind our anti-corruption framework. Since July 2013, CPIB has hosted 49 foreign visits and study tours. Notable visits included that of Ms Daw Aung San Suu Kyi, Chairperson of the Myanmar National League (in September 2013); a delegation led by Mr Zhao Leji, Minister of the Central Organisation Department of the People's Republic of China (in November 2013); and a delegation led by Ms Sun Chunlan, Secretary of the Tianjin Municipal Committee of the People’s Republic of China (in November 2013).

CPIB continues its active participation in various international anti-corruption fora including:

- 4th Session of the UNCAC Working Group on Prevention and 7th Session of the UNCAC Working Group on Asset Recovery (August 2013, Vienna)
- 7th session of the Anti-Corruption Agency (ACA) Forum (September 2013, South Korea)
- Preparatory Meeting of the APEC ACT Network (September 2013, Bali)
- APEC ACT-ASEAN Pathfinder Workshop/Conference: Combating Corruption and Illicit Trade (September 2013, Bangkok)
- Anti-Corruption Strategies Conference (October 2013, Kuala Lumpur)
- 9th SEA-PAC Annual Meeting (November 2013, Vientiane)
- 7th IAACA Annual Conference & General Meeting and 5th Session of the Conference of the States Parties to the UNCAC (November 2013, Panama)
- 7th Regional Seminar on Good Governance for Southeast Asian Countries by UNAFEI (November 2013, Kuala Lumpur)
- 5th Meeting of the Interpol Match-Fixing Task Force (November 2013, Lyon)
- 18th APEC ACT Working Group Meeting (February 2014, Ningbo, China)
- IAACA Executive Committee Meeting (March 2014, Spain)
- 5th Session of the Implementation Review Group of the UNCAC (June 2014, Vienna)
- G20 Anti-Corruption Working Group Meeting (June 2014, Rome)
- 10th SEA-PAC Annual Secretariat Meeting (June 2014, Luang Prabang)
- 6th Seminar of the IAACA (July 2014, Beijing)

CPIB hosted the 2nd Annual Meeting of the Economic Crime Agencies Network (ECAN) in February 2014, attended by law enforcement agencies from various jurisdictions involved primarily with the investigation and prosecution of economic crimes. The Network aimed to encourage practical co-operative action among members to disrupt, prevent, investigate and prosecute economic crimes, including cross-jurisdictional economic crimes.

CPIB took part and shared its anti-corruption experience in the National Seminar on Implementation of the UNCAC held in Nay Pyi Taw, Myanmar from 20
ADB/OECD Anti-Corruption Initiative for Asia and the Pacific and Kingdom of Cambodia

Singapore

to 21 Jan 2014. The seminar was jointly-organised by the United Nations Office on Drugs and Crime (UNODC) and the Government of Myanmar which aimed to (i) provide an overview of and raise awareness about the UNCAC and requirement for compliance with the UNCAC; (ii) clarify the process of preparation for the UNCAC review; and (iii) identify a strategic approach for implementation of UNCAC.

- CPIB took part in the Multi-Stakeholder Workshop on the Review Mechanism for the UNCAC which was held in Kuala Lumpur, Malaysia from 24-27 February 2014. The workshop focused on the implementation of the UNCAC and the review mechanism set up for this purpose, and sought to equip participants with the requisite substantive expertise in UNCAC provisions to undergo and perform reviews. Participants included government focal points from Asian States Parties and representatives from Civil Society Organisations.
- CPIB hosted a 28-member delegation from the National Anti-Corruption Commission (NACC) of Thailand on a study visit in May 2014. CPIB shared its anti-corruption model and human resource policies.
- CPIB will also play host to a delegation from the Government Inspectorate of Vietnam (GIV) on a study visit from 3 – 6 September 2014.

2. Measures Being Planned to Implement UNCAC provisions

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

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Singapore

### D. UNCAC Chapter V: Asset Recovery

**UNCAC Provisions:**
- Art. 52: Prevention and detection of transfers of proceeds of crime
- Art. 53: Measures for direct recovery of property
- Art. 54: Mechanisms for recovery of property through international cooperation in confiscation
- Art. 55: International cooperation for purposes of confiscation
- Art. 56: Special cooperation
- Art. 57: Return and disposal of assets
- Art. 58: Financial intelligence unit
- Art. 59: Bilateral and multilateral agreements and arrangements

| 1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013 |
| STRO is increasing its manpower to strengthen its ability to collect, analyze and disseminate information regarding money laundering and associated predicate offences. STRO has regular interactions with the financial community, during which it obtains feedback on the latter’s concerns relating to the prevention, detection and reporting of money laundering activities. |
| The CDSA was amended to provide more flexibility for intelligence sharing between the STRO and its foreign counterparts. Sharing is permitted, without the need for a formal arrangement such as a memorandum of understanding, as long as the safeguards for the use and confidentiality of the information are secured through an undertaking by the foreign authority. The amendments will take effect in September 2014. |

| 2. Measures Being Planned to Implement UNCAC provisions |
| • |

| 3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions |
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E. Additional Developments

1. Member’s Report on dissemination and domestic use of the Initiative’s knowledge products and events (Members are requested to report on how they have shared internally and used the Initiative’s (recent) learning events in their internal anti-corruption efforts)

2. Member’s Report on measures taken to share knowledge and experience with other countries, including to help strengthen the capacity of developing countries to implement the UNCAC
   - CPIB has recently conducted a one-day training programme for Cambodia’s Anti-Corruption Unit (ACU) in Phnom Penh, Cambodia on 28 July 2014. The training programme focused on the fundamentals of accounting and computer forensics and application of such knowledge to corruption investigations.
   - CPIB is planning to conduct the Anti-Corruption Executive (ACE) Programme in 2015 for anti-corruption officers hailing from agencies of South East Asia Parties Against Corruption (SEA-PAC) and regional countries. The ACE Programme will share with participants the Singaporean anti-corruption model. The inaugural ACE Programme was organised by CPIB in June 2013.
   - CPIB had extended invitation to its regional counterpart agencies to participate in the Basic Course it is conducting for newly-appointed Corrupt Practices Investigation Officers from 11 Aug to 12 Dec 2014. Anti-Corruption Bureau (ACB) of Brunei Darussalam and Comissão Anti-Corrupção (CAC) of Timor-Leste has each sent two officers to attend the course.
   - CPIB will be sharing its anti-corruption experience and model in an anti-corruption workshop organised by the United Nations Development Programme (UNDP) in Hanoi, Vietnam on 28 August 2014, which will be attended by representatives from the UNDP and international organisations based in Vietnam, representatives from anti-corruption agencies in the ASEAN region as well as government agencies in Vietnam.
**Sri Lanka**

### A. UNCAC Chapter II: Preventive Measures

**UNCAC Provisions:**
- Art. 5: Preventive anti-corruption policies and practices
- Art. 6: Preventive anti-corruption body or bodies
- Art. 7: Public sector
- Art. 8: Codes of conduct for public officials
- Art. 9: Public procurement and management of public finances
- Art. 10: Public reporting
- Art. 11: Strengthen integrity and to prevent opportunities for corruption among members of the judiciary. Such measures may include rules with respect to the conduct of members of the judiciary.
- Art. 12: Private sector
- Art. 13: Participation of society
- Art. 14: Measures to prevent money-laundering

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - Discussion conducted by CIABOC for Prosecutors
   - CIABOC conducted series of programmes with regard to Prevention mainly for Government Officials.

2. Measures Being Planned to Implement UNCAC provisions
   - Series of Discussions & Meetings to consider and propose amendments to the Bribery Act, Commissions Act & Declaration of Assets & Liabilities Law No.1 of 1975 funded by the ADB.
   - Follow-up to UNCAC Review & UNODC visit to Sri Lanka.

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter II
   - Workshop on enhancing the Prosecution skills and Persuasive Investigation Methods were conducted for the Officers of the CIABOC
   - Legal issues confronted by the Prosecutors of the CIABOC with the participation of higher officials of the Attorney General’s Department.
Sri Lanka

B. UNCAC Chapter III: Criminalization and Law Enforcement

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## Sri Lanka

1. **Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013**
   - Series of Discussions & Meetings to consider and propose amendments to the Bribery Act, Commissions Act & Declaration of Assets & Liabilities Law No.1 of 1975 funded by the ADB.
   - Follow-up to UNCAC Review & UNODC visit to Sri Lanka.

2. **Measures Being Planned to Implement UNCAC provisions**
   - 

3. **Issues, Challenges and Constraints in the Implementation of UNCAC Provisions**
   - 

4. **Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III**
   - Awareness Programmes for Prosecutors & Investigators of the CIABOC

### C. UNCAC Chapter IV: International Cooperation

**UNCAC Provisions:**
- Art. 43: International cooperation
- Art. 44: Extradition
- Art. 45: Transfer of sentenced persons
- Art. 46: Mutual legal assistance
- Art. 47: Transfer of criminal proceedings
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   - Follow-up to UNCAC Review & UNODC visit to Sri Lanka.
Sri Lanka

2. Measures Being Planned to Implement UNCAC provisions
   - 

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
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4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter IV
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D. UNCAC Chapter V: Asset Recovery

UNCAC Provisions:
   - Art. 52: Prevention and detection of transfers of proceeds of crime
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   - Follow-up to UNCAC Review & UNODC visit to Sri Lanka.

2. Measures Being Planned to Implement UNCAC provisions
   - 

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3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
   - 

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter V
   - Conducting awareness Programmes pertaining to illicit Money transactions as well as the Fraudulent Financial Scheme.
   - Training Programmes for Prosecutors & Investigators of the CIABOC
Sri Lanka

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<td>- Sharing some of the important information with the Legal Officers of the CIABOC &amp; the Attorney General’s Department.</td>
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Thailand

A. UNCAC Chapter II: Preventive Measures

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1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

- **Art. 5: Preventive anti-corruption policies and practices**
- **NACC Thailand**
- **Bureau of Policy and Strategy**

To develop and maintain effective, coordinated anti-corruption policies that promote the participation of society and reflect the principles of the rule of law, proper management of public affairs and public property, integrity, transparency and accountability, Office of the National Anti-Corruption Commission(NACC) in collaboration with Thailand Development Research Institute (TDRI) has instituted the National Anti-Corruption Strategy phase 2 (2013-2017). And, after National Anti-corruption Strategy phase 2 was finalized, board of National Anti-Corruption Commission has officially granted a permission to fully launch it in January 9, 2014 which would be a major guideline or a macro policy regarding anti-corruption to be applied by every stakeholders across the country holding hand in hand to address the issue of corruption more seriously and structurally. National Anti-Corruption Strategy phase 2 (2013-2017) as a prime propeller to combat corruption in every aspect of Thai society comprises 5 strategies:

1. Raising anti-corruption awareness by emphasizing the on the change of people's mindset towards the idea of sustaining public interest
2. Integrating and building domestic networks of anti-corruption bodies
3. Establishing a close collaboration with international organizations and global networks regarding anti-corruption practices
4. Developing the system and mechanism to combat corruption
5. Providing anti-corruption knowledge towards every personnel
To apply those strategies in action would prevent the widespread corruption and help increase the score of Thailand's Corruption Perception Index (CPI) to 50 percent by the year 2017, which is the primary goal to achieve.

