



中華民國(臺灣)聯合國 反貪腐公約第三次國家報告(自評清單)

期中進度 / 第2、5章



ROC (Taiwan)'s Third Report under the United Nations
Convention against Corruption (Self-assessment checklist)
Interim Progress / Chapters 2 and 5

【GENERAL INFORMATION】

Focal point	Agnes Y.C. CHEN Special Agent , Planning Division , Agency Against Corruption, Ministry of Justice
Institutions consulted	The 5 Yuans and their associated agencies, various local Government Employee Ethics Units, and review committees (Associate Professor Dr.jur. Sheng-chieh LEE of College of Law, National Chengchi University, Dean Dr. Jye-ching Lee of College of Humanities and Social Sciences, National Taipei University of Technology, Associate Professor Yu-ting Lin of School of Law, Soochow University, Legal Leader Robin Lin of Deloitte, Professor Wen-jong Juang of Department and Graduate Institute of Political Science, National Chung-Cheng University, Founding Chairman Shun-hsiung Hsu of Association of Certified Fraud Examiners, Professor Fu-shen Hsu of Department of Administration Police, Central Police University Republic of China(Taiwan), Associate Professor Dr. Christopher Chao-hung Chen of College of Law, National Taiwan University, Professor Emeritus Li-tong Chen of Graduate Program in Ocean Policy of National Taiwan Ocean University, Chair Kevin I.J Yeh of Transparency International Taiwan, Associate Professor Alex Yueh-ping Yang of College of Law, National Taiwan University, Associate Professor Hsin-chung Liao of Department of Public Administration, National Chengchi University, Director Yuan-yao Chung of Taiwan Institute of Ethical Business.

1. Please provide information on the ratification/acceptance/approval/accession process of the United Nations Convention against Corruption in your country (date of ratification/ acceptance/approval of/accession to the Convention, date of entry into force of the Convention in your country, procedure to be followed for ratification/acceptance/approval of/accession to international conventions, etc).

The United Nations General Assembly adopted the “United Nations Convention against Corruption” (UNCAC) on October 31st, 2003, which officially took effect on December 14th, 2005. On June 22nd, 2015, the President of the Republic of China (Taiwan) approved the acceptance of the UNCAC on behalf of the government of Taiwan, and the nation prepared an instrument of accession signed by the President. However, Taiwan is not a participant of the United Nations and has not completed the UNCAC ratification process.

To autonomously adhere to the UNCAC and demonstrate Taiwan’s commitment to implement it, the nation announced the “Act to Implement United Nations Convention against Corruption” on May 20th, 2015. The President announced the UNCAC on September 7th, 2016, and it was implemented by the Executive Yuan effective on December 9th, 2015, in accordance

with Article 8 of the said Act. In accordance with the said Act, the provisions contained in the Convention have domestic legal status (Article 2). All levels of government institutions and agencies should take the responsibility for preparing, promoting and implementing the Convention within their functions that are governed by existing laws and regulations (Article 5). The government should periodically publish anti-corruption reports (Article 6).

Although Taiwan cannot implement the peer review mechanism among the States Parties to the UNCAC, we have implemented self-assessment to fulfill the convention. Taiwan periodically publishes the ROC's Report under the UNCAC (once every 4 years) in accordance with Article 6 of the said Act and holds international review meetings of the ROC's Report under the UNCAC. In the first (2018) and second (2022) review meetings, 5 international anti-corruption experts and scholars were invited to serve as review committee members. They were invited to Taiwan to engage in extensive and in-depth dialogues with representatives from relevant government agencies and non-governmental organizations. After the meetings, the review committee members presented their conclusive observations, which not only included observations and main findings on Taiwan's anti-corruption efforts but also highlighted our successes and good practices worth sharing with others, as well as various recommendations for the future direction of our anti-corruption policies.

The publication of the Initial and Second ROC's Report and arrangements for the review meetings are overseen by the Executive Yuan, which supervises and coordinates cross-ministerial anti-corruption efforts. The Agency Against Corruption, Ministry of Justice (hereafter referred to as AAC), is authorized to handle secretarial affairs. The process emphasizes promoting transparency and civil society participation. In addition to announcing the timeline, meeting minutes, ROC's Reports (including parallel reports from civil society organizations), and the conclusive observations of the review committee in the UNCAC area of the AAC's global official website, the AAC extends a broad invitation to encourage participation in the preparation, self-assessment and review process of the report to facilitate participation. The ROC's Report and international review matters are concluded following extensive discussions and collaboration with civil society.

The ROC's report is compiled from data provided by central agencies under the five Yuans and local governments, and it is compiled and organized by the AAC. It undergoes written review by domestic experts in public administration, criminal law, and international law, as well as representatives from NGOs such as Transparency International Taiwan (TIT) and the Association of Certified Fraud Examiners (ACFE). After holding multiple joint review meetings by the Ministry of Justice (MOJ) and the Executive Yuan, it is submitted to the Central Integrity Committee for discussion. After a rigorous process that incorporates opinions from various sectors, it is completed and approved by the Executive Yuan for publication.

The selection of international review committee members is proposed by the AAC, which establishes an advisory group composed of domestic experts and scholars with experience in international integrity affairs. After holding multiple meetings, the selection criteria for international review committee members are determined based on professionalism, significant representation, and practical experience. The gender ratio of the committee members is also considered. A recommended list of candidates and their order is jointly formulated, and, after approval by the Ministry of Justice, the AAC (or relevant agencies or organizations as needed)

proceeds with the invitations in order.

To implement the various challenges and recommendations proposed by the international review committee, which serve as important references for the government in formulating anti-corruption policies, legal regulations, and related work, the MOJ holds a meeting after the international review to confirm the division of responsibilities. Each responsible agency provides specific implementation measures in response to the conclusions. After a review process that includes written assessments and in-person consultations with various sectors, the plans are submitted for approval by the Executive Yuan. The responsible agencies are urged to implement and promote these measures, regularly updating the progress on the “Executive Yuan Government Project Management Information Network” to ensure ongoing tracking and oversight.

2. Please briefly describe the legal and institutional system of your country.

As a country of civil law system, the Criminal Code of the Republic of China (hereafter referred to as “Criminal Code”), the Anti-Corruption Act, the Money Laundering Control Act, and other special criminal laws apply to criminal liability and penalties for corruption. In terms of procedural law, the provisions of the Code of Criminal Procedure and related procedural laws apply.

According to the Constitution of the Republic of China (Taiwan), the President serves as the head of the State, a position that is assumed by the Vice President should the office of President become vacant for any reason. The central government is divided into the Executive Yuan, the Legislative Yuan, the Judicial Yuan, the Examination Yuan, and the Control Yuan, which exercise their due functions in accordance with the rule of law.

The Executive Yuan, the highest administrative organ of the State, is composed of a Premier appointed by the President, one Vice Premier and seven to nine Ministers of State appointed by the President upon the recommendation of the Premier of the Executive Yuan. The Premier is the chairperson of the Executive Yuan Council, who decides by resolution upon major administrative policies and submits statutory or budgetary bills or bills concerning martial law, amnesty, declaration of war, rapprochement or treaties to the Legislative Yuan. Pursuant to Articles 3, 4, and 6-9 of the “Organizational Act of the Executive Yuan,” 14 ministries are established, including the Ministry of the Interior, Ministry of Foreign Affairs, Ministry of National Defense, Ministry of Finance, Ministry of Education, and Ministry of Justice, along with 9 councils. Additionally, there are several second-level central government agencies, including the Directorate-General of Budget, Accounting and Statistics, the Directorate-General of Personnel Administration, the Central Bank of the Republic of China, and the National Palace Museum, as well as 3 independent administrative institutions equivalent to the second-level agencies of the Central Government.

The Legislative Yuan, the highest legislative organ of the State, is composed of 113 members elected by the people, who serve a four-year term and exercise legislative power on behalf of the people. The Legislative Yuan has the power to decide by resolution upon statutory or budgetary bills or bills concerning final accounts of revenues and expenditures, martial law, amnesty, declaration of war, rapprochement or treaties, and other important affairs of the State. Laws, statutes, ordinances, and general rules approved by the Legislative Yuan are later promulgated by the President before entering into force. Pursuant to Article 10 of the “Organic Law of the Legislative Yuan,” 8 standing committees are established, including Internal Administration, Foreign and National Defense,

Economics, and Finance. Special committees may be established when necessary.

The Judicial Yuan, the highest judicial organ of the State, is composed of 15 Grand Justices, including a President and a Vice President of the Judicial Yuan. All of the Grand Justices are nominated and, with the consent of the Legislative Yuan, appointed by the President of the Republic. Each Grand Justice serves a term of eight years. The Judicial Yuan interprets the Constitution and shall have the power to unify the interpretation of laws and orders, and is responsible for civil, criminal, and administrative cases, and over cases concerning disciplinary measures against public functionaries, and perform judicial administration tasks. Its subordinating agencies include courts of various levels, administrative courts, the intellectual property and commercial court, and the disciplinary court. The Constitution of the Republic of China (Taiwan) states that judges shall be above partisanship and shall hold trials independently in accordance with law, as well as hold office for life. Courts at all levels, including ordinary courts, administrative courts, and disciplinary courts, are established pursuant to Article 6 of the “Judicial Yuan Organization Act.”

The Examination Yuan, the highest examination organ of the State, is composed of a President, a Vice President, and seven to nine members, who serve four years of tenure following the nomination by the President and the approval of the Legislative Yuan. The Examination Yuan charges with matters relating to examination and qualification screening, security of tenure, pecuniary aid in case of death, retirement, employment and discharge, performance evaluation, scale of salaries, promotion, transfer, and commendation. Members of the Examination Yuan shall be above partisanship and shall independently exercise their functions in accordance with law. The Ministry of Examination, Ministry of Civil Service, and the Civil Service Education Protection and Training Commission are established pursuant to Article 6 of the “Organization Act of the Examination Yuan.”

The Control Yuan, the highest control organ of the State, is composed of 29 members, including the President and Vice President, who serve six years of tenure following the nomination by the President of the Republic and the approval of the Legislative Yuan. The Control Yuan has the authority of impeachment, censure, and auditing. According to Article 3 of the “Organic Law of the Control Yuan”, the Control Yuan shall establish a National Human Rights Commission and may separately establish other committees. Members of the Control Yuan shall be above partisanship and shall independently exercise their functions in accordance with law. Pursuant to Article 4 of the same law, the National Audit Office oversees government budget execution and other auditing matters.

Special municipalities and counties/cities are first-level local self-governing bodies of the Republic of China (Taiwan). Currently, there are 6 special municipalities, 13 counties, and 3 cities in Taiwan. Special municipalities have councils (380 councilors in total) and governments, and counties/cities each have a council (532 councilors in total) and a government.

Townships/county-administered cities and mountain indigenous districts of special municipalities (hereafter referred to as “indigenous districts”) are second-level local self-governing bodies. Currently, there are 146 townships, 38 towns, 14 county-administered cities, and 170 districts in Taiwan. Townships/county-administered cities and districts each have a council and an office.

The central and local government agencies at all levels are responsible for planning, pushing forward, and executing Taiwan’s anti-corruption initiative.

In terms of preventive measures, the AAC, responsible for integrity policy planning, anti-corruption, and corruption prevention work, plays the primary role that administers, commands, and supervises the government employee ethics units at all levels to push forward and execute related duties. In addition, Control Yuan (responsible for property-declaration by public servants, etc.); Ministry of the Interior (responsible for political donations, lobbying, etc.); Ministry of Economic Affairs and Financial Supervisory Commission (together, responsible for corruption prevention in the private sector, etc.); National Audit Office (responsible for financial audit of the government and its subordinate agencies); Directorate-General of Budget, Accounting and Statistics, Executive Yuan (responsible for internal control of the government, etc.); Ministry of Education (responsible for integrity education); and Investigation Bureau, MOJ (hereafter referred to as “Investigation Bureau,” responsible for corruption prevention and vote-buying investigation, money laundering prevention and control and counter-terrorism financing prevention and control, as well as corporate corruption and fraud prevention, etc.), as well as Anti-Money Laundering Office, Executive Yuan (responsible for coordinating money-laundering prevention policies) and municipality, county, and city governments are responsible for jointly carrying out related work. Furthermore, in order to strengthen the anti-corruption mechanism, Executive Yuan has established Central Integrity Committee, while the central and local governments at all levels have separately established integrity report meetings and convene regular meetings in which experts, scholars, and impartial community members are integrity committee members to provide feedback and advice.

In terms of criminalization and law enforcement, Taiwan has set up prosecutorial offices that correspond to the different levels of court trials, with prosecutors being responsible for coordinating the personnel of the AAC, Investigation Bureau, and police departments to jointly investigate UNCAC-related crimes and press charges. Among the aforementioned agencies, the AAC is responsible for corruption investigation in the public sector; the Investigation Bureau administers “corruption prevention and vote-buying investigation,” “major economic crime prevention and control” (including corporate corruption), and “money laundering prevention and control” and conducts investigative and preventive work; and police departments are responsible for executing police work.