**NACC Thailand**

**Bureau of Preventive Anti-Corruption Measures**
1. Suggestions for the Bangkok Mass Transit Authority’s project for the purchase of 3,183 NGV buses
2. Preventive anti-corruption measure in the project for intervention in the cassava market
3. Preventive anti-corruption measure in encroachment in the national forest areas
4. Suggestions for prevention of corruption and damages to the government sector in Thailand’s development of transportation infrastructure
5. Suggestions for revenue collection of tutorial school businesses
6. Measure to prevent and resolve corruption and illegal logging of payung wood

**NACC Thailand**

**Bureau of Corruption Prevention in State Enterprises and Private Sector**

Bureau of Corruption Prevention in State Enterprises and Private Sector is committed to the implementation of the strategy on the National Anti-Corruption Strategy Phase 2 as follows;

1. Study, analyse and research to stipulate the measure, opinion or suggestion to the cabinet, the Parliament, Courts of Justice or the State Audit Commission for further development in organizational operations or project planning of government sector and state enterprises to prevent and suppress corruption, including the offense of malfeasance in office.
2. Study, analyse and research to stipulate the guidelines in improving social attitude and value towards integrity and cooperation in combating and suppressing corruption in target groups of business enterprises and private sector.
3. Create, develop and provide information in combating and suppressing corruption in target groups of business enterprises and private sector.
4. Cooperate, disperse and support the improvement of social attitude and value towards integrity in targeted business enterprises and private sector, at both organizational and individual levels.
5. Support, develop and campaign for targeted groups in state enterprises and private sector to participate in preventing and suppressing corruption.

In implementing its mission, the Bureau of Corruption Prevention in State Enterprises and Private Sector has initiated supporting projects as follows;

1. Seminar for prevention and suppression of corruption in cooperation with the Joint Foreign Chambers of Commerce in Thailand. The underlying objectives are to create and expand networks and affiliations, including dispersing the national strategic information on prevention and suppression of corruption to the private sector in Thailand. Previously, the Joint Foreign Chambers of Commerce in Thailand have been in discussion with NACC
 struct in several occasions to further cooperation in prevention and suppression of corruption. According to the scheme, the foreign private sector in Thailand have been informed of advancement of the national strategy on prevention and suppression of corruption, and discussions on the subject matter have been enhanced.

2. **NACC Integrity Awards scheme** was established to create the trend and expand awareness for government sector, private enterprises and private sector to operate with good governance, corporate governance in transparency, information disclosure, verifiability and integrity to prevent corruption, including to enhance cooperation in the form of organizational network with the aim to progress the national strategy on corruption prevention and suppression, and raise awareness, value, morals, ethics and disciplines at all levels.

3. The scheme for corporate governance mechanism in private sector to promote cooperation in the form of organizational network between NACC and related groups. The NACC contributes and supports regional trade associations (provincial chambers of commerce or provincial industrial councils), consider and grant the Corporate Governance Awards to private sector at regional level. Following the scheme in each region, each provincial chamber of commerce has been cooperative, with supports of NACC, in arranging the venues. Apart from initial information, attendees were equipped knowledge and experience to build on their businesses and organizations with corporate governance. This year, awareness was expanded, and role models of good governance were introduced to educational institutions for business and management related students.

4. The scheme between NACC and the Thai Bankers’ Association to promote corporate governance against corruption was established to develop the network of cooperation between the two bodies, including creation of knowledge, understanding and prepare Thai youths for recognition of corporate governance, and inspire business creativity under the corporate governance principles. The scheme was divided into two (2) activities as follows;

   4.1. **Krung Thai Young Enterprise Awards** (in cooperation with Thammasart University) – The target groups are senior high school or vocational students from the same institution, forming teams of 7 members. More than 900 teams participated.

   4.2. **White Camp** (in cooperation with Faculty of Commerce and Accountancy, Chulalongkorn University) – The target groups are undergraduate students, forming teams of 5 members. More than 400 teams participated. According to the programme, NACC has awarded plaques and prize money to the winning team for best business management with integrity and transparency.

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**NACC, Thailand Bureau of Political Sector Corruption Prevention**

- Preventive anti-corruption policies and measures via educational mechanisms were initiated by NACC Commissioner Professor Vicha Mahakun in his capacity as the Chairperson of the National Anti-corruption Strategy Steering Sub-committee as a follow-up on the MoU between the NACC and the Ministry of Education. During the past year since August 2013 the following projects have been undertaken:

1. **Promotion of anti-corruption knowledge in vocational education** – The objective of this project is to develop anti-corruption curricula for vocational colleges under the mandate of the Office of the Vocational Education Commission, Office of the Private Education Commission and local administrative agencies. The project has been implemented as follows:

   1. establish a sub-committee for the administration of the anti-corruption knowledge promotion at vocational education level
   2. establish a working group for the implementation of the project
   3. establish a working group on the promotion of desirable characteristics regarding integrity for vocational students
4. organize 5 seminars to encourage better understanding of the anti-corruption curricula in countrywide educational institutions
5. publish manuals entitled ‘Virtue, Morality, Values and Desirable Characteristics of Graduates according to Vocational Qualifications’
6. publish vocational-level social science textbooks on the prevention and suppression of corruption
N.B. Items 1 – 5 have been implemented, while item 6 is expected to be finished by September 2014 with the textbooks to be in use in vocational education since the academic year 2014 onwards.

(2) Integrity Bouquet Boy Scout – The purpose of this project is to develop training curricula for scouts, with varying content on the prevention and eradication of corruption integrated into 4 categories of scout trainings in countrywide educational institutions. Following the MoU between the NACC and the National Scout Organization of Thailand (NSOT), the two agencies have been undertaking the following procedures:
1. establish a sub-committee for the administration of the integrity bouquet boy scout project
2. establish a working group for developing curricula and manuals of integrity bouquet scout training
3. enter into an NACC-NSOT agreement
4. organize workshop for developing scout training curricula and manuals
5. train scout captains with fundamental knowledge about corruption
6. train scout commanders with advanced knowledge about corruption
7. present certificate and wood badge for advanced scout personnel
8. organize a scout club at the NACC
9. put on trial 4 categories of integrity bouquet scout trainings
10. convene workshop to improve the curricula and manuals for integrity bouquet scout trainings
The working group will review and improve the curricula and manuals before forwarding them to NSOT committee to put in actual use in countrywide educational institutions.

Ministry of Interior, Thailand
Cooperating with National Anti-Corruption Commission (NACC) and other anti-corruption networks.
Develop the cooperation with anti-corruption network, including the amendment of laws to combat corruption.
Support all stakeholders and improve the knowledge to prevent and fight against corruption.
Promoting integrity, code of conduct toward good governance.

Ministry of Commerce, Thailand
- To build knowledge in preventing and combating Corruption and convey to the people in organization, such as the knowledge of the principles of good governance.
Thailand

**Anti-Money Laundering Office, Thailand**
- Issuance of Ministerial Regulation on Customer Due Diligence B.E. 2556 (2013) which was issued under the Anti-Money Laundering Act B.E. 2542 (1999) to define “Politically Exposed Persons (PEPs)” to include domestic PEPs, foreign PEPs and PEPs in international organization. Under these provisions, reporting entity must categorize these customers as “high risk” and undertake “enhanced CDD” measures on the customer and, in case of suspicion, report suspicious transactions.

**The Comptroller General Department (CGD), Thailand**
- The Comptroller General Department (CGD) has developed the Electronics Government Procurement system (e-GP) for electronic procuring and procurement information center to increase the transparency, effectiveness, value for money and fairness in government procurement.
- CGD requires the government agencies prepare, at the end of each fiscal year, financial statements within a pacified period. The financial statements are prepared from accounting information kept in the GFMIS, which is adjusted as it deemed necessary. After they are approved, the financial statements are submitted to Auditor General for an annual statutory audit. In addition to imposing a reporting requirement on the agencies, CGD monitors and reviews their accounting information regulatory. Subsequent to the review, it gives recommendations to the agencies on necessary accounting quality concerning critical areas periodically.
- CGD monitors and evaluates the accuracy of the trial balances of individual government agencies to ensure that there are no accounting errors and irregularities. For example, trial balances are verified whether the year-ended accounting adjustments are done correctly and appropriately, whether they contain abnormal balances, and whether the monthly depreciation for the whole year are properly calculated.

**The Securities and Exchange Commission**
Regarding the Implementation of Chapter II of UNCAC provisions, generally the SEC involves in the area of the Chapter as follows:
- The Securities and Exchange Act B.E. 2535 as amended
  By virtue of Section 14 of the Act, the SEC has the authority to supervise matters concerning securities, securities businesses, the Securities Exchange, and issue or offer of securities for sale to the public etc. According to Section 56, the provision determines an issuing company to prepare information such as financial statement and annual report etc. Also, Section 56 confers the power on the Capital Market Supervisory Board power to determines specific details of the information disclosed by such company. The SEC has been empowered to regulate conducting of securities businesses including issuing related regulation by virtue of Chapter 4 Securities Business of the Act as well.

Regulation there under
- The Notification of the Capital Market Supervisory Board No. TorChor. 44/2556 Re: Rules, Conditions and Procedures for Disclosure regarding Financial and Non-financial Information of Securities Issuers issued by virtue of Section 56 of the Act directs a securities issuers to disclose its policy concerning an anti-
corruption measure. The Notification of the Capital Market Supervisory Board No. TorThor. 35/2556 Re: Standard Conduct of Business, Management Arrangement, Operating Systems, and Providing Services to Clients of Securities Companies and Derivatives Intermediaries issued by virtue of sections of Chapter 4 of the Act regulates conducts of securities businesses. That is, the Regulation implies that a securities company should not involve in a corruption behavior. For example, a securities company should not engage in any illegal activity and accept compensation from its client that does not relate to the providing of the financial service.

The related SEC Policies
The SEC has encouraged both securities issuers, banks and securities companies to engage in the Collective Action Coalition Program that is the scheme to make awareness among the entrepreneurs to put a policy in place against corruption behavior.

**Art. 7: Public sector**
**Office of The Civil Service Commission**
- The transparency system has been launched to government agencies.

**Art. 8: Codes of conduct for public officials**
**Ministry of Interior, Thailand**
- The strongest measurement and prosecution will be enforced to counter wrongdoer.

**Office of The Civil Service Commission**
- To promote the code of conduct for public officials and encourage them to follow the code of conduct.

**Art. 9: Public procurement and management of public finances**
**NACC Thailand**
- Guidelines on the disclosure of median price and its calculation in the electronic information system for public inspection have been issued by NACC as preventive measures in the public procurement process. To address this loophole and to ensure Thailand’s anti-corruption efforts are on par with international standards and practices, the NACC spearheaded the amendment of its legal framework. These notable efforts led to the enactment of the revised Organic Act on Counter Corruption in April 2011. With regard to preventive measures to improve transparency in the public procurement process: Section 103/7 of the Thai Organic Act on Counter Corruption requires state agencies to prepare detailed information regarding expenses incurred in procurement, especially median prices and its calculation, which are recorded in an electronic information system for public inspection. Furthermore, the Section 103/8 requires that the Cabinet orders the state agencies prepare information regarding their procurement in accordance with the provision under...
paragraph one of Section 103/7. This disclosure measure drafted by the NACC was adopted by the Cabinet on 12 February 2013 and came into effect as of 11 August 2013. These new measure stipulates that state agencies are required to disclose detailed information on not just the median prices but also their calculation method for all public procurement contracts which are valued over 100,000 Baht or approximately 3000 US Dollars. Furthermore, this information has to be published on the official website of the procuring state agency for public scrutiny as well as on the electronic database of the Comptroller General’s Department. The measure of prevention against corruption in public procurement has the purposes of transparency and prevention of misappropriate use of public funds. For the purpose of transparency, NACC introduced guidelines on the disclosure of median prices and its calculation for these listed types of public procurement, including hiring for construction works, hiring for work design, hiring for consultants, hiring or funding for research studies, hiring for computerized system development and hiring for non-construction procurement and specific works. The principle of guidelines requires the disclosure in every procurement which composes of the project title, name of the office carrying on the project, budget limit received, date in which the median price is set, name of the responsible person who specifies the expenses, state agencies carrying on the project and summaries of project description, operational costs and terms of references (TOR). All information is recorded in an electronic information system for public inspection. The source of median prices or reference prices setting as the rules approved by the Cabinet resolution enforcing the use of rates prescribed under Regulations of the Office of the Prime Minister on Procurement as amended, which is generally used as reference by most government agencies.

Ministry of Interior, Thailand

- Procurement and management within the Ministry of Interior will be in compliance with the NACC Organic Act on Counter Corruption.
- Office of the Auditor General (OAG)
  1. The anti-corruption measurement on public procurement.
     - SAI Thailand is on the process of amendment the public procurement audit standard in order to be in accordance with the International Standards of Supreme Audit Institutions (ISSAIs)
     - To emphasize the audited entities to conduct as the Announcement of the State Audit Commission on Procurement Planning B.E. 2546 that they have to submit the procurement plan and result to the Office of the Auditor General (OAG) within the timeframe.
     - To determine the measurement on proactive and preventive audit in order to prevent the inapplicable performance with the laws, rules and regulations.

  2. The anti-corruption measurement on the management of public finances.
     - The Office of the Auditor General of Thailand(OAG)is on process of amendment the financial audit standard and performance audit standard in order to be in accordance with the International Standards of Supreme Audit Institutions (ISSAIs)
     - OAG has emphasized the audited entities to conduct as the Announcement of the State Audit Commission on Internal Control B.E. 2544 that determined the management of public entities to set up Internal Control in order to ensure the efficiency and effectiveness of their performance.
     - OAG has supported and determined the measurement for audited entities to set up the position of internal auditors to carry out their audit to comply with the policies and to assure the sufficient control to meet the objectives of the entities.
     - OAG restructured the organization to establish the provincial offices which aimed to audit covered all audit categories in the provinces.
- OAG has encouraged people to participate in public sector audit by initiating the activities like “anti-corruption website” and “OAG Open House” in order to provide knowledge of OAG mandate.

3. OAG has provided knowledge to audited entities about the regulation of State Audit Commission on the Budgetary and Financial Disciplinary B.E. 2544 and there shall be administrative penalty for the violation.

**Art.10: Public reporting**

**NACC Thailand**

- For the purpose of accessing data or information of a person, the NACC is authorized to request agencies or financial institutions to facilitate the NACC or the subcommittee to inquire into the facts of the allege culprit or a person having reasonable cause to believe of the involvement of the allegation. In case the NACC found that some types of information are inaccessible, the NACC may file a motion requesting an order from the court to access into such information.

**Art.12: Private sector**

**Association of International Banks, Thailand**

- As members of the Association of International Banks (AIB) are either a branch or subsidiary of banks domiciled in countries having signed, ratified or approved the UNCAC, their internal procedures and practices are subject to the laws of their home country as well as to Thai laws. These procedures are designed to include, but not limited to, the following:
  - To promote proper practices in the interaction with state agencies and state enterprises,
  - To prevent and detect acts of corruption,
  - To ensure the integrity of their institution.

AIB members endeavor to promote anti-corruption principles in Thailand and to uphold any anti-corruption laws enacted or may enact in the future.

**The Thai Institute of Directors Association (IOD)**

- So far, our signatory membership of the CAC coalition, set up in 2010, has reached 331 companies, including 157 listed companies,
- Of those, our certified membership is at 54 companies, including 19 listed companies.
- IOD provides the training classes as follows:

<table>
<thead>
<tr>
<th>Training Classes</th>
<th>2013</th>
<th>2014 (estimation)</th>
<th>2015 (estimation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACEP (executives)</td>
<td>4 classes</td>
<td>5 classes</td>
<td>5 (40*5 classes=200)</td>
</tr>
<tr>
<td>ACPG (practitioners)</td>
<td>6 classes</td>
<td>8 classes</td>
<td>10</td>
</tr>
</tbody>
</table>

131
One annual National conference on CAC and at least 2 seminars per year.

**Federation of Accounting Profession, Thailand**

- Measures to prevent an Anti-corruption involving the private sector and also enhance the accounting and auditing to financial reporting in the private sector.

**Art. 13: Participation of society**

**NACC Thailand**

In implementing the National Anti-corruption Strategy phase 2 (2013-2017), NACC has been organizing “Driving force projects” for pushing forward national strategy in order to provide knowledge and mutual understanding regarding the national strategy to organizations, institutes and people in every aspects of the society, and also encourage civil participation by allowing people whether local villagers or urban middle class to think, reflect and exchange possible solutions in preventing corruption in accordance with the National Anti-corruption Strategy. NACC has undertaken 5 projects using mechanisms as “driving force” for pushing forward national strategy phase 2 and 1 regional “driving force project” for pushing forward national strategy phase 2:

**5 projects using mechanisms as “driving force” for pushing forward national strategy phase 2**

1. “Driving force project” for pushing forward national strategy phase 2 using EDUCATION
2. “Driving force project” for pushing forward national strategy phase 2 using RELIGION
3. “Driving force project” for pushing forward national strategy phase 2 using PRIVATE SECTORS
4. “Driving force project” for pushing forward national strategy phase 2 using CIVIL SOCIETY and MEDIA
5. “Driving force project” for pushing forward national strategy phase 2 using PUBLIC SECTORS

**1 regional driving force project for pushing forward national strategy phase 2**

Early in 2014, this regional driving force project for pushing forward national strategy phase 2 were held in the form of workshops on integrated project to drive and push forward national strategy with very firm intention to promote, popularize, and provide a chance for people in the regions to participate in the national strategy. The total numbers of workshops being held were 5 times in 5 major regions in Thailand, which included The north, The northeast, The east, The south, and The central region.

1. 1st workshop in June 16-17, 2014 at Hansa JB hotel, Hatyai district, Songkla province
2. 2nd workshop in June 20-21, 2014 at Centara and Convention Centre hotel, Mueang Khon Kaen district, khon Kaen province
3. 3rd workshop in 30 June- 1 July, 2014 at Royal Plala Cliff Beach Resort and Spa, Ban Chang district, Rayong province
4. 4th workshop in 7-8 July, 2014 at Holiday Inn Chiang Mai, Mueang Chiang Mai district, Chiang Mai province
5. 5th workshop in 21-22 July, 2014 at The Regent Cha-am Beach Resort, Hua Hin- Cha-am, Petchburi province

Furthermore, since 2013, NACC has strengthened and built up more participation of the society regarding anti-corruption networks by signing more Memorandum of Understanding (MoU) with wide-ranging organizations in Thailand, for instance, MoU with 28 “Role Model” local administrations in September 4, 2013, MoU with Council of University Presidents of Thailand which consists of 27 leading university in Thailand in August 16, 2013, MoU with
Thailand

National Office of Buddhism in January 30, 2014 and etcetera.

- **NACC Thailand**
  - The Bureau of Corruption Prevention in State Enterprises and Private Sector has organized a seminar between NACC Commissioners and high-level executives of state enterprises. According to the programme, the memorandum of understanding on the mechanism of prevention and suppression of corruption was signed by NACC, the State Enterprise Policy Office and state enterprises totaling 55 offices. The main objectives were to contribute, disperse and collaborate for participation in mechanism of national strategy on prevention and suppression of corruption. Related government’s policies and operational plan for prevention of corruption in accordance with good governance and corporate governance create network for corruption prevention and suppression in state enterprise sector both at organizational and individual levels, develop surveillance and involvement for all forms of corruption eradication, as well as operational plan for prevention and suppression of corruption on the part of social enterprises for compliance with the national strategy and overseeing of implementations of aforementioned plan.

- **Ministry of Interior, Thailand**
  - Promoting good governance in all sectors within the Ministry of Interior’s operations.

**Art. 14 Measures to prevent money-laundering**

**Bank of Thailand (BOT)**

- The Ministry of Finance has issued the Notification of the Minister of Finance (No.5) dated November 6, 2013 and the Bank of Thailand has issued the Notice of the Competent Officer dated November 8, 2013 to further relax rules and practices on exchange control. According to the Notification and the Notice, a person traveling to Lao People’s Democratic Republic, Kingdom of Cambodia, Republic of the Union of Myanmar, Malaysia, Socialist Republic of Vietnam and People’s Republic of China (Yunnan province) is allowed to take out up to THB 2,000,000. Taking out Thai Baht bank notes in an amount exceeding THB 450,000 requires declaration to a Customs Officer.

2. Measures Being Planned to Implement UNCAC provisions

- **NACC Thailand**
  - In 2014, NACC is prompt to push forward a newly preventive policy of integrated anti-corruption plan in public sectors with the total budget of 2,120.4439 million baht by acting as a body in charge of conducting, collaborating and monitoring all the anti-corruption-related works of all organization work forces within the plan, which consist of 8 ministries (17 departments), 2 government sectors independent from Prime minister’s office, and 2 independent bodies, so that all the anti-corruption practices from those organizations would be compatible, cooperative, unrepeatable, and complying to the National Anti-Corruption Strategy phase 2 (2013-2017). By carrying out such integrated plan, it would be decisive to combat corruption because the output of the integrated plan
could enhance the capacity in law enforcement and raise public awareness regarding corruption issue. Moreover, in the long run, the integrated plan would enhance public sectors and educational institutes (Office of Basic Education Commission with the number of 7,243,713 students, Vocational education with 421 schools, and Office of the higher Education Commission with the number of 80 schools) to apply the idea of good governance and morality in action which will make a huge positive impact to the Corruption Perception Index (CPI) of Thailand.

- **NACC Thailand**
- The plan of the Bureau of Corruption Prevention in State Enterprises and Private Sector, phase 2, comprises of matters as follows:
  1. Implementation plan for state enterprises
    1.1. Liaise cooperation in the mechanism of national strategy, phase 2, in the signatory targeted social enterprises under the memorandum of understanding among NACC, the State Enterprise Policy Office and social enterprises
    1.2. Participate in activities for prevention of corruption in targeted social enterprises under the memorandum of understanding
  2. Implementation plan in private sector
    2.1. Arrange for supervision and campaign for large-scale businesses, registered companies, small and medium enterprises to earnestly implement principles of good governance and corporate governance
    2.2. Carry forward collective action from alliances in private sector against corruption in government procurements
    2.3. Watch dogs for governmental corruptions
    2.4. Enforcement of Integrity Pact
    2.5. Support the development of domestic and international legal measures
    2.6. Participate in activities against corruption

**Ministry of Interior, Thailand**
Ministry of Interior is implementing anti-corruption measures in accordance with NACC’s regulations.

**The Thai Institute of Directors Association (IOD)**
- We have planned to increase the size of CAC coalition as below:

<table>
<thead>
<tr>
<th>Size of the coalition:</th>
<th>2013</th>
<th>2014 (estimation)</th>
<th>2015 (estimation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Signatory members</td>
<td>268</td>
<td>331 (now) to 400</td>
<td>500</td>
</tr>
<tr>
<td>- Certified members</td>
<td>22</td>
<td>54 (now) to 80</td>
<td>150</td>
</tr>
</tbody>
</table>
Thailand

**The Comptroller General Department (CGD), Thailand**
- CGD is under developing the Collective Action project for anti-corruption in public procurement process by collaboration of all sectors for sustainable preventing and combating corruption in the procurement process. This project will increase public involvement in monitoring procurement process, improve monitoring and evaluation system and disclosure of procurement information.
- Develop electronic government procurement to cover every procurement methods and payment process reducing error in operation and faster response for the procurement problems.
- CGD is now developing public accounting standards to be adopted by public entities for their financial reporting. The public accounting standards are based primarily on International Public Sector Accounting Standards (IPSAS) promulgated by the International Public Sector Accounting Standards Board (IPSASB), which belongs to the International Federation of Accountants (IFAC)

**The Securities and Exchange Commission**
- The SEC is supporting the Thaipat Institute in developing the 5-level Anti-corruption Progress Indicators for listed companies. The results of the first assessment will be announced in Q4 2014. Listed companies that receive a certification by Collective Action Coalition (CAC) will be considered as reaching level 4 or the ‘certified level’ of the indicator.
- The SEC will be co-operating with the Investment Analysts Association and Association of Thai Securities Companies in placing emphasis on the listed company's anti-corruption policy and practices, for instance publishing listed companies’ anti corruption progress indicators in their analyst reports.
- The SEC will encourage the mutual fund companies and institutional investors in developing a policy not to invest in any listed company that is not even qualified for Level 1 (no policy nor any commitment from the board or top executives).
- In 2015, all securities companies will be required to disclose their own level of anti-corruption progress indicator. A list of mutual fund companies that invest in a listed company without even qualified at the level 1 of progress indicator will be released.