In terms of international cooperation and asset recovery, the Judicial Yuan, Ministry of Foreign Affairs, Ministry of Justice, Financial Supervisory Commission, Mainland Affairs Council, Coast Guard Administration (Ocean Affairs Council), AAC; Investigation Bureau; National Police Agency (Ministry of the Interior), Customs Administration (Ministry of Finance), and other relevant authorities are jointly committed to international cooperation against corruption and asset recovery work.

Furthermore, Taiwan actively encourages individuals outside government agencies, citizen groups, non-governmental organizations, community organizations, listed companies (with a corporate governance department), and financial institutions (with a legal compliance department), as well as the nonfinancial businesses or professions designated by the Money Laundering Control Act to cooperate with relevant authorities in preventing and combating corruption.

3. In a separate communication addressed and emailed to the secretariat (uncac.cop@unodc.org), please provide a list of relevant laws, policies and/or other measures that are cited in the responses to the self-assessment checklist

along with, if available online, a hyperlink to each document and, if available, summaries of such documents. For those documents not available online, please include the texts of those documents and, if available, summaries thereof in an attachment to the email. If available, please also provide a link to, or the texts of, any versions of these documents in other official languages of the United Nations (Arabic, Chinese, English, French, Russian or Spanish). Please revert to this question after finishing your self-assessment to ensure that all legislation, policies and/or other measures you have cited are included in the list.

(Provide a list along with the full ROC's Report upon its completion)

4. Please provide a hyperlink to or copy of any available assessments of measures to combat corruption and mechanisms to review the implementation of such measures taken by your country that you wish to share as good practices.

As provided in Section 1 of the response. (Attach additional information when the full ROC's Report is completed)

5. Please provide the relevant information regarding the preparation of your responses to the self-assessment checklist.

(Provide a list along with the full ROC's Report upon its completion)

6. Please describe three practices that you consider to be good practices in the implementation of the chapters of the Convention that are under review.

(Include 3 best practices issued together when the full ROC's Report is completed)

7. Please describe (cite and summarize) the measures/steps, if any, your country needs to take, together with the related time frame, to ensure full compliance with the chapters of the Convention that are under review, and specifically indicate to which articles of the Convention such measures would relate.

As provided in the responses in various topic fields. (Attach additional information when the full ROC's Report is completed)

【THEMATIC AREAS】

A. Prevention (arts. 5-13)

Article 5: Preventive anti-corruption policies and practices

Article 5, paragraph 1

1. Each State Party shall, in accordance with the fundamental principles of its legal system, develop and implement or 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.

1. **Is your country in compliance with this provision?**

Yes

2. **Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.**

Anti-Corruption Policy Implementation and Coordination Mechanisms

National Integrity Building Action Plan

Incorporate the framework of the “National Integrity System (NIS)” as proposed by Transparency International to formulate strategic objectives for national integrity development; coordinate diverse governmental entities to execute initiatives aligned with the integrity construction efforts delineated in the UNCAC; and devise pertinent specific strategies, implementation measures, and performance benchmarks. The MOJ holds annual meetings with various ministries to evaluate the previous year’s performance and establish targets for the current year in order to uphold the principles and regulations against corruption as outlined by the UNCAC and enhance performance assessment. These targets are then reported to and approved by the Executive Yuan for ongoing implementation.

A total of 104 conclusive opinions regarding significant issues related to Taiwan’s implementation of anti-corruption have been proposed in response to the ROC’s Second Report under the UNCAC International Review Committee. Since 2023, designated agencies have included specific and achievable measures in this plan to align with international trends in anti-corruption and address challenges and suggestions related to implementing these conclusive opinions at the local level. The goal is to revitalize the content of the plan and unite the efforts of both the public and private sectors to uphold the country’s image of integrity. The process of proposing new or revised implementation measures has been completed after receiving written reviews from 18 domestic experts and scholars, as well as 13 NGO groups, and considering external opinions.

Central Integrity Committee (Refer to Article 6, Paragraph 1)

Since 2008, Taiwan has established the Central Integrity Committee under the Executive

Yuan. It is chaired by the Premier, with the MOJ serving as the secretariat. Experts, scholars, and independent community representatives are appointed as integrity commissioners. Regular meetings are held to ensure and coordinate anti-corruption efforts among government agencies. Under the guidance of the Central Integrity Committee, effective cooperation on integrity policies among various ministries and agencies is promoted. Committee members engage in thorough discussions during meetings, and decisions are implemented based on the chair's directives. Alternatively, coordination may be facilitated by the Executive Yuan's Ministers without Portfolio, allowing relevant ministries to achieve effective solutions and cooperative efforts on improvements of integrity issues. Each meeting also reviews and follows up on previous directives, establishing a supervision and coordination mechanism to strengthen the overall integrity prevention system.

Integrity report meetings of agencies at all levels (Refer to Article 10, Subparagraph c)

To implement integrity in governance and enhance administration performance, the "Operation Guidelines for Integrity Report Meetings in Central Authorities and Local Governments," revised and issued by the MOJ in 2022, stipulate that central authorities and local governments shall establish integrity report meetings. These meetings are responsible for planning internal integrity programs, consulting on anti-corruption work, and supervising and assessing anti-corruption work, and are held once or twice a year. The meetings are generally chaired by the head of the authority, with senior executives from various units or heads of affiliated agencies serving as members. In practice, issues related to the management of organizational integrity risk, findings from internal control audits, and the promotion of administrative transparency shall be coordinated for discussion.

Policies Promoting Social Participation

Taiwan Open Government National Action Plan(2021-2024) (Refer to Article 13, Paragraph 1)

In accordance with the "Open Government Partnership" (OGP) international organization standards, Taiwan has established the "Executive Yuan Open Government National Action Plan Promotion Task Force" to formulate the "Taiwan Open Government National Action Plan." Upholding the spirit of public-private collaboration, it emphasizes transparency, accountability, participation, and inclusion. This plan has been implemented from January 2021 until May 2024, with a total of 19 commitments promoted collaboratively by government departments and the private sector, of which 5 commitments are related to anti-corruption. These include "Enhancing Political Donation Transparency," "Establishing and Improving the Government Procurement Integrity Platform," "Legislation of the Whistleblower Protection Act," "Beneficial Ownership Transparency," and "Policies on Financial Transparency of Religious Groups to Close AML Loopholes."

To advance Taiwan Open Government National Action Plan and align with international standards, the National Development Council held 1 online international seminar in 2021 and another in 2022, inviting over 10 experts and scholars from various countries to share and exchange ideas on topics related to open government. Notable participants included María Baron, the former civil society co-chair of OGP, and Shreya Basu, the OGP Asia-Pacific representative, along with other representatives from OGP member countries. In 2023, Taiwan attended the 8th OGP Summit in Estonia, sharing experiences with Transparency International and the Open

Contracting Partnership, among others.

Please refer to Article 13 for other policies promoting social participation in anti-corruption, such as nationwide integrity education campaigns.

Laws that embody the principles of the rule of law, proper management of public affairs and property, integrity, transparency, and accountability.

“Civil Service Act”

The legitimacy of administration is an important cornerstone for preventing corruption. Article 1 of Taiwan’s “Civil Service Act” stipulates that civil servants must perform their duties in accordance with the law and prescribed orders. Article 3 stipulates that civil servants are obligated to comply with orders issued within the scope of supervision by their superiors. If they believe that an order is unlawful, they must report it. If the supervising official deems that the order is not illegal and issues it in writing with a signature, the civil servants must comply, and the supervising official shall bear any responsibilities arising as a result. However, if their orders violate criminal law, civil servants have no obligation to comply. Article 6 provides that civil servants shall be impartial, honest, and diligent and may not engage in actions that damage the reputation of civil servants and the government. Article 17 states that civil servants may not provide gifts of property to the head official or receive any gifts in connection with the affairs they handle.

“Civil Service Administrative Neutrality Act”

Public officials shall maintain neutrality. Article 4 of the “Civil Service Administrative Neutrality Act” stipulates that public officials shall perform their duties fairly in accordance with the law without giving differential treatment to any group or individual.

For the code of conduct for public officials in Taiwan, please refer to Article 8, Paragraphs 2 and 3.

“Budget Act”

The planning, compilation, deliberation, formation and implementation of the budget of the central government of Taiwan shall conform to the provisions of the amended “Budget Act” promulgated in 2021. The compilation and implementation of the budget shall be based on the spirit of financial management and observe the macro-economic balance principle. Article 25 clearly stipulates that the government shall not, outside of the scope of the budget, use public money or funds, dispose of public property or make investments; Article 26 requires that the procurement, sale or exchange of bulky movable property and real property of government shall be conducted pursuant to the budgetary procedure provided for in this Act. The review of the budgets for Taiwan’s municipalities, counties (cities), and townships (towns, cities) shall be conducted in accordance with the provisions of the “Local Government Act”.

To properly utilize national resources as a whole, strengthen financial management, and provide a basis for the preparation of annual budgets by both central and local governments, the Executive Yuan issues the “The Central and Local Government Budgetary Compilation Principles ” each year to guide the process.

“The Freedom of Government Information Law”

Taiwan established “The Freedom of Government Information Law” in 2005 to facilitate the public sharing and fair use of government information and to safeguard the people’s right to know. Article 6 stipulates that government information related to the interests of the people shall be actively disclosed in principle, with the exception of information that is restricted from disclosure.

“Civil Service Performance Evaluation Act”

Regular performance evaluations and rewards/punishments for public officials shall be conducted in accordance with the “Civil Service Performance Evaluation Act” and its enforcement rules. If a public official’s regular work or conduct has deviations that meet the standards for punishment set forth in the evaluation regulations or by the agency, the agency shall verify and administer appropriate penalties through regular performance evaluations. In accordance with Article 12, Paragraph 3 of the Civil Service Performance Evaluation Act, if a public official is involved in corruption cases with significant administrative responsibility and there is conclusive evidence, they shall receive 2 major demerits at one time in their performance evaluation and be dismissed from their position.

“Public Functionaries Discipline Act”

Article 2 of the Public Functionaries Discipline Act stipulates that public officials who engage in “illegal execution of duties, neglect in the performance of duties, or other acts of misconduct” or “illegal actions not related to the performance of duties that result in serious damage to the government’s reputation” shall be subject to disciplinary action if necessary. Article 9 states that disciplinary actions include removal from office, revocation of office, deprivation or rights, reduction of pension, suspension, demotion, reduction in salary, fines, demerit, and reprimand.

Administrative Responsibility

The AAC amended and promulgated the “Operation Guidelines for Government Employee Ethics Units to Strengthen Administrative Anti-Corruption” in 2011. It directs all agencies’ Government Employee Ethics Units to take immediate action in cases involving administrative violations that do not constitute corruption crimes in accordance with the applicable provisions of the “Public Functionaries Discipline Act,” the “Civil Service Performance Evaluation Act,” and other relevant regulations to pursue administrative accountability. If agency employees are involved in corruption cases that are accepted for investigation by judicial police agencies, prosecution offices, or courts at all levels, they shall actively sign off on pursuing administrative accountability, provided it does not interfere with ongoing investigations or trials, to implement corrective accountability measures.

Please refer to the relevant information provided in the second chapter of this self-assessment checklist for other policies and measures reflecting the principles of the rule of law, proper management of public affairs and assets, integrity, transparency, and accountability.

- 3. Please provide examples of the implementation of those measures, including related court or other**

cases, available statistics etc.

National Integrity Building Action Plan

The important execution measures that were added or revised in 2023 are summarized as follows:

- New implementation measures: such as considering the implementation of a centralized registration system for beneficial ownership; strengthening the substantive interaction between government agencies and enterprises in anti-corruption cooperation; reviewing amendments to the “Anti-Corruption Act” to clearly define or differentiate crimes such as bribery, embezzlement, theft, or misappropriation of property; discussing measures to enhance enforcement against transnational bribery; and analyzing the reasons for the inability to prosecute or convict under Article 11, Paragraph 3 of the “Anti-Corruption Act” in practice.
- Corrective measures for execution: such as actively completing the legislative draft of the “Whistleblower Protection Act” and prioritizing its review; improving anonymous reporting channels in both the public and private sectors; and actively communicating with judicial officials from various countries through participation in related international meetings to facilitate the more efficient handling of relevant mutual legal assistance cases in criminal matters.

The National Integrity Building Action Plan outlines the implementation measures and performance targets for each specific strategy from 2020 to 2023, as detailed in the table below:

Period	Number of Disciplinary Actions Imposed	Number of Disciplinary Actions Removed	Number of Performance Targets Achieved	Achievement Rate
2020	41	-	38	93%
2021	41	1	37	90%
2022	40	-	36	90%
2023	58	-	57	98.28%

Central Integrity Committee

In 2022, the 25th meeting of the Central Integrity Committee approved the “ROC’s Second Report under the UNCAC.” It passed a resolution to request the MOJ to conduct the international review meeting for the ROC’s Second Report under the UNCAC in accordance with the schedule. The MOJ successfully held the international review meeting between August and September 2022, receiving high praise from the international review committee, showcasing Taiwan’s substantial achievements in the field of anti-corruption over the past 4 years to the world.