**The Office of the Auditor General of Thailand (OAG)**
- The regulation of State Audit Commission on the Budgetary and Financial Disciplinary B.E. 2544 and the investigative audit enforcement shall be amended to be updated.

**Office of The Civil Service Commission**
Plan to implement 2 projects
### Thailand

| Project I: to strengthen virtue and morality and to develop the ethical culture in organization |
| Project II: To create awareness of ethics for public officer |

#### 3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

- **NACC Thailand**
  - The amendment of law is needed for some actions.
  - The major issue challenging the National Anti-Corruption Strategy phase 2 (2013-2017) is about the ignorance and failure to transform the National Strategy as a preventive policy into practice. The policy in and of itself may be academically positive to tackle corruption issue; however, policy without action may be practically deficient to tackle the issue.

- **NACC Thailand**
  - Allocation of budget of limited capability gives rise to inability to work on all target groups

- **Ministry of Interior, Thailand**
  - Revision of laws is needed.

- **Anti-Money Laundering Office**
  - Under the definition, PEPs include associates, which is hard for reporting entity to recognize unless one party of the transaction is a politician. This also is the case of foreign PEPs or international organization PEPs. Measures to mitigate the risk being employed is to let the customer declare himself/herself when asked for his/her occupation.

- **The Thai Institute of Directors Association (IOD)**
  - The funding must be sustainable,
  - The certification process must be robust and globally recognized

- **The Comptroller General Department (CGD), Thailand**
  - Social values causing habits of corruption and lack of public consciousness.
  - Lack personnel who have skills, knowledge and expertise in performing their duties.
  - Both CGD and government agencies have limitations on the number of staff responsible for accounting function.

- **The Securities and Exchange Commission**
  - Our aim is to encourage every listed company to be CAC certified, at least 60% of them by 2018. The goal certainly requires a combination of self, market and regulatory disciplines and strong commitment and collaboration among related parties.
Companies are not only expected to be CAC certified, but also encouraged to become a role model/ change agent that helps foster anti-corruption practices their industry sector and throughout the value chain.

**The Office of the Auditor General of Thailand (OAG)**
- The Organic Act on the State Audit B.E. 2542 is on process of amendment in some sections in order to be appropriated with present situation.

**Office of The Civil Service Commission**
The code of conduct is too complicated to understand right away.
The executive officers consider this project the last priority.
The position structure for person responsible in this field is still not established.

4. Capacity Building Seminar and Training Needs to Strengthen the Implementation of Chapter II

**NACC Thailand**
Seminars of effective preventive measures are needed.
More seminars regarding substantial detail and how to transform the National Anti-Corruption Strategy phase 2 (2013-2017) into practice are needed.

**Ministry of Interior, Thailand**
- Capacity building on effective anti-corruption measure is needed.

**Anti-Money Laundering Office**
- Legal Division, Supervision and Examination Division and Law Enforcement Policy Division regularly conduct seminars or outreach activities to various sectors. The issues discussed are implementation under AMLA, CTF Act, Ministerial Regulations and Notifications.

**Federation of Accounting Profession, Thailand**
- Conduct seminar and training to communicate an anti-corruption to relevant parties.

**The Comptroller General Department (CGD), Thailand**
- Training for awareness in the fight against corruption of officials and people in society.
- Procurement staff must understand the laws and regulations related to public procurement, as well as knowledge of electronic government procurement system on a regular basis.
- Financial and accounting staff of government agencies should have direct educational background in Finance and Accounting field of study. They should continue to develop their body of knowledge in Accounting. Moreover, the agencies management needs to strongly pay attention to preparation and utilization of their entities’ financial statements.
### Thailand

<table>
<thead>
<tr>
<th>The Securities and Exchange Commission</th>
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<tbody>
<tr>
<td>The SEC in collaboration with Thaipat Institute and the Thai Institute of Directors regularly organise seminars and knowledge sharing sessions for listed companies, mutual funds and securities companies to enhance their knowledge and understanding of anti-corruption policies and practices, and to encourage them to become CAC certified organisations.</td>
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<table>
<thead>
<tr>
<th>The Office of the Auditor General of Thailand (OAG)</th>
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<tbody>
<tr>
<td>The workshop on the preventive corruption measurement on procurement and management of public finances and to attend the conference of related organizations such as NACC, Office of the Attorney General and the Office of the Ombudsman which the topics concern in common interest.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Office of The Civil Service Commission</th>
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<tbody>
<tr>
<td>Ethics officer development seminar and the training for ethic trainer are needed.</td>
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</table>
B. UNCAC Chapter III: Criminalization and Law Enforcement

<table>
<thead>
<tr>
<th>UNCAC Provisions:</th>
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</thead>
<tbody>
<tr>
<td>Art. 15: Bribery of national public officials</td>
</tr>
<tr>
<td>Art. 16: Bribery of foreign public officials and officials of public international organizations</td>
</tr>
<tr>
<td>Art. 17: Embezzlement, misappropriation or other diversion of property by a public official</td>
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<td>Art. 18: Trading in influence</td>
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<td>Art. 19: Abuse of functions</td>
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<td>Art. 20: Illicit enrichment</td>
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<tr>
<td>Art. 21: Bribery in the private sector</td>
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<tr>
<td>Art. 22: Embezzlement of property in the private sector</td>
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<tr>
<td>Art. 23: Laundering of proceeds of crime</td>
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<td>Art. 24: Concealment</td>
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<tr>
<td>Art. 25: Obstruction of justice</td>
</tr>
<tr>
<td>Art. 26: Liability of legal persons</td>
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<tr>
<td>Art. 27: Participation and attempt</td>
</tr>
<tr>
<td>Art. 28: Knowledge, intent and purpose as elements of an offence</td>
</tr>
<tr>
<td>Art. 29: Statute of limitations</td>
</tr>
<tr>
<td>Art. 30: Prosecution, adjudication and sanctions</td>
</tr>
<tr>
<td>Art. 31: Freezing, seizure and confiscation</td>
</tr>
<tr>
<td>Art. 32: Protection of witnesses, experts and victims</td>
</tr>
<tr>
<td>Art. 33: Protection of reporting persons</td>
</tr>
<tr>
<td>Art. 34: Consequences of acts of corruption</td>
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<tr>
<td>Art. 35: Compensation for damage</td>
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<tr>
<td>Art. 36: Specialized authorities</td>
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<tr>
<td>Art. 37: Cooperation with law enforcement authorities</td>
</tr>
<tr>
<td>Art. 38: Cooperation between national authorities</td>
</tr>
<tr>
<td>Art. 39: Cooperation between national authorities and the private sector</td>
</tr>
<tr>
<td>Art. 40: Bank secrecy</td>
</tr>
<tr>
<td>Art. 41: Criminal record</td>
</tr>
<tr>
<td>Art. 42: Jurisdiction</td>
</tr>
</tbody>
</table>
1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

- **Art. 23: Laundering of proceeds of crime**
  - Examined transactions of persons in response to the requests for financial transaction information and intelligence from 3 jurisdictions, Norway, Indonesia and Macau. The cases from Norway and Indonesia involve corruption by their national officials. The case from Macau involves a Thai politician who gambled in Macau.

**The Securities and Exchange Commission**

Regarding the Implementation of Chapter III of UNCAC provisions, generally the SEC involves in the area of the Chapter as follows:

- **The Securities and Exchange Act B.E. 2535** as amended and the Regulation thereunder
- Chapter 4 Securities Business of the Act provides power to the SEC to regulate undertaking securities businesses including issuing related regulation. Also, the Notification of the Capital Market Supervisory Board No. TorThor. 35/2556 Re: Standard Conduct of Business, Management Arrangement, Operating Systems, and Providing Services to Clients of Securities Companies and Derivatives Intermediaries issued by virtue of sections of Chapter 4 of the Act specifies general principles in terms of the conduct of securities businesses. That is, for the best interest of its customer, a securities company should install *inter alia* a procedure to clarify the identity of its customer. Therefore, this rule could be supportive the securities company to combat with money-laundering issue.

**The related SEC Policy**

- The SEC has released the Circular No. SEC.KorTor. (Wor) 23/2014 to encourage securities companies to establish the risk management system to prevent the use of securities business for money laundering and financing of terrorism.

- **Art. 30: Prosecution, adjudication and sanctions**

**DSI Thailand**

The Corruption Prevention and Suppression Center founded on September 26, 2012 for more efficient and rapid operations against fraud and corruption. Since its establishment the Center conducted investigations 80 cases and completed 46 cases. The following cases are important special cases that catch the public’s attention.

1. Corruption on the construction of 396 police stations (Special case nos. 21/2013 and 43/2013)
2. Falsification and use of official documents of right to defraud the Government Saving Bank (Special case no. 90/2013)
3. Corruption on the recruitment of teachers and academic personnel of the Office of the Basic Education Commission

**Investigation**

- Investigation no. 118/2013- a case of corruption in the expenditure of subsidy budget under the 8-year comprehensive plan for the administration and...
development of special areas—Pattaya City and nearby areas for the year 2012-2019.

- **Art. 32: Protection of witnesses, experts and victims**
  - **NACC Thailand**
  - The NACC and the Royal Thai Police signed an MoU to strengthen the collaboration between both agencies on the provision of protection to witnesses of corruption cases in July 2013.

**Art. 36: Specialized authorities**

**Thai Customs Department**

Thai Customs Department has implemented the UNCAC Convention in order to prevent the corruption crisis. As the Specialized authority in the international trade and taxation, Thai Customs Department has appointed “The Preventive Anti-Corruption Plan Drafting Group” on June 5, 2014, referred to Customs Order number 159/B.E.2557, to conducts and implements the Preventive Anti-Corruption Plan. The group members compose of the Directors of Bureaus and chosen specialists of the department.

The Preventive Anti-Corruption Plan Drafting Group has provided these strategies as follows:

1. Stimulate the concepts of preventive Anti-Corruption by changing visions of the corruption crisis base on public interest.
2. Integrate internal capacity building on preventive anti-corruption measures and develop the national anti-corruption network.
3. Develop and cooperate with other the international anti-corruption authorities and network.
4. Develop the internal management systems and tools for preventive anti-corruption measures.
5. Strengthen the preventive anti-corruption Knowledge Management (KM) in the department.

**Art. 37: Cooperation with law enforcement authorities**

**NACC Thailand**

The National Anti-Corruption Strategy phase 2 (2014-2018) has been launched. This strategy covers all chapters of UNCAC. One of four missions is to develop the cooperation with anti-corruption network including the amendment of laws to reduce the obstruction on preventing and combating corruption.

Thailand hosted the 2nd session of the Assembly of Parties on December 9-11, 2013 to coincide with the annual International Anti-Corruption Day of December 9. During that meeting, NACC hosted the Roundtable Discussion on “Strengthening Anti-Corruption Collaboration in the ASEAN Region” which gathered Representatives from all ASEAN Anti-Corruption and Law Enforcement Agencies.

NACC, in collaboration with the American Bar Association (ABA) and United States Department of State, hosted the first Pathfinder Conference during September 23-25, 2013. Plenary sessions and interactive small group meetings covered topics relating to recent trends and challenges for governments in combating of corruption, environmental crime, as well as human and wildlife trafficking.
The NACC had the honor of hosting the 4th StAR/INTERPOL Global Focal Points Conference on Asset Recovery in collaboration with the INTERPOL and the StAR Initiative during July 3-5, 2013. This conference focused on finding ways to improve the operation efficiencies of asset recovery offices when undertaking international asset recovery efforts.

2. Measures Being Planned to Implement UNCAC provisions

**Art. 15: Bribery of national public officials**

**Art. 19: Abuse of functions**

**Ministry of Interior**

- The strongest measurement and prosecution will be enforced to wrongdoers.
- Ministry of Interior is implementing anti-corruption measures in accordance with NACC’s regulations.