In the 26th meeting of the Central Integrity Committee in 2023, a discussion was held regarding the “Government Feasible Actions before the Passage of the Whistleblower Protection Act Draft.” It was resolved that the Executive Yuan would convene relevant departments to hold meetings for discussions, establish a coordination mechanism, and approve the “Executive Yuan Initiative for Whistleblower Protection” in November of the same year. This initiative aims to

strengthen the protection mechanisms for whistleblowers in private sectors such as healthcare, government-regulated industries, government-funded organizations, and publicly listed companies. In the same year, the 27th Central Integrity Committee resolution was passed to enhance the transparency of Taiwan’s legislative processes through the implementation of sound law-making practices and regulatory impact assessments. Additionally, the Executive Yuan convened a meeting to discuss specific threshold assessments related to regulations concerning the U.S.-Taiwan trade agreement, establishing a regulatory impact assessment mechanism.

As part of the 28th Central Integrity Committee meeting in 2024, a resolution was made to discuss the enhancement of pre-service training for county (city) mayors, and members of the Legislative Yuan regarding integrity and gender equality. It was decided to periodically revise the content of the service guidelines manual for elected local administrative leaders. The Ministry of the Interior will evaluate the establishment of related mechanisms based on the chairperson’s directives to strengthen overall preventive measures.

Taiwan Open Government National Action Plan

https://www.ndc.gov.tw/en/Content_List.aspx?n=0DA7FCB068C7ECF5&upn=819FA8F2A1CE018F

The AAC has supervised all government agencies’ Government Employee Ethics Units and conducted a statistical analysis on the number of administrative responsibilities and administrative corruption cases handled from 2020 to 2023 as follows:

Year	2020	2021	2022	2023
Number of Cases	733	800	769	793

Annual Report of the AAC

<https://www.aac.moj.gov.tw/5791/5793/5907/Lpsimplelist>

Anti-Corruption Yearbook of the Ministry of Justice Investigation Bureau(MJIB)

https://www.mjib.gov.tw/eBooks/eBooks_CategoryList?UpCID=53

Article 5, paragraph 2

2. Each State Party shall endeavour to establish and promote effective practices aimed at the prevention of corruption.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Corruption Prevention Practices and Tools

Taiwan's practices and tools for preventing corruption are clearly defined in the specific strategies outlined in the "National Integrity Building Action Plan." They include risk management, Integrity Awards, public officials' asset declaration system, conflict of interest system, regulations on political donations and lobbying, and nationwide training and education policies and measures.

For more information on Taiwan's anti-corruption policies and measures, please refer to the relevant data provided in "Chapter 2. Other Terms" of this self-assessment checklist.

Methods Used to Measure Effectiveness

Performance evaluation of the National Integrity Building Action Plan

This plan requires each implementing agency to submit its performance indicator achievement status and promotion results to the MOJ annually to actively strengthen the implementation of various anti-corruption laws and policies stipulated in the National Integrity Building Action Plan. The MOJ shall review the achievement status of the performance indicators, set performance targets for the next year, and compile the overall execution results and newly set targets to report to the Executive Yuan.

Independent Reporting Mechanism Review of the Taiwan Open Government National Action Plan (2021-2024)

The methodology and procedures of the Open Government Partnership (OGP) independent reporting mechanism were adopted to provide a baseline and evidence for the phase review after the completion of the 2021-2024 action plan. The content includes assessing the characteristics of the current action plan and each commitment, clarifying the potential obligations, opportunities, challenges, and implementation recommendations. This report was commissioned by the National Development Council and written by Keitha Booth, an independent researcher from New Zealand, and Associate Professor Mei-Jen Hung from National Taiwan University. During the process, interviews were conducted with 7 civil society organizations, and the report underwent peer review by John Wanna, Emeritus Professor at the Australian National University and Griffith University.

https://www.ndc.gov.tw/Content_List.aspx?n=4228C394C1A55623

Evaluation of the Existing Legal and Institutional Framework

Control and Audit

In accordance with Article 1 of the amended Control Act promulgated in 2021, the Control Yuan exercises its powers of impeachment, investigation, and audit in accordance with the Constitution and its amendments and may propose corrective measures. Article 24 stipulates that after investigating the work and facilities of the Executive Yuan and its affiliated agencies, if the Control Yuan finds deficiencies in internal controls or supervisory mechanisms that cannot effectively prevent the risk of corruption, it may, after review and resolution by the respective committees, propose corrective measures to the Executive Yuan or relevant agencies, to encourage them to address improvements.

Taiwan's audit agencies act as a supervisor of fiscal integrity, dedicated to proactive measures against corruption, and are one of the important pillars of the national integrity system. In accordance with the "Audit Act", the powers of the audit agencies include inspecting property and any unlawful or dishonest acts in relation to financial duties. If unlawful situations are discovered, the audit agencies may report them to the Control Yuan for legal processing; if criminal matters are involved, they shall be transferred to the judicial authorities for handling. In addition, the audit agencies can identify potential risk matters that may affect the policy implementation or operational efficiency of various agencies in a timely manner, and they may provide early warning opinions.

Research analysis of the Crime Prevention Research Center

Taiwan's MOJ established the "Crime Prevention Research Center" within the Academy for the Judiciary in 2013 to conduct comprehensive investigations and research on social crime issues and provide the government with long-term criminal policy planning. In addition to conducting empirical research through outsourcing or internal studies, the Center regularly publishes the "Essays on Criminal Policy and Crime Research" and the "Crime Situations and Analyses - Crime Trend Reports" every year, including research and analysis on Taiwan's anti-corruption laws, policies, and corruption crimes. In 2023, the Center also outsourced a research project titled "Evaluation of the Feasibility of Enacting a Special Law (Chapter) on Corporate Criminal Law - Using In-depth Study on Foreign Legal Systems as Core."

Research Commissioned by the AAC

The AAC also conducts research investigations through commissioned academic or relevant institutions to assess the effectiveness and adequacy of the current anti-corruption legal system and policies or to study the applicability of international anti-corruption practices in Taiwan. This includes the 2022 "the Government Procurement Integrity Platform Research Project," the 2019 "Feasibility Study on Incentive Measures for Integrity Assessment of Public Institutions," and the 2018 "Legal and Practical Research on Japan's Whistleblower Protection System."

Integrity and Governance Public Opinion Survey

Annual surveys have been commissioned by Transparency International Chinese Taipei since 2015 to understand the public's perception and expectations of the government's integrity agencies. The survey focuses on "Public Awareness and Evaluation of Integrity and Information Sources" as well as "Perception of the integrity of various public officials."

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Implementation Status of the Commitments by the Taiwan Open Government National Action Plan

https://www.ndc.gov.tw/en/Content_List.aspx?n=0DA7FCB068C7ECF5&upn=819FA8F2A1CE018F

Statistics on the Exercise of Supervisory Power

<https://www.cy.gov.tw/EN/News.aspx?n=257&sms=8940>

Special Audit Report

The National Audit Office has been promoting the development and application of digital auditing, striving to build a digital audit environment, improve digital audit regulations, and cultivate digital audit personnel. The goal is to enable information technology to play a more active role in audit operations. In 2023, the National Audit Office implemented projects such as optimizing the digital audit platform within the internal website of the National Audit Office , providing e-Maps and GIS Data, and 7 other types of digital audit services. Additionally, the National Audit Office established the framework of digital auditing, and sent auditors to attend international certification training courses on information security auditing, in order to enhance audit effectiveness. In addition, the National Audit Office utilizes digital auditing to assist in audit work. For example, they employ Python to conduct audits on the Taiwan Cloud Generation platform from the perspectives of cash flows and information flows, and they use big data analysis to enhance the auditing of government drug prevention policy implementation. These methods are used to uncover potential risks.

To identify high-risk procurement cases, the National Audit Office has utilized databases such as the Government e-Procurement System of the Public Construction Commission, Executive Yuan to establish relevant query systems. The Office also has implemented warning control points that automatically send alerts about irregular cases to relevant audit units periodically under the principles of Robotic Process Automation (RPA). Alternatively, auditors may write their own programs using computer-assisted software (such as Excel VBA, Python, etc.) to screen for irregular procurement cases. Subsequently, the jurisdictional audit units may request additional documents from relevant agencies for further analysis or conduct on-site investigations. From 2021 through the end of August 2024, audit agencies used Big Data analysis tools to investigate high-risk procurement cases and referred over 1,600 cases to investigative and anti-corruption units. Of these referred cases, prosecutors filed indictments or issued deferred prosecution dispositions in 239 cases involving suspected fraudulent amounts totaling approximately NT\$726,430,000. Regarding the screening methods and investigation results, the National Audit Office has shared case studies through various channels, including the Training Class of Integrity Officials organized by the Agency Against Corruption, Ministry of Justice (AAC). From a legal perspective, the Office also provides timely oversight ,insight ,and foresight audit opinions to relevant regulatory authorities to strengthen internal audit procedures within administrative agencies and prevent procurement fraud.

According to the “Crime Situations and Analyses” book and the “Statistics of Justice” website, the number of cases in Taiwan in the past 2 years decreased from 291 in 2022 to 246 in 2023, and the number of suspects decreased from 1,198 in 2022 to 896 in 2023. Meanwhile, among the number of corruption cases concluded by local prosecutors offices, the offenses of Malfeasance in office decreased from 397 in 2022 (including 52 indictments, 46 deferred prosecutions, and 285 non-prosecutions) to 353 in 2023 (including 32 indictments, 43 deferred prosecutions, and 266 non-prosecutions). In both periods, the number of cases with non-prosecutions was the highest, and the non-prosecution rate increased from 71.79% in 2022 to 75.35% in 2023. For cases related to the Anti-Corruption Act, the number of cases decreased from 1,369 in 2022 (including 826 indictments, 2,023 deferred prosecutions, and 385 non-prosecutions) to 1,227 in 2023 (including 758 indictments, 62 deferred prosecutions, and 351 non-prosecutions). During this period, the number of indictments was the highest, and the indictment rate increased from 60.34% in 2022 to 61.78% in 2023. Meanwhile, during the phase of carrying out confirmed cases in local prosecutors offices, there were a total of 38 offenders for Malfeasance in office cases in 2022. Among them, 13 offenders were sentenced to less than 6 months, and 12 offenders’ cases were dismissed. In 2023, the number increased to 123 offenders, with 91 offenders’ dismissed and 19 offenders sentenced to less than 6 months. In 2022, there were a total of 462 offenders for cases related to the “Anti-Corruption Act.” Among them, 115 offenders were sentenced to between 1 and 2 years, and 91 offenders were acquitted. In 2023, the number increased to 976 offenders, with 439 offenders sentenced to between 3 and 5 years and 122 offenders sentenced to between 1 and 2 years.

Annual Report of the AAC and Anti-Corruption Yearbook of the MJIB (Refer to Article 5, Paragraph 1)

Article 5, paragraph 3

3. Each State Party shall endeavour to periodically evaluate relevant legal instruments and administrative measures with a view to determining their adequacy to prevent and fight corruption.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Current Integrity Status and Analysis Report (Refer to Article 9, Paragraph 2)

In addition to promoting effective cooperation on integrity policies among various ministries and agencies, the Central Integrity Committee is also tasked with supervising and evaluating the implementation of anti-corruption work. The AAC regularly submits a “Current Integrity Status and Analysis” report to the committee, detailing the current status and key initiatives of anti-corruption work in Taiwan, as well as the results of government integrity surveys on integrity, the trend and analysis of corruption and malfeasance crimes, and the investigation of major corruption cases. Meetings are generally held once every 6 months.

Integrated New System for Risk Management (including Internal Control) in Government Agencies

The Executive Yuan promulgated the “Principles for Risk Management and Crisis Management in the Executive Yuan and Its Affiliated Agencies” in 2020. Subsequently, it developed the “Handbook for Risk Management and Crisis Management in the Executive Yuan and Its Affiliated Agencies.” It implemented the integrated new system for “Risk Management (including Internal Control) in Government Agencies” starting in 2021. This initiative encourages all agencies to incorporate risk management tools into their daily operations and decision-making processes. Through risk identification and assessment, agencies adopt internal controls or other appropriate policies and procedures to prevent major risks, such as corruption or impacts on governance efficiency, or to reduce the likelihood and severity of such risks. Moreover, risk management tools are used to integrate annual governance plans into comprehensive risk management, which includes internal control. Please also refer to Paragraph 2 of Article 9 in this self-assessment checklist.

Integrity Awards

The AAC has been researching and establishing a mechanism for integrity assessments of public institutions using incentive measures since 2019. An award system encourages the public sector to conduct self-assessments of integrity risks, strengthen anti-corruption warnings, and introduce innovative integrity practices. After 4 years of trial evaluations and accumulating empirical evidence to refine the award system, the AAC launched the “Integrity Awards” in 2023 as a national-level official award, planning to conduct it regularly (annually). The assessment focuses on 5 major criteria: “Chief’s determination and continuous acts of integrity,” “Information and administrative transparency,” “Risk prevention and accountability,” “Demonstration of integrity effectiveness,” and “Clean and competent innovation and diffusion.” External third-party

experts participate as evaluators to witness the integrity outcomes and benefits of the agencies, encouraging each agency to strive for better integrity governance. This includes actively promoting information and administrative transparency, implementing risk prevention and accountability, rewarding teams that have notably improved overall integrity performance and innovative integrity initiatives, and setting benchmarks for learning from best practices.