**Art. 19: Abuse of functions**

**The Office of the Auditor General (OAG)**

The Office of the Auditor General is now amending the Regulation of State Audit Commission on Budgetary and Financial Disciplines B.E. 2544 in five aspects. The amendment is coincidentally consistent with the implementation of UNCAC provisions and the amended aspects are as follows:

- change the procedure of administrative fine calculation;
- widen the scope of elements of guilty from committed intentionally to cover the case of illegitimate powers or duties exercising;
- official who is the debtor of government sector shall be fined administratively if he is in default further from interest;
- the guilty of government official who takes the interest for the benefit of himself in the contract that he, as the official who is in charge, does for government sector with the party; and
- the administrative fine for government official who fails to follow the Announcement of State Audit Commission on Procurement Plan B.E.2546.

**Art. 36: Specialized authorities**

**Thai Customs Department**

The committees have planned to conduct and implement on each strategies’ plan from all of the Bureau to be the Thai Customs Department Plan in methods as follows:

1. Seminar and Training
2. Launch campaign to courage ethical and moral standards
3. Enhance Transparency and Accountability
4. Monitoring the internal jobs in order to against the illegal practices
The Office of the Auditor General (OAG)
The Budgetary and Financial Disciplinary Office is one of important departments of OAG to investigate and consider administrative penalty to the official who committed wrongdoing. OAG considers to restructure organization’s structure to support the expansion of its responsibility.

Art. 37: Cooperation with law enforcement authorities
NACC Thailand
The NACC will host the APEC Multi-Year Project: Designing Best Models on Prosecuting Corruption and Money Laundering Cases Using Financial Flow Tracking Techniques and Investigative Intelligence for Effective Conviction and Asset Recovery to Promote Regional Economic Integration on September 22-24, 2014 in Pattaya, Thailand.

Anti-Money Laundering Office
- The National Council on Peace and Order principally approved the draft Prime Ministerial Office Notification on the coordination under Anti-Money Laundering Act. This will strengthen the cooperation between the NACC and AMLO. Under the Notification, AMLO will send analyzed transactions to the NACC on the case related to corruption, and the NACC will send the finished case to AMLO to further conduct investigation and civil asset forfeitures.

The Securities and Exchange Commission
The SEC and the AMLO has already signed MOU for effective collaborations among agencies. The main objectives is to expediently conduct its law enforcement such as setting up how to proceed among agencies when there is an insider trading case which is one of the predicate offences.

NACC Thailand
The NACC does not have authorization to combat corruption in supply side.

Thai Customs Department
- Thai Customs Department has lacked of sufficient experts in preventive anti-corruptions.
- Discontinuing of policy management due changing of government.
Other public authorities and private sectors have misunderstood on Customs Procedures.

The Securities and Exchange Commission
As the AMLO is AML/CFT regulator and SEC is prudential and conduct regulator, the agencies require more clearly law enforcement. The intermediaries in securities and derivatives business have to comply with all regulations. If intermediaries do not comply with AML/CFT regulations, AMLO as a lead regulators in AML/CFT will make the enforcement according to its authority specified by Anti-Money Laundering Act. Also, with the mutual agreement, the AMLO will inform SEC (as a lead regulator for securities business) about AML/CFT deficiencies so that the SEC can make an appropriate enforcement if intermediaries has done significantly issue that may cause risks to its company or industry as a whole.

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<tr>
<th>Ministries/Agencies</th>
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<tr>
<td>Ministry of Interior, Thailand</td>
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<tr>
<td>Capacity building in cooperation with national authorities and the private sector</td>
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<td>Capacity building in cooperation with law enforcement authorities</td>
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</table>

**DSI Thailand**
- Course on disciplinary measures and tort liability investigation
  The course held on June 19-21, 2013 for 47 officials and aimed at developing their skills in applying their knowledge of disciplinary measures and tort liability for the success of fact-finding investigations and inquiries into misconduct of the government officials.

**Federation of Accounting Profession, Thailand**
The sufficient of internal auditing control will help the prevention and detection of fraud. An Audit conducted in accordance with generally accepted auditing standards, or other Review or Assurance services is needed.

**The Securities and Exchange Commission**
The SEC and the AMLO has been cooperated in the area of AML/CFT in securities and derivatives industry. The SEC has provided trainings for AMLO staff in the areas of securities and derivatives businesses and inspection processes, whereas the AMLO experts also provide trainings to SEC staff in the area of AML/CFT issues and concerns. The SEC and the AMLO are continuously making mutual support in capacity building and trainings.

**The Office of the Auditor General (OAG)**
- To provide training for the staff on financial discipline, treasury and budgeting.
- To strengthen conceptual skill for the staff to keep up with the present situation.
### C. UNCAC Chapter IV: International Cooperation

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#### 1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

**Art. 43: International cooperation**

**NACC Thailand**

The National Anti-Corruption Strategy phase 2 (2014-2018) has been launched. This strategy covers all chapters of UNCAC. One of four missions is to develop the cooperation with anti-corruption network including the amendment of laws to reduce the obstruction on preventing and combating corruption. This mission provides the cooperation between NACC and other national and international anti-corruption networks.

The NACC in December 2013 renewed its MOU with the World Bank’s Thailand office. Furthermore, NACC has signed the bilateral MoUs with Office of the Comptroller General of Brazil (September 30, 2013), Anti-Corruption Bureau of Brunei Darussalam (December 10, 2013), State inspection and Anti-Corruption Authority of Lao PDR (December 10, 2013), and Office of the Ombudsman of the Philippines (June 2014).

- Office of NACC by Sanya Dharmasakti National Anti-Corruption Institute (SDI) had organized the Seminar on “Preventive Anti-Corruption Integration Strategy in the Greater Mekong Sub-region” between 23-27 June, 2014. The seminar aimed to enhance the understanding of participants on anti-corruption efforts and preventive measures in the region as well as to provide an opportunity to strengthen anti-corruption networking in the Greater Mekong Sub-region.

#### 2. Measures Being Planned to Implement UNCAC provisions

**Art. 43: International cooperation**

**NACC Thailand**
Thailand

NACC Thailand has concluded the bilateral MoU with Anti-Corruption Unit of Cambodia and will sign on September 2014. Moreover, the NACC has concluded the bilateral MOU with Independent Commission Against Corruption of the Commonwealth of Australia (ICAC) of Australia and International Office on Migration (IOM).

The National Anti-Corruption Commission (NACC) of Thailand and the International Anti-Corruption Academy (IACA) will renew and sign another three-year Memorandum of Understanding (MOU) on Technical Cooperation in Laxenburg, Austria in September 2014. The two institutions through the MOU have reaffirmed their commitment to work together in jointly fostering the prevention of and the fight against corruption.

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

- 4. Capacity Building Seminar and Training Needs to Strengthen the Implementation of Chapter IV
  - Special Investigative techniques training are needed for Thai investigators of corruption.
  - On December 19, 2013, Miss Anita Van Hilst, the Australian Federal Police (AFP)'s liaison officer and other officers from the AFP paid a courtesy visit to Pol. Lt. Col. Wannapong Kotcharag, the DSI's Deputy Director-General and invited the DSI to send officers to attend the training course on fraud and anti-corruption.

D. UNCAC Chapter V: Asset Recovery

UNCAC Provisions:
- Art. 52: Prevention and detection of transfers of proceeds of crime
- Art. 53: Measures for direct recovery of property
- Art. 54: Mechanisms for recovery of property through international cooperation in confiscation
- Art. 55: International cooperation for purposes of confiscation
- Art. 56: Special cooperation
- Art. 57: Return and disposal of assets
- Art. 58: Financial intelligence unit
- Art. 59: Bilateral and multilateral agreements and arrangements

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - Art. 59: Bilateral and multilateral agreements and arrangements
   - NACC Thailand
The National Anti-Corruption Strategy phase 2 (2014-2018) has been launched. This strategy covers all chapters of UNCAC. One of four missions is to develop the cooperation with anti-corruption network including the amendment of laws to reduce the obstruction on preventing and combating corruption. This mission provides the cooperation between NACC and other national and international anti-corruption networks.

2. Measures Being Planned to Implement UNCAC provisions
   - **Art. 54: Mechanisms for recovery of property through international cooperation in confiscation**
   - **Art. 55: International cooperation for purposes of confiscation**
   - **NACC Thailand**
     - Thailand is drafting Penal Code to enable value-based asset recovery, in addition to the property-based system.
     - Thailand is in the process of amending the Penal Code and the Mutual Assistance in Criminal Matters Act to comply with Articles 54 and 55 of the UNCAC.

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
   - The process of amending the Penal Code and the Mutual Assistance in Criminal Matters Act takes long time and needs more cooperation from related agencies.

4. Capacity Building Seminar and Training Needs to Strengthen the Implementation of Chapter V
   - Financial intelligence training for law enforcement officers
   - Advanced anti-money laundering techniques for practitioners
   - **Federation of Accounting Profession, Thailand**
     - Seminars of effective preventive measures in anti-corruption in accounting are needed.
E. Additional Developments

1. Member’s Report on dissemination and domestic use of the initiative’s knowledge products and events (Members are requested to report on how they have shared internally and used the Initiative’s (recent) learning events in their internal anti-corruption efforts)

NACC Thailand

The summary report on the 12th Regional Seminar on Whistleblower Protection and Strengthening Anti-Corruption Agencies was submitted to the NACC Commissioners. NACC Commissioners support and agree to disseminate the useful knowledge which was acquired during the meeting. The documents are being translated into Thai and will disseminate to the relevant agencies, such as, Ministry of Justice, Attorney General and Royal Thai Police. In accordance with the Whistleblower Protection, the NACC Organic Act (2009), amended (2011) provides the Commission with greater authority to undertake special measures to provide effective protection for whistleblowers, witnesses and victims of corruption from intimidation or reprisal. These measures are in line Articles 32 and 33 of the UNCAC. Moreover, our new act also gives the Commission the discretion to enter into ‘non-prosecution or cooperative agreements’ with an alleged culprit in exchange for his or her role as a cooperative witness in identifying and providing incriminating evidence leading to the prosecution of the real mastermind or the ‘big fish’ behind the corruption offence. Moreover, the NACC has signed the MOU on Whistleblower Protection with Royal Thai Police on 10 July 2013. This MOU will help both agencies to enhance the implementation on Whistleblower Protection to be more efficient.

In regard to the topic of Strengthening Anti-Corruption Agencies, the Jakarta Statement on Principles for Anti-Corruption Agencies was submitted to International Affairs Sub-Commission and NACC Commissioners. In addition, NACC Thailand is a Constitutional Independent Organ, it has own principles to ensure the independence and effectiveness of anti-corruption agency, for example, the NACC Organic Act (2009), amended (2011) is the clear mandates to tackle corruption. Furthermore, the NACC has new tool to improve the anti-corruption strategies and to enhance the officer’s performance to operate effectively. Its 2nd National Anti-Corruption Strategy has just launched. The new medium-term plan will cover the period from 2013 to 2017 and will be posted on NACC website soon.

After National Anti-corruption Strategy phrase 2 was finalized, and board of National Anti-Corruption Commission has officially granted a permission to fully launch it in January 9, 2014, NACC has already publicized the National strategy by posting online in the NACC website, so that every stakeholder in the society could easily access and apply it in real action.

- NACC has signed numerous Memorandum of Understandings (MoU) with so many stakeholders in the hope of fighting corruption together; however, those MoUs have scattered without proper management leading to difficulties for working units and stakeholders to make use of it. Thus, commission board of
NACC with the resolution 553-21/ 2557 decreed to create Memorandum of Understanding Database by gathering and organizing all of the MoUs that have been signed between NACC and other organizations both domestic and international which soon to be shared firstly among departments and institutes within NACC.

2. Members’ Report on measures taken to share knowledge and experience with other countries, including to help strengthen the capacity of developing countries to implement the UNCAC
   •
### Timor-Leste

#### A. UNCAC Chapter II: Preventive Measures

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<th>UNCAC Provisions:</th>
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<td>Art. 5: Preventive anti-corruption policies and practices</td>
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<td>Art. 6: Preventive anti-corruption body or bodies</td>
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<td>Art. 7: Public sector</td>
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<td>Art. 8: Codes of conduct for public officials</td>
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<td>Art. 9: Public procurement and management of public finances</td>
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<td>Art. 10: Public reporting</td>
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<tr>
<td>Art. 11: Strengthen integrity and to prevent opportunities for corruption among members of the judiciary. Such measures may include rules with respect to the conduct of members of the judiciary.</td>
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<tr>
<td>Art. 12: Private sector</td>
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<td>Art. 13: Participation of society</td>
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<td>Art. 14: Measures to prevent money-laundering</td>
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1. Measure Undertaken to Implement UNCAC provisions since the 18th Group Meeting in July 2013.

- Draft CAC organic law has presented at the Council of Ministers in February 2014 and is under revision with Timor-Leste Public Service Commission (CFP). The final draft schedules to present later this year at the Council of Ministers. CAC organic law is produced base on sectoral and holistic approach to fight corruption with the integration of the core mandates of investigation, prevention, education and outreach.
- Draft CAC organic law is under revision with Timor-Leste Public Service Commission (CFP) to strengthen the system of recruitment, hiring, retention, promotion and retirement of CAC staffs.
- CAC with the support of USAID-FOTI (Millennium Corporation challenge- Fostering Transparency International) program conducted second National Survey on “Integrity Survey of Public Servants in Timor-Leste”. Staff and representatives of CAC between mid-August and early October 2013, interviewing 1,387 respondents from 29 institutions, covering the capital and all districts of Timor-Leste, conducted the survey. Face-to-face interviews were conducted with tablet computers, and typically lasted between 25 and 40 minutes.
- The findings indicate that public servants in Timor-Leste are satisfied with the institution they work for, and care about serving public. 96% said they were fully satisfied with their organization and less than 1% claimed they were fully dissatisfied. 61% said they usually had contact with the public several times a week, and another 17% reported they interacted with the general public a few times per month. Only 11% of public servants that they had practically no contact with the general public.
- Conducted series of activities and workshops aiming to build capacities of corruption prevention in various agencies and to implement anti-corruption
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measure and practices within their agencies, such as:

- Conducted Corruption Risk Management (CRM) workshop with Secretary State of Defense on the theme “Corruption Prevention and Procurement Process”. The objective of the workshop is to introduce CAC establishment act and related laws, and to identify corruption risk and prevention in procurement. This is to increase professionalism, skills and accountability of the officers involved in the procurement process.
- Conducted workshop in all territory with Timor-Leste Chamber of Commerce on the topic “Corruption Prevention and Improve Entrepreneurs Environment” is to introduce new perspectives to the private sector to abide to the principles of partnership with Government in procurement process.
- Conducted workshop with the Office of Prime Minister to enhance the understanding on the Legal Concepts and Rules of Corruption Prevention in Timor-Leste.
- Conducted workshop “Prevention and Corruption Risks” with One-Stop Shop, Minister of Public Work and Secretary State of Youth and Sport
- Conducted Monitoring and Inspection to the projects that used state budget.
- CAC become a Regular Speaker with the topic “Role of Preventing and Combating Corruption” at the National Institute of Public Administration.
- Signature member of Portuguese Speaking Countries Community (PSCC) on the corruption prevention
- More than 100 town hall meetings carried out across every district of Timor-Leste as part of our education campaign and awareness raising.
- In term of engaging citizens, CAC organized following awareness raising, outreach and education activities:
  1). Conducted sessions with community leaders, religious groups, youth groups, veterans in 6 different districts with total participants of 3,052 to enhance their understanding of corruption issues and anti-corruption measures.
  2). Conducted education and outreach session with high school and universities students in 4 different districts with total participants of 5,957 in observing CAC 4th Anniversary.
  3). Observed the International Anti-Corruption Day by organizing Anti-Corruption Cup, 9 November - 9 December with the theme “Promoting Anti-Corruption Culture through Sports and Youth”.
  4). Conducted session aiming to instill anti-corruption values into the minds of youth through different activities on 9 December- i) Poster completion and exhibition; ii) wall journal; iii) essay writing and public speaking on anti-corruption topics for university students; iv) poem and song compilation; v) Quiz competition on anti-corruption topics for Pre-secondary students.
- Conducted training to the District Administrators about anti-corruption measures and practices during the process of pre-decentralization of Municipalities with the Minister of State Administration.
- CAC have developed internal anti-corruption measures such as Code of Conduct against Corruption and Integrity Pact.
- Developed “Corruption Prevention Strategies 2014-2015” with four focus areas such as: 1) Political Will, 2) Procurement, 3) Custom, 4) Decentralization.
- Conducted Leadership Trainings to Chiefs of Departments of line Ministers on “Corruption Prevention Strategies”.

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- Produced “CAC Strategic Guidance for Outreach Education” as the guidance for education and activities for the second mandate and
- Produced “Anti-Corruption Dictionary” to increase the understanding of ordinary citizens on the concepts of corruption with simple words and illustrated images.
- Conducted series of interactive meetings with Civil Society Organizations (CSOs) regarding public awareness raising and public expenditure monitoring.
- Draft presented to the Parliament early 2014, in order to enlarge the application of the “Asset Declaration” to all relevant high officials and politic posts.
- Conducted “Partnership Conference between CAC/CSOs Timor-Leste and Indonesian KPK/ Civil Society Indonesia Corruption Watch (ICW)” in the area of Prevention, Education and Research on August 2014
- Establishment of National Commission on Anti-Money Laundering and Financial Intelligence; composed of several related institutions included CAC on February 2014.
- Asset Declaration Draft has been submitted to Committee A and will be table to plenary for further discussion (include specific plenary discussion and public hearing).

#### 2. Measures Being Planned to Implement UNCAC provisions
- Socializing Anti-Corruption Prevention Strategies and practices to both public and private sector.
- Continue to increase participation of the society in CAC education, outreach and prevention programs.
- Promote roles of Private Sector in corruption prevention.
- Continue to promote discussion on asset declaration in public sector.
- Promote discussion on transparency of the use of “public grants” (not only the amounts spent but to whom, when and contracts references)
- “CAC Media and Communication Strategy” plan to develop as an integral approach for the engagement with mass media, partnership building with stakeholders and educating the public.
- Training of Trainers (ToT) will be conducted as part of Mutual Legal Assistance of KPK and CAC.
- CAC officers will perform 3 week On Job Training with KPK in the area of Prevention, Education, Research and Outreach on October 2014.

#### 3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
- CAC Organic Law has not approved and implemented yet
- Anti-corruption Law draft continues under Parliament and Justice Consultations and has not discussed yet by National Parliament.
- The Leader of working group for National Strategy of Anti-Corruption has not been clearly defined
- Most of the public servants are yet to know or acquired limited knowledge about the Code of Conduct applied in their institutions.
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- Lack of legislation on corruption and bribery in private sector.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter II
   - An integrated development of code of conduct for public officials and code of conduct training
   - Internal Training for CAC officers about ‘CAC Prevention Strategies’
   - Training on Corruption Prevention & Risk Management in Organizations Workshop in Malaysia Anti-Corruption Academy (MACA).
   - Joint efforts of Civil Society Organizations’ in Corruption Prevention.
   - Increase strategic participation of the Private Sector in Corruption Prevention.

B. UNCAC Chapter III: Criminalization and Law Enforcement

UNCAC Provisions:
- Art. 15: Bribery of national public officials
- Art. 16: Bribery of foreign public officials and officials of public international organizations
- Art. 17: Embezzlement, misappropriation or other diversion of property by a public official
- Art. 18: Trading in influence
- Art. 19: Abuse of functions
- Art. 20: Illicit enrichment
- Art. 21: Bribery in the private sector
- Art. 22: Embezzlement of property in the private sector
- Art. 23: Laundering of proceeds of crime
- Art. 24: Concealment
- Art. 25: Obstruction of justice
- Art. 26: Liability of legal persons
- Art. 27: Participation and attempt
- Art. 28: Knowledge, intent and purpose as elements of an offence
- Art. 29: Statute of limitations
- Art. 30: Prosecution, adjudication and sanctions
- Art. 31: Freezing, seizure and confiscation
- Art. 32: Protection of witnesses, experts and victims
- Art. 33: Protection of reporting persons
- Art. 34: Consequences of acts of corruption
## Timor-Leste

- Art. 35: Compensation for damage
- Art. 36: Specialized authorities
- Art. 37: Cooperation with law enforcement authorities
- Art. 38: Cooperation between national authorities
- Art. 39: Cooperation between national authorities and the private sector
- Art. 40: Bank secrecy
- Art. 41: Criminal record
- Art. 42: Jurisdiction

### 1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

- First amendment (Law No. 4/2013, 11 September) to the Anti-Money Laundering and Combating Financing of Terrorism Law (2011) has been approved by the Parliament.
- Empowerment of the Financial Information Unit (FIU) / Unit for Financial Information (UIF), Law No. 4/2013, 11 September. UNCAC articles 23, 31 and 38 to 40.
- Renewed the Memorandum of Understanding (MoU) signed with the National Police of Timor-Leste (PNTL).
- Established "working group" composed of CAC, Office of Prosecutor General, Central Bank of Timor-Leste, Ombudsmen Office and World Bank Timor-Leste to draft "Asset Disclosure law".
- Asset Disclosure working group has presented a new and wider version of an "Asset Disclosure Law’ draft to the Committee A of National Parliament.
- Anti-Corruption Law has been presented to “Committee A” of National Parliament.
- Investigations & prosecution of several high rank Public Officials.

### 2. Measures Being Planned to Implement UNCAC provisions

- Asset Disclosure Law will be table at the Parliament for discussion later this year.
- Anti-Corruption Law is planned to be discussed in the plenary later this year.
- Parliament scheduled to discuss the amendment of CAC Establishment Act later this year.
- Continuing consultations the “Clean Company” Programme for public and private sectors. Consultations on going (UNCAC articles 37 and 39).
- Established working group for Timor-Leste National Strategy of Anti-Corruption.

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- National Commission on the Protection of witnesses, experts and victims has yet to establish.
- Lack of priority of Parliamentarian roles in Anti-Corruption Legislations (illicit enrichment)
- Lack of legislations on construction fraud.
- Lack of understanding on procurement legislation.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III
- Special investigation techniques of economic and financial crimes

C. UNCAC Chapter IV: International Cooperation

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</table>

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
- Timor-Leste is part of the extradition convention amongst Portuguese Speaking Country Community (PSCC)
- Timor-Leste has adopted law No 15/2011 on International Judicial Cooperation in Criminal matters
- Timor-Leste is a party to the Convention on the Transfer of Sentenced Person among Portuguese Speaking Country Community (PSCC)
- Timor-Leste is a party to the Convention on Mutual Legal Assistance in Criminal Matters amongst Portuguese Speaking Country Community (PSCC)

2. Measures Being Planned to Implement UNCAC provisions
- Draft of MoU with the Indonesian KPK (2014-2015) has been review by Ministry of Foreign Affairs and will be approved by Council of Ministers and National Parliament soon.
- To establish MoU with the Indonesian KPK later this year (2014)
- To establish the cooperation amongst CAC, Portuguese Judicial Police & Portuguese Office of Prosecutor General.
### 3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

- Lack of resources to implement the conventions ratified.
- Lack of resources to undertake joint-investigation and Mutual Legal Assistance (MLA)

### 4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter IV

- Training on Special Investigative Techniques conducted in CPIB Singapore, 11 August-13 December 2014.
- Training on Basic Investigations of Computers and Evidence Protection (BICEP) in ILEA Bangkok, 21-25 April 2014
- Training on Intelligence Based Investigation in Malaysia Anti-Corruption Academy (MACA), on 21-25 April 2014
- Training on Fraud and Public Corruption conducted in International Law Enforcement Academy (ILEA) Bangkok, June 14-18 2014

### D. UNCAC Chapter V: Asset Recovery

**UNCAC Provisions:**

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - Decree Law (No.4/2013), 11 September on the establishment of the Financial Intelligence Unit under Central Bank of Timor-Leste.
   - Bilateral agreement between Office of Prosecutor General of Timor-Leste and Indonesia Financial Intelligence Unit (PPATK) in terms of capacity building.
   - Empowerment of the Financial Intelligence Unit (FIU) / Unit for Financial Investigation (UIF), Law No. 4/2013, 11 September.