Internal Auditing and Inventory Checking

The AAC supervises the Government Employee Ethics Units that conduct project auditing and verification each year. These units regularly identify, review, and evaluate whether the regulatory systems for specific operations effectively prevent corruption, aiming to discover potential crises or risks. They provide suggestions for improving administrative operations and accurate feedback information to help agencies adjust their work content and direction in a timely manner or to uncover clues about corruption.

For example, in order to proactively identify potential risks and improve the operational processes of agencies, the AAC has recently worked with various Government Employee Ethics Units on project auditing for topics such as “Management of Public Ash (Remains) Storage Facilities,” “Environmental Inspection Case Handling and Fixed Pollution Source Permit Review,” “Debt Management for Government Agencies,” “Management of State-Owned Public Property Use,” “Subsidy Funds - Labor Rights Support Cases,” and “Procurement of Firefighting Equipment and Fire Safety Equipment Maintenance Reporting and Review.” The goal is to identify gaps in administrative processes and provide recommendations for improvement to agencies, thereby establishing a comprehensive risk management mechanism and enhancing administrative transparency.

To mitigate the integrity risks arising from business practices that may lead to adverse consequences, the AAC has recently worked with various Government Employee Ethics Units, taking into account past corruption cases and current critical national policies. They have identified specific themes for special investigations, including “government subsidies or private donations,” “green energy and major public construction projects,” “public safety and pollution inspection cases,” “procurement cases in remote areas or schools without dedicated integrity oversight,” “important livelihood-related or health and medical cases,” and “high-risk commissioned projects.” These investigations aim to uncover clues about corruption, and upon discovering any related violations or deficiencies, appropriate administrative responsibilities will be pursued, along with concrete improvement measures and reform recommendations.

Early Warning Mechanism

To implement the preventive early warning function against corruption, the AAC collaborates with Government Employee Ethics Units by participating in procurement and engineering bidding processes, as well as acceptance monitoring. They proactively report any potential violations to the head of the agency, allowing for preemptive measures to be taken and strengthening internal control measures within the agency.

Further Corruption Prevention Reports

The AAC has supervised Government Employee Ethics Units to analyze incidents of

corruption or administrative responsibilities involving agency staff in order to implement the “Corruption Prevention, Corruption Investigation, Further Corruption Prevention” mechanism and enhance service functions. The goal is to examine the causes, processes, and gaps in internal control oversight, as well as propose anti-corruption reports, reform suggestions, and other preventive measures, which must be approved by the heads of the respective agencies and tracked for implementation.

Formulation and Publication of Anti-Corruption Guidelines

The AAC has collaborated with Government Employee Ethics Units to address operations with integrity risks within various departments such as police administration, environmental inspections, funeral services, major public works, land administration, subsidies, and procurement. The AAC invited management units and relevant experts to discuss individual cases using an integrity and anti-corruption guideline model. It also prepared preventive measures, compiled educational materials for dissemination on various agency websites, provided references for colleagues in public service, and guided the continuous update of case data. The AAC also periodically adds revisions to existing risk cases or preventive measures to prevent similar violations from occurring again.

Regular Evaluation and Amendment of the Government Procurement Act and Related Measures

On November 8th, 2019, the Public Construction Commission amended certain provisions of the “Enforcement Rules of the Government Procurement Act” in accordance with the amended “Government Procurement Act” promulgated by the President on May 22nd, 2019. Key points include the addition of requirements for entities to provide suppliers with ways to express their opinions before notifying them under Article 101 of the “Government Procurement Act,” as well as regulations regarding the manner and period for suppliers to present their statements. It also clearly states that the notification date under Article 103, Paragraph 1, Subparagraph 3 of the “Government Procurement Act” shall be the date of issuance. On July 14th, 2021, the Public Construction Commission amended Article 43 of the “Enforcement Rules of the Government Procurement Act” to revise the deadline for entities to respond to inquiries and clearly stipulate the actions to be taken if the inquiry period lapses.

- 3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

Integrity Awards

<https://www.aac.moj.gov.tw/5791/5793/5909/841274/Lpsimplelist>

Budget Integration Platform for Central Government Agencies and Subsidiary Agencies

https://www.dgbas.gov.tw/News_hyperlink.aspx?n=3778&sms=11496

Audit Results, Project Audit Report, and Evaluation Report on Anti-Corruption Legal Measures (please refer to Article 5, Paragraph 2)

The AAC supervises the affiliated Government Employee Ethics Units in conducting project auditing and data inventory and statistics.

Project Auditing Statistics

Year	Number of Cases	Amendments to laws and regulations (number of cases)	Financial benefits (NT\$)
2020	99	134	193,668,851
2021	83	133	34,184,739
2022	141	225	38,565,938
2023	158	232	69,922,790

Project inventory and statistics

Project inventory cases		Case investigation status (number of cases)		Administrative review
Year	Number of Cases	Corruption and malfeasance cases admitted and investigated	General illegal cases seized	Administrative Responsibility
2020	63	26	73	161
2021	63	48	104	267
2022	45	43	76	62
2023	97	38	72	57
Total	268	155	325	547

Early warning mechanism statistics

Year	2020	2021	2022	2023
Number of Cases	305	209	220	223

Further Corruption Prevention report statistics

Year	2020	2021	2022	2023
Number of Cases	77	77	82	75

Integrity & Anti-corruption Guideline cases and statistics

Year	2020	2021	2022	2023
Number of Cases	46	47	68	104
Specific Cases	Implemented the Ministry of the Interior's	Implemented the New Taipei City	Implemented the National Police Agency,	Implemented the Taichung City Government's

	<p>“Integrity & Anti-Corruption Guideline - Preventing Loss of Contact with Migrant Workers,” the Ministry of National Defense’s “Integrity & Anti-Corruption Guideline - Military Personnel,” and Taichung City’s “Integrity & Anti-Corruption Guideline - Management and Maintenance of Official Vehicles,” etc.</p>	<p>Government’s “Integrity & Anti-corruption Guideline - Education Against Corruption,” the New Taipei City Government’s “Integrity & Anti-corruption Guideline - Community Work Funding,” the Tainan City Government’s “Integrity & Anti-corruption Guideline - District Office Business Section plus,” etc.</p>	<p>Ministry of the Interior’s “Police Administration Anti-Corruption Guidelines Handbook,” the Immigration Agency, Ministry of the Interior’s “Integrity - Start from Small Matters Anti-Corruption Guidelines,” the Kaohsiung Veterans General Hospital’s “2022 Anti-Corruption Guidelines In-depth Project - Base Level Grassroots Forum Compilation,” etc.</p>	<p>“Anti-Corruption Guidelines for Health Services,” the Taichung City Government Urban Development Bureau’s “Anti-Corruption Guidelines for Building Public Safety Inspections,” the Changhua County Government Police Department’s “Anti-Corruption Guidelines for Police Administration,” etc.</p>
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Article 5, paragraph 4

4. States Parties shall, as appropriate and in accordance with the fundamental principles of their legal system, collaborate with each other and with relevant international and regional organizations in promoting and developing the measures referred to in this article. That collaboration may include participation in international programmes and projects aimed at the prevention of corruption.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Participation in International and Multilateral Organizations

Taiwan actively collaborates with international and regional organizations. Currently, in the field of anti-corruption, we hold memberships in 4 intergovernmental international organizations and multilateral mechanisms, including the Asia-Pacific Economic Cooperation (APEC), the Asia/Pacific Group on Money Laundering (APG), the Egmont Group (EG), and the Asset Recovery Interagency Network-Asia Pacific (ARIN-AP). We regularly designate representatives to participate in international and regional anti-corruption meetings, strengthening our role and functions within these organizations, such as the APEC Anti-Corruption and Transparency Experts Working Group (ACTWG) meetings, the Anti-Corruption Authorities and Law Enforcement Agencies Network (ACT-NET) meetings, the annual seminars of the International Association of Anti-Corruption Authorities (IAACA), the Transparency International (TI) Membership Meeting, and the International Anti-Corruption Conference (IACC), actively aligning with international anti-corruption trends.

The ACTWG established the “Framework for APEC Anti-Corruption Thematic Areas 2023-2026” based on its multi-year strategic plan in 2023 to coordinate and implement the relevant commitments of the UNCAC and APEC commitments against corruption. This framework lists thematic areas for APEC cross-forum cooperation on anti-corruption activities. Taiwan has adopted theme “Prevention and Transparency” from the framework for 2024 to align with the spirit of comprehensively preventing and combating corruption issues in the region. We plan to hold a forum in December 2024 themed “Best Practices and Future Outlook of Transparency,” inviting representatives from domestic and international government agencies, non-governmental organizations, and civic groups to share successful experiences of transparent measures and explore feasible directions for improvement in order to take concrete actions to help enhance the overall anti-corruption capacity in the region.

Joining the Global Cooperation and Training Framework (GCTF)

Taiwan actively explores opportunities for cooperation with like-minded countries and organizations. In 2023, through the Global Cooperation and Training Framework (GCTF), we hosted an international workshop, the first training focusing on anti-corruption, in collaboration with the United States, Japan, Australia, the United Kingdom, and Canada. This event invited over 200 government officials, experts, and members of non-governmental organizations from

15 countries, significantly improving the sharing of experience and interactive exchange between Taiwan and international partners.

Signing Bilateral Cooperation Agreement Against Corruption

Taiwan continuously seeks opportunities to establish bilateral agreements with other nations to strengthen cooperation in anti-corruption and related fields. Currently, we have completed the signing of 2 agreements, including the integrity cooperation agreement officially signed with our diplomatic ally Belize in 2019, which promotes substantive cooperation between both parties in areas such as “exchange and visits,” “professional skills,” and “law enforcement intelligence sharing” to combat transnational crime. Furthermore, in 2023, Taiwan and the United States officially signed the “Taiwan-U.S. Initiative on 21st-Century Trade,” the first agreement to include “anti-corruption” topics in economic and trade negotiations. Its contents encompass improving domestic anti-corruption laws and measures, encouraging reporting and protecting whistleblowers, promoting integrity among public officials, fostering participation of the private sector, worker organizations, and civil society, as well as the application and enforcement of anti-corruption measures. In the future, both parties will work together to combat corruption.

Jointly Holding the “Anti-Corruption & Transparency Initiatives Engaging Youth in the Indo-Pacific Program”

The AAC collaborates with the National Democratic Institute (NDI) through the “Anti-Corruption & Transparency Initiatives Engaging Youth in the Indo-Pacific Program,” connecting and empowering youth in 4 countries, the Philippines, Indonesia, Sri Lanka, and Papua New Guinea, with Taiwan as the center. In 2022 and 2023, they invited young leaders from non-governmental organizations in the 4 Indo-Pacific countries to Taiwan for exchange. Through observation on international review meetings of ROC’s Second Report under the UNCAC, participation in the GCTF International Workshop on Multi-Stakeholder Engagement in Anti-Corruption, and visits to our integrity transparency measures, they shared practical anti-corruption experiences from each country, effectively enhancing connections and influence with developing countries.

Participation in International and Multilateral Organizations Related to Customs Issues

The issue of customs integrity continues to receive international attention. Taiwan’s customs participates annually in the APEC/Sub-Committee on Customs Procedures (SCCP), the World Customs Organization (WCO)/Revised Kyoto Convention Management Committee (RKC/MC), the Technical Committee on Customs Valuation (TCCV) meetings, as well as the World Trade Organization (WTO)/Anti-dumping Committee, the Committee on Subsidies and Countervailing Measures, and the Committee on Rules of Origin (CRO) meetings. We adhere to the spirit of the WCO “Revised Arusha Declaration,” which advocates for a transparent relationship between the public and private sectors to jointly combat corruption. Internally, we promote specific actions such as strengthening supervisory responsibilities, integrity education, and codes of conduct. Additionally, we continuously improve convenient customs procedures through partnership cooperation, process simplification, and information and technology advancements.

- 3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

In 2017, Taiwan hosted the “APEC Workshop on Enhancing Whistleblower Protection in Corruption Cases” and invited officials from 13 economies along with domestic and international experts, multinational corporations, financial institutions, non-governmental organizations, risk audit companies, and legal practitioners to discuss the outcomes of the “APEC Guiding Principles for Whistleblower Protection.” This initiative aimed to build consensus on protecting whistleblowers through APEC regional cooperation. Taiwan continues to actively support various anti-corruption efforts of the APEC Anti-Corruption and Transparency Experts Working Group (ACTWG) by engaging in advocacy initiatives, delivering specialized reports, and participating as speakers or moderators at workshops. This includes collaboration on the “APEC Principles on the Prevention of Bribery and Enforcement of Anti-Bribery Laws” initiative in 2023 and 2024, providing Taiwan’s successful practices for implementing these principles to assist the proposing economy, the United States, and the OECD in compiling statistics and preparing a results report to serve as a reference for future updates to the original guidelines.