2. Measures Being Planned to Implement UNCAC provisions
   - On-going process on the establishment of Financial Information Unit (FIU) organic structure.
3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
   - Lack of specific legislations on Asset Recovery.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter V
   - Training on Financial Information issues for Prosecutors.
   - Training for the staffs of Financial Information Unit (FIU) to be done in Indonesia Financial Intelligence Unit (PPATK)

E. Additional Developments

1. Member’s Report on dissemination and **domestic** use of the initiative’s knowledge products and events (Members are requested to report on how they have shared internally and used the Initiative’s (recent) learning events in their internal anti-corruption efforts)
   - New elected Commissioner and Deputy Commissioners for the second mandate, 2014-2018.

2. Member’s Report on measures taken to share knowledge and experience with **other countries**, including to help strengthen the capacity of developing countries to implement the UNCAC
   - Timor-Leste Team Review on Angola self-assessment on UNCAC Chapter III and IV – UNCAC/UNDOC initiative
   - Timor-Leste Team Review on Nauru self-assessment on UNCAC Chapter III and IV – UNCAC/UNDOC initiative
Vietnam

## A. UNCAC Chapter II: Preventive Measures

**UNCAC Provisions:**

- Art. 5: Preventive anti-corruption policies and practices
- Art. 6: Preventive anti-corruption body or bodies
- Art. 7: Public sector
- Art. 8: Codes of conduct for public officials
- Art. 9: Public procurement and management of public finances
- Art. 10: Public reporting
- Art. 11: Strengthen integrity and to prevent opportunities for corruption among members of the judiciary. Such measures may include rules with respect to the conduct of members of the judiciary.
- Art. 12: Private sector
- Art. 13: Participation of society
- Art. 14: Measures to prevent money-laundering

### 1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

- **Legal framework improvement:** Vietnam revised the Law on Anti-corruption (LAC) in the way of enhancing openness and transparency in areas of state management, especially in areas prone to corruption as project management of construction investment, tax, customs ...; strengthening accountability and responsibility of the agency heads for the occurrence of corruption as well as accountability for origin of increased assets. Vietnam also applied the model of Central Steering Committee on Anti-corruption headed by the Communist Party General Secretary.

- **Art. 5(2) Establish and promote effective practices aimed at the prevention of corruption.**

  *Propaganda and education to raise awareness of anti-corruption:*

  - Millions of civil servants and citizens have been provided with laws on anti-corruption education. In 2013, 20 whistleblowers were rewarded. (see the Vietnam’s report on anti-corruption in 2013).

  - Vietnam officially integrated anti-corruption into education and training curriculum: after 3 years of piloting, on 06/12/2013, the Prime Minister issued Directive No. 10/CT-TTg on integrating anti-corruption into curriculum of education and training institutions from the academic year 2013-2014 (from high school level to higher level education). GIV actively completed building training materials for teachers; is now building a Column on anti-corruption on GIV e-portal and publishing materials on domestic and foreign corruption cases as well as experiences of other countries on anti-corruption for the sake of research, teaching
and learning.

- Vietnam has continued to effectively implement Vietnam Anti-corruption Initiative (VACI) in 2013 and 2014. 43 community-based projects with the theme of “enhancing transparency, integrity, accountability, less corruption” have been carried out with funding from the World Bank and other international organizations. Through the program, people's awareness of anti-corruption was raised, in places where the project is implemented, openness, transparency and accountability have been strengthened, corruption has reduced. Details are available on the website: http://www.worldbank.org/en/news/press-release/2013/12/09/the-vietnam-anti-8211-corruption-initiative-program-2014-launched-with-the-theme-more-transparency-integrity-and-accountability; or http://thanhtra.gov.vn/cl/news/Lists/SangKienPhongChongThamNhung/View_Detail.aspx.

* Implement transparency of assets and incomes of public officials:

Vietnam continues to improve its legal framework and strengthen the publicity and transparency of assets and incomes of cadres and civil servants, and at the same time enhance inspections on the implementation of regulations on transparency of assets and incomes of cadres and civil servants. Government Decree 78/2013/ND-CP on transparency assets, income and GIV Circular No. 08/2013/TT-TTCP dated 10/31/2013 guiding government regulations on asset and income transparency were issued, creating an important step in transparency of assets and incomes of cadres and civil servants. Accordingly, declaration forms of assets and incomes of cadres and civil servants shall be publicized at regular working places; cadres and civil servants are held accountable for the origin of increased assets. Vietnam is currently building the project on controlling incomes of persons with positions and powers.

- Art. 7(1) Adopt, maintain and strengthen systems for the recruitment, hiring, retention, promotion and retirement of civil servants and, where appropriate, other non-elected public officials that:
  - Are based on principles of efficiency, transparency and objective criteria such as merit, equity and aptitude;
  - Include adequate procedures for the selection and training of individuals for public positions considered especially vulnerable to corruption and the rotation, where appropriate, of such individuals to other positions;
  - Promote adequate remuneration and equitable pay scales, taking into account the level of economic development of the State Party;
  - Promote education and training programs to enable them to meet the requirements for the correct, honourable and proper performance of public functions and that provide them with specialized and appropriate training to enhance their awareness of the risks of corruption inherent in the performance of their functions.

- Ministries, sectors and localities actively organized open contest for leadership positions. Government issued Decree No. 150/2013/ND-CP dated 11 January 2013, amending and supplementing a number of articles of Decree 158/2007/ND-CP which provides a list of working positions and deadlines for changing working positions of cadres and public officials. From 5/2012 to date, working positions of more than 20,000 cadres and public officials were changed (See the Vietnam's report on anti-corruption in 2013 and 6 first months of 2014).

- Vietnam continues implementing Project on salary reform for public servants and laborers in the public sector and the private sector. Accordingly, the base salary rate is expected to increase in 2015.
Vietnam

- State agencies periodically organize training courses on anti-corruption laws and strengthening public service ethics.

- Art. 7(4) Adopt, maintain and strengthen systems that promote transparency and prevent conflicts of interest.
- Art. 8(2) Endeavour to apply, within its own institutional and legal systems, codes or standards of conduct for the correct, honourable and proper performance of public functions.
- Art. 8(5). Establish measures and systems requiring public officials to make declarations to appropriate authorities regarding, inter alia, their outside activities, employment, investments, assets and substantial gifts or benefits from which a conflict of interest may result with respect to their functions as public officials. Art. 52(5)/(6) [sharing the information on the financial disclosures that should be in place]

* Vietnam continues its efforts in developing and improving the objective and transparent criteria that assure the integrity, openness, transparency and efficiency of the operations of the state administration and of public officials and public servants. Responsibility of head of the agency where corrupt act occurs and accountability of public officials and public servants have been more clearly regulated. Responsibilities of heads of agencies and organizations for the occurrence of corruption and accountability of officers and employees are defined more clearly. From 2013 to now, 46 agency heads have been handled due to the lack of accountability for corruption, 04 of whom were prosecuted for criminal liability.

* Implement transparency of assets and incomes of cadres and civil servants: see Article 5 (2) of this report.

* Implement transparency in the activities of agencies, organizations and units: In policy-making process, wide consultation with people has been conducted. Documents, information on policies and laws has been posted publicly on the e-portals of State agencies, facilitating people and enterprises to oversight operations of these agencies.

* Norms and standards are specified for the various fields: The National Assembly adopted the Law on public investment at its 7th Session and passed the Law on Thrift Practice and anti-waste at 6th session of 8th Legislature.

* The ministries, sectors and localities issued, implemented and monitored the implementation of code of conduct for cadres and public officials:

To avoid conflict of interest and prevent people who resigned from abusing duties and powers under management of their assigned former management field, the government stipulated time limit during which public officials are not allowed to conduct business in their business management fields after resigning. This deadline is specified, depending on the sector and field, ranging from 6 months to 36 months. Government also provides a list of working position and duration subject to periodical change for cadres and public officials to prevent corruption. The duration ranges from 02 years (24 months) to 05 years (60 months). Ministries and sectors shall specify a list of working positions subject to change in their sector as prescribed by the Government.

* Ministries, sectors and localities monitored the implementation of the Regulations on giving, receiving and returning gifts of agencies, organizations and units which use the state budget: From May 2012 to present, many cadres and public officials, including hundreds of police officers have not received, returned and handovered gifts as prescribed. (See the Vietnam’s report on anti-corruption in 2013 and 6 first months of 2014).
Vietnam

- **Art. 10(b)** Simplify administrative procedures, where appropriate, in order to facilitate public access to the competent decision-making authorities.

  Vietnam continues implementing administration reform program, which focuses on building e-government, piloting e-procurement, strengthening publicity of result of settling administrative procedures in various fields, especially land, construction, taxation, custom... The National Assembly issued Law on Public investment, the Government issued Resolution No. 43/NQ-CP dated 06/6/2014 on some key tasks of administration procedure reform in the formation and implementation of investment projects involving land use to improve the business environment.

- **Art. 52(5)/(6) [sharing the information on the financial disclosures that should be in place]**
  - Different levels of state budget, budget estimation units, state-funded organizations, the construction projects that use state budget, the state-owned enterprises as well as state funds and funds with contributions from Vietnamese people have continued to make financial disclosure. The Government also issued Decree No. 61/2013/ND-CP dated 25 June 2013 on issuing regulations on monitoring and assessing performance effectiveness and financial disclosure of state-owned enterprises and state-funded enterprise.
  - Implementation of the transparency of assets and incomes of cadres and public officials: see Article 5 (2) of this report.

- **Art. 12(2)(b)** Promote the development of standards and procedures designed to safeguard the integrity of private entities, including codes of conduct for the correct, honourable and proper performance of the activities of business and all relevant professions and the prevention of conflicts of interest, and for the promotion of the use of good commercial practices among businesses and in the contractual relations of businesses with the State.

- **Art. 12(2)(c)** Promote transparency among private entities, including, where appropriate, measures regarding the identity of legal and natural persons involved in the establishment and management of corporate entities.
  - According to Article 87 of LAC, business associations and professional associations are responsible for holding, encouraging and supporting their members’ participation in building healthy and corruption-free business culture. Vietnam encourages the businesses to complete fairly with each other and to promote internal monitoring system prevent corruption and bribery practices.
  - Annually, Vietnam Chamber of Commerce and Industry (VCCI) organizes training courses to support and provide tools and guiding documents as well as case study to develop and implement these tools and recommendations consistently and in transparency. These courses also provide recommendations for businesses in settling confusing situations of being harassed or solicited for bribery. There are also workshops to share good practices and good examples in Vietnam to raise awareness. The results of a study carried out by VCCI recently show that almost all Vietnamese businesses do not have specific regulations on anti-corruption although most of them have code of conducts and code of ethics.
  - Currently, Vietnam (VCCI) is developing the project “Promoting Integrity in implementing business activities” in order to prevent corruption, bribery, conflict of interest in businesses operating through 03 pillars: (i) In each enterprise: Building the model Code of Conduct (Integrity, bribe-free regulations) in business
ADB/OECD Anti-Corruption Initiative for Asia and the Pacific and Kingdom of Cambodia

Vietnam

operations; advocacy, providing technical assistance to enterprises to build and implement integrity rules; (ii) Collective action: Support the business community to sign the Integrity Pact by industry, type of business or locality, territory; and (iii) Strengthening the role of the Chambers of Commerce, professional associations, to promote policy dialogue between government agencies and business community in order to create a equal, corruption-free competitive environment.

- Art. 13(1) Promote the active participation of individuals and groups outside the public sector, such as civil society, non-governmental organizations and community-based organizations, in the prevention of and the fight against corruption.

  - Vietnam continues to promote the role and responsibility of society, especially socio-political organizations, media, businesses, citizens, people's inspection boards and Front Vietnam Fatherland in the anti-corruption. From May 5/2012 to present, people and media have reported grand corruption at both central and local levels, remarkably wrongdoings in land management in some provinces. Dozens of people have been rewarded in recognition of outstanding achievements in the fight against corruption. Currently, the Vietnam Fatherland Front is building a project on strengthening the role of the Front and its member organizations in monitoring and social debate, contributing to the anti-corruption work.

  - Implementation of VACI: See Article 5 (2) of this report.

- Art. 14(1) Institute a comprehensive domestic regulatory and supervisory regime for banks and non-bank financial institutions, including natural or legal persons, that provide formal or informal services for the transmission of money or value and, where appropriate, other bodies particularly susceptible to money-laundering, within its competence, in order to deter and detect all forms of money-laundering.

  - The Law on Anti-money laundering was adopted in June 2012 and came into force on January 1, 2013. This Law contains some provisions to ensure the special supervision over certain types of transactions, as cited below:

    “Article 16: Special supervision over several transactions

    1. The reporting subjects must perform the special supervision over the following transactions:

    a) The transactions with abnormally large or complicatedly large value;

    b) The transactions made with the organizations or individuals in the countries or territories mentioned in the list announced by the Financial Action Task Force for the purpose of anti-money laundering or mentioned in the warning list.

    2. The reporting subjects must examine the legal grounds and purpose of transactions; in case of doubts about the truthfulness and the purpose of a transaction, the reporting subjects must make report on the suspicious transaction and send the report to the State Bank of Vietnam and may refuse this transaction.”

    “Article 21. Report of high value transactions

    1. The reporting subjects shall report to the State Bank of Vietnam when conducting high value transactions.
2. Upon proposal by the State Bank of Vietnam, the Prime Minister shall prescribe, in accordance with the situation of social and economic development of the country in each period, the value rate of high value transactions that must be reported.”

- **Art. 14(2). Implement feasible measures to detect and monitor the movement of cash and appropriate negotiable instruments across their borders.**
  
  Article 24 of the Law on Anti-money laundering prescribes the declaration and provision of information on the transport of cash, precious metals, gems and negotiable instruments across borders. Accordingly, (1) Individuals upon entry or exit carrying foreign currencies in cash, Vietnam dong in cash, precious metals, gems and negotiable instruments over the value prescribed by the State Bank of Vietnam must make customs declaration; and (2) the customs agency shall provide these collected information to the State Bank of Vietnam.

- **Art. 14(3) Implement appropriate and feasible measures to require financial institutions, including money remitters, to:**
  
  (a) include on forms for the electronic transfer of funds and related messages accurate and meaningful information on the originator;
  
  (b) maintain such information throughout the payment chain; and
  
  (c) apply enhanced scrutiny to transfers of funds that do not contain complete information on the originator.

  This content is already provided in the Law on Anti-money laundering and Government Decree No. 116/2013/ND-CP dated October 4, 2013.

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2. Measures Being Planned to Implement UNCAC provisions

- Improve the domestic legal system to meet the requirements of UNCAC. It is expected that the Penal Code (PC), Criminal Procedure Code (CPC), and Law on Anti-corruption (LAC) will be comprehensively revised in the period 2014 – 2016.

- Continue to promote propaganda, dissemination and education on anti-corruption.

- Continue to implement and control asset declaration; issue and implement the project on controlling incomes of people holding offices and powers.

- Promote inspection on responsibility for performing public duties as well as and post-inspection monitoring and evaluation; proactively propose extra-ordinary inspections upon detection of signs of corruption.

- Handle firmly and promptly corruption acts, recover thoroughly appropriated assets of the State, organizations and individuals.

- Strengthen and expand international cooperation in anti-corruption, especially in MLA in criminal matters to relevant countries; adopt good and appropriate world experiences to improve anti-corruption effectiveness.

- Vigorously enhance the role and responsibility of the Fatherland Front, mass organizations, social organizations, business associations, professional associations, particularly the role and responsibility of the media and officials and party members, citizens in anti-corruption.
3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions

- Limited resources for implementation, particularly for the awareness raising activities.

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter II

Some capacity building needs:

1. support of resources initiatives and for implementing the community’s initiatives on anti-corruption and raising awareness as well as public participation in anti-corruption;

2. support Government Inspectorate of Vietnam in developing a national anti-corruption database as well as a national strategy on anti-corruption communication;

3. support of experiences and resources for training of judicial officials, in terms of skills, techniques in inspection, oversight, investigation, prosecution and judgment of corruption offences, especially foreign corruption ones; and

4. training of anti-money laundering staffs of the State Bank of Vietnam as well as of the other agencies that have the duty to prevent and combat money laundering.

B. UNCAC Chapter III: Criminalization and Law Enforcement

UNCAC Provisions:

- Art. 15: Article 15. Bribery of national public officials
- Art. 16: Bribery of foreign public officials and officials of public international organizations
- Art. 17: Embezzlement, misappropriation or other diversion of property by a public official
- Art. 18: Trading in influence
- Art. 19: Abuse of functions
- Art. 20: Illicit enrichment
- Art. 21: Bribery in the private sector
- Art. 22: Embezzlement of property in the private sector
- Art. 23: Laundering of proceeds of crime
- Art. 24: Concealment
Vietnam

- Art. 25: Obstruction of justice
- Art. 26: Liability of legal persons
- Art. 27: Participation and attempt
- Art. 28: Knowledge, intent and purpose as elements of an offence
- Art. 29: Statute of limitations
- Art. 30: Prosecution, adjudication and sanctions
- Art. 31: Freezing, seizure and confiscation
- Art. 32: Protection of witnesses, experts and victims
- Art. 33: Protection of reporting persons
- Art. 34: Consequences of acts of corruption
- Art. 35: Compensation for damage
- Art. 36: Specialized authorities
- Art. 37: Cooperation with law enforcement authorities
- Art. 38: Cooperation between national authorities
- Art. 39: Cooperation between national authorities and the private sector
- Art. 40: Bank secrecy
- Art. 41: Criminal record
- Art. 42: Jurisdiction

1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013

- Responsibilities of heads of agencies and organizations for the occurrence of corruption and accountability of state agencies in performing their tasks, and powers are more clearly defined. From 2013 to August 2014, 46 agency heads have been dealt with due to the irresponsibility for letting corruption occur, 04 of whom were imposed criminal sanctions (see the Vietnam’s report on anti-corruption in 2013 and 6 first months of 2014).
- **Ongoing efforts:** Vietnam is actively studying to improve the domestic legal system to meet the requirements of the Convention. It is expected that the Penal Code (PC), Criminal Procedure Code (CPC), and Law on Anti-corruption (LAC) will be comprehensively revised in the period 2014 - 2016. Accordingly, it is expected that study will be conducted to criminalize illicit enrichment, supplement regulations on criminal liability of legal persons, and anti-corruption in the private sector.

2. Measures Being Planned to Implement UNCAC provisions
Vietnam

- Revise domestic legal framework to meet the requirements of UNCAC, as appropriate, in the context of Vietnam. It is expected that the Penal Code (PC), Criminal Procedure Code (CPC), and Law on Anti-corruption (LAC) will be comprehensively revised in the period 2014 - 2016. Accordingly, it is expected that study will be conducted to criminalize illicit enrichment, supplement regulations on criminal liability of legal persons, and anti-corruption in the private sector.
- Continue to enhance the detection, investigation, prosecution and adjudication of corruption cases.

   - Localization of UNCAC provisions on criminalization in the context of Vietnam.
   - Lack of resources for UNCAC implementation

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter III
   Some capacity building needs:
   (1) support of experts and financial resources to review the implementation of policies and laws on anti-corruption; (2) support of experts and good experiences to propose the internalization of the Convention's requirements, focusing on criminalization and law enforcement;
   (3) support of initiatives and resources for implementing the community’s initiatives on anti-corruption and raising awareness as well as public participation in anti-corruption;
   (4) support of experiences and resources for training of judicial officials, in terms of skills, techniques in inspection, oversight, investigation, prosecution and judgment of corruption offences, especially foreign corruption ones;
   (5) Initial support of modern equipments for legal proceeding agencies in investigation, prosecution and judgment of corruption offences; and
   (6) support of experiences and resources for Vietnam to effectively participate in regional and international platforms on strengthening the cooperation in investigating, prosecuting and judging corruption offences.
Vietnam

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1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
   - Vietnam is active member of some regional fora and organizations on inspection, settling citizens’ complaints and anti-corruption such as: South East Asian Parties against Corruption (SEA-PAC), the ADB/OECD Initiative on Anti-corruption in the Asia and Pacific region, APEC ACTWG, Asian Ombudsman Association (AOA). The Government Inspectorate of Vietnam also signed bilateral cooperation MoUs with a number of counterpart agencies of countries within and outside the Asia Pacific region. During the past year, Vietnam’s international cooperation activities on anti-corruption have expanded and focused on exchanging of information, experiences, skills on anti-corruption, training and capacity building in anti-corruption, facilitate foreign requests for investigation, and organizing regional and international workshops/seminars/meeting on anti-corruption.
   - Vietnam has signed agreement on MLA on civil and criminal matters, extradition and/or transfer the persons of imprisonment with 33 countries and is member of ASEAN MLA Treaty.

2. Measures Being Planned to Implement UNCAC provisions
   - Vietnam to continue to actively participate in the regional cooperation fora on anti-corruption, focusing on exchanging of information and good practices as well as capacity building.
   - Vietnam to consider the conclusion of bilateral and multilateral conventions on MLA on civil and criminal matters, on extradition and/or transfer of persons of imprisonment with other countries; Vietnam is ready to provide assistance and cooperation in UNCAC implementation.

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter IV
- Capacity building needs: support of experiences and resources for Vietnam to effectively participate in regional and international platforms strengthening the cooperation in investigating, prosecuting and judging corruption offences.

D. UNCAC Chapter V: Asset Recovery

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1. Measures Undertaken to Implement UNCAC provisions since the 18th Steering Group Meeting in July 2013
- Study and improve the legal frameworks on asset recovery

2. Measures Being Planned to Implement UNCAC provisions
- Study and improve the legal frameworks on asset recovery

3. Issues, Challenges and Constraints in the Implementation of UNCAC provisions
- Study and improve the legal frameworks on asset recovery

4. Capacity Building Seminar Topics and Training Needs to Strengthen the Implementation of Chapter V
- Study and improve the legal frameworks on asset recovery

E. Additional Developments
1. Member’s Report on dissemination and **domestic** use of the initiative’s knowledge products and events (Members are requested to report on how they have shared internally and used the Initiative’s (recent) learning events in their internal anti-corruption efforts)
   - Government Inspectorate of Vietnam (GIV) organizes the workshops for inspectorates and agencies concerned nation-wide for sharing knowledge on international good practices on anti-corruption, including the knowledge gained from the Initiative’s activities.
   - GIV carries out series of other knowledge sharing activities in various forms (training courses, publication of books, leaflets, vtv programs, …).
   - Vietnam study deeply international good practices for improvement of Law on Anti-corruption and other related laws.
   - Ministries and agencies concerned be recognized of the recommendations made from the thematic reviews’ reports of the Initiative.

2. Member’s Report on measures taken to share knowledge and experience with **other countries**, including to help strengthen the capacity of developing countries to implement the UNCAC
   - Vietnam promotes bilateral cooperation with other countries on anti-corruption, focusing on exchanging of experiences and capacity building training. GIV has signed bilateral cooperation with partner agencies of Cambodia, Laos, China, Egypt, Republic of Korea, Japan, Indonesia, Malaysia, Singapore.