In 2019, the United States and Taiwan announced the establishment of the “Consultations on Democratic Governance in the Indo-Pacific Region” dialogue platform as a foundation for cooperation to jointly promote core values such as human rights, democracy, and good governance in the Indo-Pacific region. In 2021, Taiwan participated in the 3rd “U.S.-Taiwan Consultations on Democratic Governance in the Indo-Pacific Region” via video conference, sharing the topic of “The Current Situation of Public-Private Collaboration Against Corruption in Taiwan.” We discussed the background and specific measures Taiwan is implementing to combat corruption in the private sector, highlighting our achievements in integrity governance through 3 aspects: “Sound laws and effective enforcement,” “Establishing guidelines for the private sector and encouraging corporate self-discipline,” and “Public-private dialogue.”

Taiwan attended the 1st Summit for Democracy in 2021, combining the efforts of both public and private sectors along with civil society organizations, and made several specific commitments in response to the call to combat authoritarianism, fight corruption, and promote human rights. In terms of anti-corruption policies, legislation, and enforcement measures, Taiwan continues to support the legislative passage of the Whistleblower Protection Act and is actively promoting the “Government Procurement Integrity Platform.” Furthermore, during the 21st IACC conference held in June 2024, we have been invited by Transparency School to share our measures of the “Government Procurement Integrity Platform”, marketing Taiwan’s anti-corruption initiatives and successful experiences. In addition, Taiwan not only funds Transparency International to support the Global Anti-Corruption Consortium (GACC) and its global initiatives but also actively seeks opportunities to sign anti-corruption agreements with like-minded countries. For example, Taiwan and the United States officially signed the first agreements under the “Taiwan-U.S. Initiative on 21st-Century Trade” in 2023.

“Taiwan-U.S. Initiative on 21st-Century Trade” (English)

For additional information on Taiwan’s cooperation achievements in APG, EG, and ARIN-AP, please refer to Article 14, Paragraph 5, and Article 51.

Article 6: Preventive anti-corruption body or bodies

Article 6, paragraph 1

1. Each State Party shall, in accordance with the fundamental principles of its legal system, ensure the existence of a body or bodies, as appropriate, that prevent corruption by such means as:

(a) implementing the policies referred to in article 5 of this Convention and, where appropriate, overseeing and coordinating the implementation of those policies;

(b) Increasing and disseminating knowledge about the prevention of corruption.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

(a) implementing the policies referred to in article 5 of this Convention and, where appropriate, overseeing and coordinating the implementation of those policies;

Central Integrity Committee (Refer to Article 5, Paragraph 1)

Agency Against Corruption, Ministry of Justice(AAC)

Our country established the AAC on July 20th, 2011, as a composite agency that combines preventive anti-corruption efforts and specialized authorities dedicated to corruption investigations. It is responsible for promoting national integrity policy planning, anti-corruption, prevention of corruption, and the crackdown on corruption. The AAC establishes supervision and guidance for the Government Employee Ethics Units within central and local agencies (organizations) and public enterprises. These units can implement measures in a timely manner, such as audits and early warnings, to prevent corruption, manage integrity risks within the agencies, and address relevant corruption and illegal activities immediately. This is a unique organizational design in Taiwan.

In accordance with the “Act of the Establishment and Management of the Government Employee Ethics Units and Officers,” Government Employee Ethics Units are responsible for tasks such as “promoting integrity and social participation,” “drafting, promoting, and enforcing integrity laws and preventive measures,” “drafting, coordinating, and promoting integrity reform proposals,” and “matters related to public servants’ property declarations, recusal due to conflicts of interest, and integrity ethics.” As of July 2024, the AAC has a total of 216 personnel. There are 389 Government Employee Ethics Units in central administrative agencies, with 1,063 government employee ethics officers; and 599 Government Employee Ethics Units in local agencies, with 1,583 government employee ethics officers.

Investigation Bureau, Ministry of Justice (MJIB)

The Ministry of Justice Investigation Bureau (MJIB) was established in 1928 and is responsible for handling corruption, major economic crimes, money laundering prevention, and election bribery investigations in accordance with Taiwan’s Organic Act for Investigation Bureau, Ministry of Justice.

The MJIB actively conducts integrity promotion and anti-corruption advocacy, inviting organizations and schools to visit to assist the public in understanding the state of anti-corruption work, reporting channels, and the protection measures for whistleblowers. This encourages the public to report illegal activities without fear. In 2023, a total of 13,263 public complaints were processed.

Integrity report meeting for government agencies at all levels (Refer to Article 5, Paragraph 1 and Article 10, Subparagraph c)

Corruption and illegal activity reporting channel (Refer to Article 8, Paragraph 4)

Supervisory complaint channel

Article 4 of the Control Act stipulates that the Control Yuan and its members may receive complaint from the public. In accordance with the provisions of the Enforcement Rules of the Control Act and the Regulations for Receiving and Handling People’s Written Complaints Submitted by the Control Yuan, if anyone discovers any illegal or negligent behavior by a public official, they shall detail the facts and provide evidence, and directly report it to the Control Yuan or its members. The Control Yuan has established on-duty members to handle such complaint, with members of the Control Yuan rotating daily to review the complaint. Based on the content of the complaint , they determine which members will conduct investigations, delegate the investigation to the appropriate agencies, or take other suitable actions.

The reporting or complaint avenues are as follows: 1. Go to the Control Yuan Complaint Reception Center to file a complaint with the on-duty member.2.Present the complaint to the Control Yuan member while they are on a circuit supervision trip3. Deliver, mail, or fax the complaint to the Control Yuan or its members.4. Submit a complaint through the Control Yuan website’s “Make a Complaint”mailbox.5. Issue the complaint via video conference.

According to statistics, the total number of petitions received in 2023 reached 16,418.

Audit complaint channel

Since 2013, the National Audit Office has established the “Recommendations for Audit Work” and “Public Supervisory ” service mailboxes in the Citizen Participation section of its global website, creating smooth two-way communication channels to gather feedback and valuable insights from stakeholders. Additionally, to integrate the mechanism for reflecting public petitions, an email confirmation function for petitions has been implemented, along with the regular publication of statistics related to public petition cases. On February 24th, 2023, the National Audit Office issued revised guidelines for handling public petition cases by audit agencies and has begun implementation.

The Auditor General, in response to public suggestions for audit reforms submitted in writing or verbally, inquiries mandated by the Audit Act, reports of violations, or the protection of interests, has instructed the relevant units to establish the “Guidelines for Handling Public Complaints by the Audit Agencies” on November 21st, 2011, to ensure that the National Audit Office has a framework for processing complaints. In accordance with these guidelines, each unit and audit office has designated personnel responsible for accepting cases and maintaining the confidentiality of complainants’ identities. Except in special circumstances, the processing time

for cases may not exceed 30 days. If an extension is necessary, approval must be obtained, and the reasons must be communicated to the complainant to protect their interests. The main and related units, based on their responsibilities concerning the complaints, shall provide a clear summary of the handling of complaints and the legal basis for their actions. This response should be concise, affirmative, friendly, and easily understandable to the complainant, ensuring optimal design and implementation of the case handling process.

Government procurement protests and supervising mechanisms (Refer to Article 9, Paragraph 1)

(b)Increasing and disseminating knowledge about the prevention of corruption. (Refer to Article 13, Subparagraph c)

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Central Integrity Committee meeting materials (including current integrity status and analysis report) and records (Refer to Article 5, Paragraph 3)

The Central Integrity Committee has held a total of 28 meetings since its establishment in 2008.

Statistical data on meetings convened by integrity agencies at all levels(Refer to Article 10, Subparagraph c)

Annual Report of the AAC and Anti-Corruption Yearbook of the MJIB (Refer to Article 5, Paragraph 1)

Article 6, paragraph 2

2. Each State Party shall grant the body or bodies referred to in paragraph 1 of this article the necessary independence, in accordance with the fundamental principles of its legal system, to enable the body or bodies to carry out its or their functions effectively and free from any undue influence. The necessary material resources and specialized staff, as well as the training that such staff may require to carry out their functions, should be provided.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Central Integrity Committee (Refer to Article 5, Paragraph 1)

Agency Against Corruption, Ministry of Justice(AAC)

Independence

In accordance with Article 7, Paragraph 1 of the “Organic Act of the Agency Against Corruption, Ministry of Justice,” the AAC may second serving judicial officials to assume the roles of Director-General and Deputy Director-General. Such secondment shall be conducted with the consent of the Judicial Yuan or the MOJ. In accordance with Article 86 of the “Judges Act,” prosecutors shall represent the state in prosecuting and punishing crimes and serve as representatives of the public interest in maintaining social order. Prosecutors must transcend party affiliation, uphold the public interest protected by the Constitution and laws, and execute their prosecutorial duties with impartiality and diligence. Article 89 of the same act applies mutatis mutandis to the provisions of Article 76, Paragraph 1, stating that a prosecutor who is reassigned as a judicial administrative officer serve a term of 3 years, which may be extended once. The AAC has had Directors-General serve as prosecutors since its establishment, and they have all followed the regulations described above in the appointment process, also returning to their positions as prosecutors before the completion of their terms to ensure the independence of their roles and prevent the pitfalls of prolonged tenure.

The personnel of Government Employee Ethics Units shall carry out their duties and exercise their powers in accordance with the “Act of the Establishment and Management of the Government Employee Ethics Units and Officers” and its enforcement rules at the direction of the heads of the respective agencies or superior Government Employee Ethics Units. Article 8 of this same Act also explicitly states that the appointment, transfer, performance evaluations, regular assessments, and rewards and penalties of the personnel of Government Employee Ethics Units are determined by the AAC. Therefore, the MOJ has sufficient command and supervisory authority over the personnel of Government Employee Ethics Units, ensuring the independence with which they exercise their powers.

The MOJ (AAC) has established a rotation mechanism for government employee ethics officers to strengthen the independence of government employee ethics officers within their

agencies to exercise their authority impartially, enhance their job experience, and avoid a decline in business effectiveness from long-term assignments. In accordance with Point 12 of the “Operational Guidelines for the Promotion and Review of Government Employee Ethics Officers,” the term for management-level government employee ethics officers is 3 years. Upon completion of their term, promotions or transfers are conducted regularly or irregularly, depending on vacancies and work status. Consecutive terms are limited to 1 (meaning they must be adjusted after 6 years in office), but they may also be adjusted at any time. A review for job rotation or reassignment shall also be conducted for non-supervisory personnel if they have been in their current position for 6 years.

In addition, integrity officials (including personnel handling anti-corruption and integrity work within the AAC and Government Employee Ethics Units) uphold professionalism, effectiveness, integrity, and impartiality in the performance of their duties to maintain team discipline and image. The MOJ (AAC) has stipulated the “Integrity Official Code,” which clarifies the mission of integrity officials and the code of conduct they must adhere to. Integrity officials shall not fear any power and must combat corruption with all their efforts, insist on protecting human rights, achieve fairness and justice, perform their duties in accordance with the law, and adhere to due process, in order to maintain integrity and effectiveness from an independent standpoint. Anyone found to have violated this code after investigation will be punished in accordance with relevant regulations.

Ensuring Effective Duty Performance and Free from any Improper Influences

The AAC pioneered the “Stationed Prosecutor” mechanism, where the MOJ selects prosecutors to be assigned to the AAC, establishing a model for early participation in investigations. This allows for direct supervision of agents handling corruption cases, utilizing a multi-layered verification process to accurately capture criminal evidence, protect human rights, and demonstrate the independence of criminal investigations, enhancing the quality and effectiveness of corruption case investigations.

To ensure the independence and fairness of case investigations, the AAC has established the “Clean Politics Advisory Committee,” which is a collegial committee composed of external members from the AAC and the MOJ’s the Department of Prosecutorial Affairs, the Audit Department, the Public Works Commission, experts, scholars, and social justice advocates. This committee provides policy consultations and evaluations regarding integrity, regularly reviews cases listed by the AAC, and enhances the transparency of the AAC’s case investigations through an external oversight mechanism.

Providing Necessary Training

To cultivate the professional capabilities of new personnel, fundamental professional training is implemented for integrity officials who pass the national examination each year. During the training period, a certification mechanism for procurement professionals is also adopted. Graduates who meet the required training hours and pass the exam will receive professional procurement certification, effectively enhancing the relevant skills of new personnel and their knowledge in procurement oversight operations.

To strengthen current personnel’s professional knowledge of corruption prevention and

related criminal investigations, on-the-job training is conducted for project auditing investigations, anti-corruption investigations and handling, information security training, and construction procurement specialized training is provided to improve their professional abilities in project auditing, procurement oversight, and administrative investigations.

To deepen the professional competence of management-level government employee ethics officers and to cultivate crisis management and risk management skills in response to future needs for executing anti-corruption work, relevant on-the-job training is planned for middle and high-level heads of Government Employee Ethics Units.

Investigation Bureau, Ministry of Justice(MJIB)

Pursuant to Taiwan's Organic Act for the Investigation Bureau, Ministry of Justice, the MJIB considers its personnel as judicial police officers (or judicial police) under The Code of Criminal Procedure when performing their duties. Prosecutors direct such personnel to conduct criminal investigations. They are strictly governed by criminal procedural laws and the rule of evidence, enabling them to exercise their investigative authority independently and fairly.

The new personnel at the MJIB are required to undergo a one-year training program focusing on relevant laws and regulations, enhancing legal knowledge, and mastering skills in domestic security investigations, protective measures, national security maintenance, integrity, economic crime prevention, drug control, anti-money laundering, and other professional competencies. Additionally, the training includes information technology, shooting, and self-defense techniques, while emphasizing moral development, ongoing physical training, strict discipline requirements, and the importance of team spirit. During the training period, the Director selects investigators who are both capable and talented to serve as mentors. They live with the trainees and participate in all aspects of the training, assisting them in overcoming learning obstacles and guiding the establishment of correct concepts. Trainees must undergo strict evaluations in the constructed training environment, demonstrating competency, virtue, and physical ability that meets a certain standard before being formally appointed.

The number of staff at the MJIB is 2,332 (as of the statistics on July 18th, 2024, consisting of personnel with the identity of judicial police officers), among which 1,705 are field units. The field staff are responsible for frontline intelligence collection, clue discovery, and case investigation. Their responsibilities include tasks related to national security investigations, agency protection, national security crimes, corruption, election interference, economic crimes, drug-related offenses, money laundering, and information security crimes.

Division of Duties Between the AAC and the MJIB

The AAC is a specialized integrity agency for Taiwan that meets the requirements of the UNCAC, with dual functions of preventive anti-corruption and specialized authorities dedicated to corruption investigation. In accordance with the "Organic Act of the Agency Against Corruption, Ministry of Justice," it is responsible for promoting Taiwan's integrity policy planning and executing 3 major tasks: anti-corruption, prevention of corruption, and enforcement against corruption. The MJIB, in accordance with the "Organic Act for Investigation Bureau, Ministry of Justice," is in charge of corruption prevention and corruption investigation, major economic crime prevention, money laundering prevention, and countering threats to national

security. The MJIB's "Economic Crime Prevention Division" is responsible for addressing major economic crime prevention tasks, with the main mission of preventing, detecting, investigating, and combating significant economic criminal cases of corruption in the private sector.

The AAC and the MJIB have different functions and responsibilities. Election investigation, anti-money laundering, and prevention and investigation of private sector corruption cases are all exclusive and primary responsibilities of the MJIB. The operations of the 2 agencies only overlap in cases of corruption within the public sector. The AAC supervises the Government Employee Ethics Units to uncover corruption leads internally, while the MJIB primarily obtains criminal leads from external sources.

Cooperation Method Between the AAC and the MJIB

In accordance with the "Directions for Fighting Corruption and Liaising between the Ministry of Justice Investigation Bureau and the Agency Against Corruption, Ministry of Justice," the 2 agencies have established a horizontal communication platform, setting up fixed dedicated contact windows. Through the liaison of dedicated personnel, they aim to avoid duplicate case filings and to collaborate using their respective resources in the investigation of corruption cases, similar to a mesh network. Through positive interaction, they can better prevent the occurrence of blind spots. Additionally, through regularly held meetings such as the "Supreme Prosecutor's Anti-Corruption Supervisory Group Meetings" and the "AAC and MJIB Operation Coordination Meetings," mutual communication and coordination are conducted. Meetings may also be called irregularly for specific projects or cases, led by the assigned prosecutor, to provide mutual support and jointly investigate cases, forming an anti-corruption force characterized by "crossfire and coordinated strikes."

In terms of combating corruption via law enforcement, Taiwan utilizes prosecutors as the primary entities for criminal investigations. Various judicial investigation support agencies (such as police, investigative bodies, and integrity units) operate under the coordination and direction of prosecutorial agencies, employing a multifaceted approach to carry out corruption investigations. The AAC and the MJIB both have the authority to investigate anti-corruption cases. In cases with similarities, they follow the guidelines set forth in the "Operational Guidelines for Collaboration between the Agency Against Corruption, Ministry of Justice, and the Ministry of Justice Investigation Bureau on Anti-Corruption Efforts," employing a strategy of crossfire and coordinated strikes to jointly combat corruption in actual cases. When both agencies investigate a specific case simultaneously, the prosecutor shall manage coordination and direction, and the 2 agencies will collaborate on the investigation. In many large cases, only the collaborative efforts of the 2 agencies ensure there are sufficient human resources to complete cases.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The AAC and the MJIB have established an operation exchange mechanism for investigating corruption cases. In terms of anti-money laundering, the AAC may directly inquire financial intelligence of the MJIB, or the MJIB can proactively distribute financial intelligence to individual case handlers. Between 2020 and 2023, the AAC directly issued letters to the MJIB

to inquire in a total of 5 cases, and the Ministry of Justice Investigation Bureau proactively distributed a total of 20 cases.

The key point summary of the “Directions for Fighting Corruption and Liaising between the Ministry of Justice Investigation Bureau and the Agency Against Corruption, Ministry of Justice” was established in August 2013 and effective until June 2024. During that period, a total of 241 cases were jointly investigated by the 2 agencies.

Annual Report of the AAC and Anti-Corruption Yearbook of the MJIB (Refer to Article 5, Paragraph 1)

Article 7 : Public sector

Article 7, paragraph 1

1. Each State Party shall, where appropriate and in accordance with the fundamental principles of its legal system, endeavour to adopt, maintain and strengthen systems for the recruitment, hiring, retention, promotion and retirement of civil servants and, where appropriate, other non-elected public officials:

(a) That are based on principles of efficiency, transparency and objective criteria such as merit, equity and aptitude;

(b) That 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;

(c) That promote adequate remuneration and equitable pay scales, taking into account the level of economic development of the State Party;

(d) That promote education and training programmes 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. Such programmes may make reference to codes or standards of conduct in applicable areas.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

(a) That are based on principles of efficiency, transparency and objective criteria such as merit, equity and aptitude;

In Taiwan's legal system, the recruitment of public officials is fundamentally conducted through fair and just examinations. This includes personnel with designated titles and ranks as stipulated in the laws governing central government, local government, and their affiliated organizations. It also includes related transfers, appointments, and contract-based employment of personnel appointed through political processes, hired, transferred based on specialized skills, and employed in administrative, educational, and public enterprises.

Basic principles of Appointment, Promotion, Retirement, and Protection for Public Officials

“Constitution”

Article 85 of Taiwan's “Constitution” stipulates that the selection of public officials shall adopt an open and competitive examination system. Individuals who have not passed the examination may not be employed. Article 86, Subparagraph 1 stipulates that the Examination

Yuan shall determine the qualifications for public officials in accordance with the law.

“Civil Service Examinations Act”

Articles 1 and 2 of Taiwan’s “Civil Service Examinations Act” stipulate that the appointment of public officials shall be determined by examinations based on open competition, as prescribed by the Act. Article 7, Paragraphs 1 and 2 stipulate the regulations for the Elementary, Junior, Senior, and Special Examinations. The examination regulations include the required age for candidates, examination levels, classification of subjects, eligibility criteria by subject, physical examination standards, subjects for examination, examination methods, grading calculations, and restrictions on transfers.

Article 20, Paragraph 2 stipulates that after the announcement of various examination results of public officials, if any question leakage or fraudulent activities that lead to incorrect results and cause the acceptance of all or some candidates to be indeterminate are discovered, the Ministry of Examination may request the Examination Yuan to revoke the acceptance or eligibility of all or some candidates, and may conduct re-examinations for the subjects that involved leakage or fraud.

“Examination Affairs Act”

National examinations held in accordance with the law shall be conducted in accordance with the Examination Affairs Act to maintain the fairness and justice of the national examinations and to achieve the goal of selecting talent for the country. Article 2 of the Act stipulates that the Examination Yuan shall approve the establishment of an Board of Examiners for examinations upon application by the Ministry of Examination.

Article 9, Paragraph 1 stipulates that the Board of Examiners exercises its authority in accordance with the laws and decisions of the Examination Yuan meetings. The decisions regarding the standards for propositions, review criteria, and examination review standards; the allocation of topic proposals and grading; the review of examination results; the determination of acceptance or passing criteria; and the announcement of accepted or passing individuals shall all be resolved by the Board of Examiners.

“Civil Servants Employment Act”

Article 10 of Taiwan’s “Civil Servants Employment Act” stipulates that new employees in various agencies shall be assigned training and distribution of appointments in accordance with the rankings of individuals who have passed the public official examinations. Furthermore, individuals who have reached the retirement age specified in Article 27 of the same Act and those subject to the prohibitions listed in Article 28, Paragraph 1 may not be appointed. The provision in Article 28, Paragraph 1, Subparagraph 4 stipulates that individuals who have engaged in corrupt practices while in civil service position and have either been convicted with a final judgment or are subjects of pending cases may not be employed as civil servants.

“Civil Service Promotion and Transfer Act”

In accordance with Taiwan’s “Civil Service Promotion and Transfer Act,” the promotion of public officials must adhere to the principles of merit-based evaluation, and both internal

promotions and external recruitment must be considered. Clear standards and scoring systems must be established for promotions, creating a fair, just, open, and transparent promotion environment through assessment and public selection processes. The evaluation criteria for internal promotions are established by each superior Yuan based on the nature of the agency's business, job characteristics, or appointment levels. This includes examinations, academic qualifications, job experience, training, further education, seniority, performance evaluations, awards and punishments, development potential, and comprehensive assessments. For external recruitment for job vacancies, agencies must follow the announcement procedures and establish qualification criteria, selection methods, and evaluation processes. In addition, if a public official believes that the promotion process handled by the agency is illegal and harms their rights and interests, they may seek redress in accordance with the Civil Service Protection Act.

“Civil Service Retirement, Severance, and Survivor Relief Act ” and “Civil Servants’ Individual Pension Account of Retirement, Severance and Survivor Relief Act ”

In accordance with the “Civil Service Retirement, Severance, and Survivor Relief Act ” and “Civil Servants’ Individual Pension Account of Retirement, Severance and Survivor Relief Act ” effective since July 1st, 2018, and July 1st, 2023, respectively, those who involves in committing the crimes under the “Anti-Corruption Act” or the crimes specified in the Chapter “Offenses of Malfeasance in Office” of the “Criminal Code” and have been sentenced to an imprisonment or other more severe punishments, or those who have been referred by a responsible authority for disciplinary sanction or review by the Control Yuan in accordance with the “Civil Service Discipline Act,” their retirement applications shall not be accepted. This is to prevent them from evading responsibility through retirement. In addition, for the civil servants committing crimes under the “Anti-Corruption Act,” the crimes specified in the Chapter of “Offenses of Malfeasance in Office” of the “Criminal Code,” or other crimes of abusing authorities, opportunities or any other means afforded by his or her position during the term of office and convicted after their retirement, severance or resignation in accordance with the “Civil Service Retirement, Severance, and Survivor Relief Act”, punitive provisions such as deprivation or reduction of any related pension, severance, or separation payments are formulated. The entitlement of monthly pension payment of the retired civil servants shall be suspended, for those who have been convicted and sentenced for the offenses in breach of the “Anti-Corruption Act” or the crimes specified in the Chapter of “Offenses of Malfeasance in Office” of the “Criminal Code,” during the period of imprisonment, for those whose deprivation of civil rights has not been reinstated, or for those who are still wanted by the authorities.

“Civil Service Protection Act”

Articles 2 and 4 of the “Civil Service Protection Act” stipulate that the Act shall protect the rights and interests of public officials related to their status, rank, salary, working conditions, and management measures and provide remedies for public officials through review, appeal, and re-appeal procedures.

Special Provisions Regarding Political Appointments, Transfers, Hiring, and Contracts

Key Personnel

Taiwan’s “Regulations for the Confidential Employees in Agencies” stipulates the quotas,

conditions, and scope of duties for key personnel employed by various agencies. Ensure that the recruitment of key personnel adheres to principles of fairness and objectivity.

Transfer of Professional and Technical Personnel to Civil Service

Taiwan's "Transfer of Professional and Technical Personnel to Civil Servant Act" stipulate the quotas, qualifications, and transfer levels for specialized professionals and technical personnel to become public officials. Additionally, the said regulations require the establishment of a selection committee composed of scholars and experts outside the hiring agency to conduct the public selection process in order to implement a fair, just, and open talent recruitment mechanism for the objective selection of outstanding individuals.

Mutual Transfer of Administrative, Educational, and Public Enterprises Personnel

Measures for calculating years of service for mutual transfers among personnel in administration, education, and public enterprises for the purpose of promotion to different official ranks have been established. This allows for the mutual transfer of personnel who have passed the Level 3 Senior Examination or Class 3 Special Examination. However, transfers to administrative positions are limited to those at the recommendations of Grade 8 to Grade 12. Additionally, the rank of the new position may not exceed that of the original position before the transfer.

Contract-based Employees

Taiwan's "Contract-based Worker Employment Act" stipulate that each agency shall employ Contract-based Employees on a contractual basis as necessary for their operations, in accordance with the provisions of that regulation. For all agencies that employ newly-hired Contract-based Employees, it is advisable to adopt an open selection process, and the hiring shall be carried out in accordance with the contracted period and conditions for possible renewal. Suitable personnel can be appointed in a timely and fair manner. Unsuitable individuals are eliminated through open recruitment and periodic contract employment systems, creating a fair and transparent hiring environment. Contract-based Employees shall apply *mutatis mutandis* to Civil Service Protection Act, and any related rights and remedies shall be handled in accordance with the said Act.

Contract-Based Employee

Article 7 of Taiwan's "Regulations on Contracted Employment of the Executive Yuan and Its Subordinate Agencies" stipulates that the employment of contracted personnel by various agencies is based on the principle of open selection. When necessary, employment service agencies may be entrusted to conduct the selection on behalf of the agencies. When agencies or authorized employment service organizations conduct public selections, they shall announce the agency name, job title, required qualifications, and monthly compensation in newspapers or online for at least 3 days. Therefore, the "Regulations on Contracted Employment of the Executive Yuan and Its Subordinate Agencies" use methods such as open selection and online announcements to ensure that the recruitment of contracted personnel meets a fair, just, open, and transparent hiring environment.

Regulations on Recruitment and Transfer of Personnel in Business Organizations (e.g., the Ministry of Economic Affairs)

Personnel of Business Organizations Affiliated with the Ministry of Economic Affairs

The “Regulation Governing the Appointment of Personnel of Agencies under the Ministry of Economic Affairs” stipulates that personnel employed in various business organizations affiliated with the Ministry of Economic Affairs shall undergo public and competitive selection. Each business organization shall also establish promotion regulations and create a fair, just, open, and transparent mechanism for promotions and transfers to facilitate the sustainable development of the organizations.

The “Guidelines for the Implementation of Job Transfers in the Ministry of Economic Affairs and Affiliated Agencies” stipulate that personnel transfers within the Ministry of Economic Affairs and its affiliated agencies shall establish fair and just transfer principles, aiming to cultivate talent and enhance administrative experience through the process of job transfers.

(b) That 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;

Fundamental Principles

Civil servants Involved in National Security or Significant Interests

In accordance with the “Civil Servants Employment Act,” when appointing civil servants in various agencies, those involved in national security or significant interests may undergo special verification. In accordance with the “Special Inspection Procedures for Civil Servants Involving National Security or Major Interests,” each competent authority will assess the necessity of conducting special checks on positions. After this evaluation, they will report to the Office of the President, the National Security Council, or the competent executive meeting and include the positions of civil servants involved in national security or significant interests in the list of specified positions for approval and announcement. This list is updated periodically.

All civil servants who hold a listed position must undergo a special audit conducted by the inspection agency prior to their appointment; those who do not pass the special audit are deemed unsuitable for positions involved in national security or significant interests, but this does not affect their eligibility for civil service or their rights to hold other positions. Furthermore, if candidates believe that decisions made by agencies are illegal or clearly improper and harmful to their rights or interests, they may seek relief in accordance with the Civil Service Protection Act and the Administrative Appeal Act.

Regular Transfers of Public Officials at Public Schools Under the Executive Yuan and its Affiliated Agencies

To strengthen the oversight and checks and balances mechanism for public officials in positions with integrity risks within the Executive Yuan and its affiliated agencies, as well as public schools (hereinafter referred to as agencies), and to promote a culture of integrity and honesty, the Executive Yuan issued the “Principles for Regular Transfer of Public Officials in the

Executive Yuan and its Affiliated Agencies and Public Schools” in 2022. This stipulates that the heads of agencies shall personally or designate senior staff to convene with government employee ethics units, along with human resources and other units, to regularly assess and review operations with integrity risks. Additionally, each agency shall establish terms of office for positions handling operations with integrity risks in accordance with the nature of the operations, conduct annual reviews of personnel approaching the end of their term, and implement an evaluation mechanism.

Public enterprises and administrative agencies may refer to these guiding principles to establish their regulations for the transfer of positions with integrity risks; additionally, local governments, in the spirit of local autonomy, may also refer to these guiding principles to create relevant transfer regulations.

“Act on Recusal of Public Servants Due to Conflicts of Interest”

To promote uncorrupt and efficient politics , so that corruption and conveyance of unjust interests can be efficiently eliminated ,Taiwan has established the “Act on Recusal of Public Servants Due to Conflicts of Interest” (amended and promulgated in 2018). The said Act clearly defines the concept of conflicts of interest, with Article 5 specifying that conflicts of interest refer to in the Act means the public servant obtains interests by himself or his related persons either directly or indirectly through any act or omission in the course of performing his official duties.

To prevent conflicts of interest from occurring, Article 6, Paragraph 1 of the “Act on Recusal of Public Servants Due to Conflicts of Interest” clearly requires public servants who are aware of any conflicts of interest to recuse themselves immediately. Public servants shall recuse themselves from appointments, hiring, promotions, or transfers involving their related persons, including spouses and relatives by the second degree of kinship, in order to prevent nepotism from affecting the personnel processes.

Specific Category Personnel

Judges (Refer to Article 11, Paragraph 1)

Article 5 of Taiwan’s “Judges Act” stipulates that judges are appointed through examinations and selections (either through the special examination for judicial officials or selected and transferred as prescribed by the Judges Act). Article 74 includes relevant promotion regulations. Therefore, a fair, just, open, and transparent environment for appointments is established through examination and selection processes and promotion regulations. Articles 77 and 78 stipulate that judges may retire in accordance with the Public Servants Retirement, Severance, and Bereavement Compensation Act.

Control Yuan Commissioners, Investigators

The “Organic Law of the Control Yuan” and the “Control Yuan Administrative Regulations” clearly define the qualifications for Control Yuan members and investigators. It also establishes “Guidelines for Personnel Promotions and Reviews.” When a position within the institution becomes vacant and is to be filled internally, a review process shall be conducted. If the vacancy is to be filled by someone outside the institution, the job title, job category, job level, required qualifications, office location, application guidelines, and selection methods must be published

in newspapers or on the institution's website to ensure an open selection process.

The Control Yuan has established the "Implementation Guidelines for Domestic Training and Continuing Education of Control Yuan Staff," organizing various educational training courses each year to enhance public officials' ethical cultivation and work performance. Public officials must uphold their dignity and avoid arrogance and laziness.

Auditors

Auditors shall perform their duties in accordance with the Public Servants Appointment Act, the Public Servants Promotion and Relocation Act, the Public Servants Retirement Pension Act, and other relevant laws.

The Commission on Education & Training of National Audit Office conducts surveys on the training needs of auditors based on the "Guidelines for the Development and Implementation of Auditor Training in the National Audit Office." Professional training for auditors is conducted in stages, by year, or in phases in accordance with official rank, job nature, and skill level. This is done to enable auditors to meet the requirements of performing their official duties correctly, honestly, and properly.

The National Audit Office conducts training sessions for new auditors every year, providing nearly a month of training. This includes courses on integrity-related laws and ethical standards, the roles and responsibilities involved in performing their duties, and the necessary skills for auditing. These courses help enhance auditors' understanding of the corruption risks inherent in the execution of their duties. Additionally, courses such as legal studies are scheduled as needed to further improve auditors' awareness of corruption risks.

Military Personnel

Taiwan has established an open and transparent talent selection system for the military. For reserved ranking officers and reserved non-commissioned officers, an annual examination is governed by the "Implementation Measures for the Selection and Training of Reserved Ranking Officers and Reserved Non-Commissioned Officers," which clearly defines the candidates, methods, positions, specialty categories, qualifications, and application procedures. The Ministry of National Defense is responsible for developing the examination plan for implementation or may delegate the task to the Army Command of the Ministry of National Defense and other units to formulate the examination plan, which will be submitted to the Ministry of National Defense for approval before implementation.

The "Implementation Measures for the Selection and Training of Volunteer Soldiers" have been established for the selection of volunteer soldiers. The Ministry of National Defense establishes the selection plan and guidelines based on personnel needs and other matters. The guidelines are announced 30 days prior to the registration deadline. Those who have violated the Anti-Corruption Act may not participate in the selection.

The military personnel appointment system has established regulations and operational guidelines such as the "Act of Commission for Officers and Noncommissioned Officers of the Armed Forces" and the "Enforcement Rules of the Act of Commission for Officers and Noncommissioned Officers of the Armed Forces" to implement an "independent, transparent,

and objective” personnel nomination and transfer system. The personnel candidates for the Ministry of National Defense and related operations, such as transfers, are organized by each level using a task-based approach. Relevant officials, including supervisors and public officials, are included in the personnel evaluation and review committee to discuss and review candidate evaluations and transfers, aiming to institutionalize, standardize, and make the personnel candidate and transfer processes open.

Regarding the training of military personnel, the Ministry of National Defense issued the “Implementation Guidelines for Military Integrity Education” and the “Curriculum Outline for Military Integrity Education” in 2018. The overall guidelines regulate matters related to promoting integrity education and specifically aim to incorporate 2, 4, 6, and 8 hours of integrity education into the curricula of basic, specialized, advanced, and further education programs at various military academies and training centers, so that military personnel can receive systematic integrity training at all stages.

In addition, regular sessions of the “National Military Integrity Education Instructor Training Course” and “Integrity Education Mobile Advocacy” are conducted to train legal officers, monitoring officers, and security officers from military academies under the Ministry of National Defense, as well as instructors for moral education and legal education. These activities aim to cultivate seed teachers for integrity education and provide specialized lectures for commanders and personnel in charge of human resources, procurement, accounting, logistics, and other duties at various military command levels, including corps and joint battle brigades.

Police Personnel

The Ministry of the Interior has established the “Police Personnel Management Act” and the “Police Personnel Promotion Measures.” The qualifications for the appointment of police officers are stricter than those for public officials. Promotions are based on principles such as the candidate’s character, professionalism, work performance, development potential, job ethics, and experience in both internal and external duties. They are evaluated comprehensively in accordance with the promotion scoring criteria.

There are term transfer regulations for police agency supervisors and personnel in their jurisdiction to enhance job experience and prevent police officers from encountering disciplinary issues due to prolonged assignments. The term of the individuals in charge of police agencies and Central Police University within the same jurisdiction is 3 years, and they may be reappointed for 1 additional term.

Every year, police agencies at all levels implement year-round training for officers, and integrity and anti-corruption courses have been included as mandatory subjects in the curriculum in recent years; additionally, continuing education and advanced studies for police personnel are also planned, incorporating courses related to integrity to deepen officers’ understanding of ethical standards.

Additional special regulations set by various agencies (e.g., Ministry of Labor; National Immigration Agency, Ministry of the Interior)

Each agency in Taiwan establishes its regulations for job transfers based on its specific

characteristics and needs, as illustrated in the following examples:

The Bureau of Labor Funds, Ministry of Labor, is responsible for financial investment expertise. The bureau comprehensively assesses talent development and the stability of investment operations and prevents the occurrence of risk events. In accordance with the “Directions for Promotion and Transfers within the Bureau of Labor Funds,” the bureau carries out the rotation of investment personnel. The Workforce Development Agency, Ministry of Labor, established the “Regulations for the Implementation of Position Transfers for Public Officials” in 2014, which provides clear functional divisions and rotation mechanisms for high-risk operations personnel involved in foreign employment permit applications. The term for supervisors at all levels and personnel involved in business audits shall not exceed 4 years in the same unit, and adjustments must be made flexibly based on the progress of business operations.

The National Immigration Agency, Ministry of the Interior, has established guidelines titled “Overview of Principles for Job Rotation of Non-Managerial Personnel Handling Sensitive or High-Risk Tasks.” Regular job rotations are conducted, prioritizing those tasks that involve a high degree of sensitivity or high-risk incentives; additionally, colleagues who have obvious concerns regarding conduct should not remain in the same unit for extended periods to reduce risk incentives.

(c) That promote adequate remuneration and equitable pay scales, taking into account the level of economic development of the State Party;

In Taiwan, the Examination Yuan’s Personnel Administration is responsible for matters related to the appointment, evaluation, pay grades, promotions, and awards of public officials, as well as the classification, insurance, retirement, pension funds, and incentives related to public officials, making it the core agency of the nation’s personnel system.

Public Official Salary Structure

“Civil Service Pay Act,” “Regulations for Civil Service Allowance”

The salary structure for public officials can be referenced in Article 3 and Article 5 of Taiwan’s “Civil Service Pay Act.” The compensation for public officials consists of a basic pay (seniority pay) and allowances, which include 3 types: position allowance, technical or professional allowance, and regional allowance. The “Regulations for Civil Service Allowance” also stipulate the various factors that shall be considered for allowance.

Civil Service Promotion System

“Civil Service Performance Evaluation Act”

The Civil Service Promotion System directly affects salaries. Article 7 of Taiwan’s “Civil Service Performance Evaluation Act” provides that those who receive a grade of A or B in year-end evaluations will have their base salary increased by 1 level. Therefore, the advancement of the base salary depends on the year-end performance evaluations. As for rank promotion, according to Article 11 of the same Act, one is qualified for appointment to a position 1 rank higher within the same official rank if certain year-end performance evaluation requirements are met. Rank promotion also leads to changes in allowances.

The Pay for Civil Servants_

Pay Regulations for Members of the Armed Forces, Civil Service Employees, and Teachers ”The Executive Yuan, has issued the “Pay Regulations for Members of the Armed Forces, Civil Service Employees, and Teachers”and has prepared a “Summary Table of the Pay for Civil Servants,” for calculating civil servants’ pay based on their official rank and grade. For example, in city offices, the basic pay for an officer at Pay Rates 1 of the General Administration Series with Junior Rank Grade 6 is calculated based on the “Summary Table of the Pay for Civil Servants in 2024”, which indicates that the basic pay for Pay Rates 1 shall be NT\$28,390. The professional allowance for the Junior Rank Grade 6 is NT\$25,130, and the total of the 2 amounts is the officer’s total salary of NT\$53,520.

As for how to determine salary rates, financial burdens of government, per capital GDP, economic growth rate, consumer price index, and prevailing salary rates will be taken into account for public sector pay rate adjustments . After being reviewed by the "Advisory Committee on Public Pay," the results will be provided as an important reference for the Executive Yuan in making decisions for pay rate adjustments , so as to ensure the fair living standard of civil servants and reduce the risk of involvement in corruption.

Public Official Expense Reimbursement System

Systematic Expense Reporting

Taiwan is implementing policies to digitize the government and make it paperless to simplify the processes for expense reimbursement and settlement. Various agencies are actively promoting a systematic expense settlement system. For example, the Directorate-General of Budget, Accounting and Statistics, Executive Yuan, has established a shared “Expense Settlement System” that integrates with other shared systems (such as the electronic invoice platform, payroll system, and WebITR attendance system). This can enhance internal controls, cross-reference feedback from remittance data, and utilize anomaly alert functions for exception management, thereby reducing the risk of malpractice. Systematic expense reimbursement and settlement services are gradually being introduced to central government agencies, and digitization can accelerate the efficiency of government operations.

(d)That promote education and training programmes 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. Such programmes may make reference to codes or standards of conduct in applicable areas.

Training Institutions and Systems

“Civil Service Training and Continuing Education Act”

Taiwan conducts diverse training and continuing education for civil servants, including training for personnel newly qualified through civil service exams, training for rank promotion, mid-to-long-term development training for high level civil servants, training for administrative neutrality, professional training, general managerial training, training for newly-appointed civil

servants, and other on-the-job training and continuing education matters pertaining to civil servants. In accordance with the “Civil Service Training and Continuing Education Act,” training and continuing education matters are undertaken by the Civil Service Protection and Training Commission, central government agencies of Grade 2 or higher, the municipal, county or city governments or authorized agencies (organizations) or schools, or the delegated subordinate agencies.

In accordance with Article 3 of the same Act, in order to improve upon the planning, coordination, and execution efficiency of training and continuing education for civil service, the Directorate-General of Personnel Administration, Executive Yuan, and the Civil Service Protection and Training Commission along with related agencies, shall establish a Coordination Board, training information bulletin, and resource sharing system.

Incorporating Integrity into Training

“Regulations Governing the Training for Personnel Newly Qualified through Civil Service Exam”

In accordance with Article 5 of the “Regulations Governing the Training for Personnel Newly qualified through Civil Service Examination,” training for individuals who have recently passed the civil service exam focuses on the enrichment of basic concepts, moral integrity, service attitude, administrative procedures, and techniques that have been deemed required learning for newly appointed personnel. As such, Taiwan’s basic training programs for new public servants include a focus on “public ethics and core values.” This training not only supplements the foundational administrative knowledge needed for future positions, but also helps new civil servants understand the behavioral standard they are expected to follow. Additionally, it also emphasizes key concepts such as conflict of interest, law-based governance, and administrative neutrality, ensuring that they can perform their duties accurately and effectively.

Taiwan has included the “Integrity and Service Ethics” course category in the required annual training hours for all public officials since 2017 to enhance public officials’ understanding of integrity and ethics.

Integrity Education Promotion by the Government Employee Ethics Units in Various Agencies

Each agency’s government employee ethics unit must regularly select integrity-related topics to conduct digital or in-person training and courses for agency staff to strengthen employees’ understanding of integrity and the rule of law.

Formulation and Publication of Anti-Corruption Guidelines (Refer to Article 5, Paragraph 3)

- 3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

Examination Yuan Statistics Database

<https://stats.exam.gov.tw/exam/>

The Examination Yuan’s statistics Query Website includes the following main statistical

data and other information: civil service, professional & technical examinations by registrations and qualification rates from 2012 to 2023; the number of all civil servants by examination type from 2012 to 2023; Public Service Pension Fund by receipts and expenditures from 2011 to 2023; the number of participants in Public Service Pension Fund by monthly pension payment type from 2012 to 2023 ; the average training hour for each civil servant from 2011 to 2023; statistics on the number of reviewed & adjudicated, unreviewed & unadjudicated and administrative proceedings for civil service protection cases from 2012 to 2023.

Statistics on the Number of Civil servants Dismissed for Corruption

Statistics on dismissals due to the circumstances specified in Article 28, Paragraph 1, Subparagraph 4 of the “Civil Servant Employment Act”

Time	2020	2021	2022	2023	Total
Number of People Dismissed for Corruption	17	15	12	7	51

Statistics on public officials who are deprived of or have reduced retirement benefits due to corruption, as well as those who must stop receiving monthly pensions due to imprisonment for corruption or deprivation of public rights.

According to statistics, from May 13, 2016 (the date of enforcement to the amended “Civil Service Retirement Act”) to June 2024, there were 30 retired civil servants deprived of pension payment after their conviction for the crimes of corruption and malfeasance in office, 82 whose pension payment was reduced, and 239 whose pension payment had been suspended after their sentence to prison for the crime of corruption and malfeasance in office, or their deprivation of citizen's right.

Job Rotation Information

For example, starting in 2023, the Workforce Development Agency, Ministry of Labor, has conducted job rotations for 19 personnel responsible for reviewing employer permits for hiring foreigners.

Preventive Measure Cases

The AAC supervises Government Employee Ethics Units to handle corruption cases that have occurred, such as public officials misappropriating public property using their positions, police officers leaking personal information of citizens in exchange for bribes, and project procurement personnel receiving illegal benefits from contractors. It conducts thorough analyses of the causes related to regulations, systems, implementation, and internal control weaknesses and adopts corresponding recommendations or measures for further corruption prevention to ensure effective execution and prevent the recurrence of similar corruption cases.

Training Related to Public Official Integrity

It has been verified that various agencies conducted a total of 17,343 training sessions related to “integrity and service ethics” from 2020 to 2023, with 1,350,592 participants and a

total of 2,224,591 certified learning hours. About one-third of the sessions were in-person courses, while the rest were conducted as digital courses.

Period	Sessions	Participants	Certified Learning Hours
2020	5,242	409,589	685,111
2021	3,995	316,504	532,906
2022	4,134	313,840	525,974
2023	3,972	310,659	480,600
Total	17,343	1,350,592	2,224,591

Statistics on Integrity Promotion Activities by Government Employee Ethics Units of Various Agencies

The AAC produces digital learning courses that include “Administrative Transparency,” “Integrity Tripple Protection -Eliminate Improper Profiteering,” “Overview of Engineering Ethics,” and “Civil Service Legal Responsibility Review and Anti-Corruption Measures.” In 2022, the number of certifications reached 63,919, with a total of 92,760 hours certified. In 2023, the number of certifications reached 92,096, with a total of 96,238 hours certified.

Year	Certified (people)	Certified (hours)
2020	120263	180186
2021	141051	203083
2022	63919	92760
2023	92096	96238
Total	417,329	572,267

Article 7, paragraph 2

2. Each State Party shall also consider adopting appropriate legislative and administrative measures, consistent with the objectives of this Convention and in accordance with the fundamental principles of its domestic law, to prescribe criteria concerning candidature for and election to public office.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Taiwan's Ministry of the Interior is in charge of the planning, promotion, supervision, and guidance of elections and recalls. The Central Election Commission is responsible for managing elections, recalls, and ballot initiatives.

Public Servant Candidate Qualifications, Cancellation of Registration

“Presidential and Vice Presidential Election and Recall Act”

In accordance with Article 20 of the amended “Presidential and Vice Presidential Election and Recall Act” promulgated in 2023 in the free area of the Republic of China, individuals who have resided continuously for more than 6 months, have been registered for more than 15 years, and are over the age of 40 are eligible to apply to register as candidates for president or vice president. Those who have restored their Republic of China nationality, obtained Republic of China nationality through naturalization, or are residents of mainland China or Hong Kong and Macau who are permitted to enter Taiwan are not eligible to register as candidates for president or vice president. Article 21 stipulates circumstances under which processing or registration shall not be accepted. Article 26 states that individuals convicted of corruption offenses, with a confirmed guilty verdict, shall not be registered as candidates for President or Vice President.

“Public officials Election And Recall Act”

In accordance with Article 24 of the amended “Public Officials Election and Recall Act” promulgated in 2023, voters who are at least 23 years old may register as candidates for public servants in the election district where they exercise their voting rights. The candidates for mayors of special municipalities and counties (cities) must be at least 30 years old. Candidates for mayors of townships (cities) or chiefs of indigenous districts must be at least 26 years old. Those who have restored their Republic of China nationality for 3 years or who have obtained Republic of China nationality through naturalization for at least 10 years may register as candidates. Article 26 stipulates that those who have been convicted of corruption and have a final guilty verdict may not register as candidates.

Article 28 of the “Presidential and Vice Presidential Election and Recall Act” and Article 29 of the “Public Officials Election and Recall Act” specify the related provisions for the revocation of a candidate’s registration, including disqualification under candidate eligibility requirements or if the individual has been convicted of offenses such as rebellion, treason, or corruption, with

a final guilty verdict, along with other circumstances listed in the provisions.

Regulations that Political Parties and Candidates Should Pay Attention To

The Central Election Commission has published the “Regulations for Political Parties and Candidates to Note” on its website, outlining the the qualifications and election standards for candidates. The regulations provide detailed explanations for candidates running for the 16th president and vice president, as well as for the 11th legislators-at-large of the Legislative Yuan .

Candidate Property-Declaration and Announcement

“Act on Property-Declaration by Public Servants”

Taiwan’s “Act on Property-Declaration by Public Servants” requires public servants with specific identities or holding certain positions (Article 2, Paragraph 1) to declare their property. Election candidates of the President, Vice President, and county (city) level and above shall apply mutatis mutandis to this Act and declare properties upon the registration of application for election candidates. Article 6 stipulates that upon the day of the acceptance of the declarations of the election candidates of the President and Vice President of the Republic of China and of other public servants above the county (city) level, the responsible property declaration agencies (institutions) shall review and compile the received declarations into booklets for public access, and the declarations shall be published on the Internet for one year..

The “Act on Property-Declaration by Public Servants” was amended and promulgated in 2022. The property declaration information of a special municipality, (city) councilors was not made public prior to the amendment of the Act, which impeded public oversight in light of the increasing responsibilities of these officials in recent years. To align with the legislative intent of the Act, municipal and county (city) councilors, as well as their candidates, are included in the list of individuals required to disclose information online as specified in Article 6 of the Act. A specific period for such online disclosures is also established.

The “Act on Property-Declaration by Public Servants” clearly stipulates appropriate penalties regarding non-compliance with the property declaration system. Please refer to the response content related to the “Act on Property-Declaration by Public Servants” in Article 8, Paragraph 6.

Political Donations for Candidates

“Political Donations Act”

Taiwan’s “Political Donations Act” stipulates that prospective candidates shall establish a financial ledger, designate personnel to record daily the time of receipt and expenditure of political donations, the recipients and their addresses, the purposes, amounts, or values of any economic benefits besides money, and prepare accounting reports based on this information. Candidates shall submit the report described above to the agency responsible for receiving declarations, the Control Yuan, within 3 months after the election voting date. The Control Yuan shall then compile the report and make it publicly available on the Internet. The scope of prospective candidates includes personnel who have completed registration in accordance with the law or intend to register as candidates for public office within the legally specified period for

receiving political donations, which includes candidates. Therefore, regulations for the disclosure of political donation information for candidates already exist.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Qualification Verification Data

Candidate qualifications for the Legislators election are reviewed at different levels by election commissions, as mandated by the Public Officials Election and Recall Act. Statistics on candidate qualifications for the 9th, 10th, and 11th Legislative Yuan elections are as follows.

Statistics of Candidate Qualification Verification for the 9th, 10th, and 11th Legislative Yuan Elections

Term	Regional and Indigenous	At-Large	Total	Disqualified
11 th	335	178	513	8
10 th	433	217	650	3
9 th	377	179	556	2

Taking the 11th Legislative Yuan election on January 13th, 2024, as an example, the qualifications of candidates were reviewed the 597th meeting of the Central Election Commission on December 15th, 2023. A total of 513 candidates were approved as qualified and registered nationwide. However, 8 individuals were found to be ineligible after review.

Since 2019, there have been no cases of candidates being penalized for failing to comply with the property declaration system.

Article 7, paragraph 3

3. Each State Party shall also consider taking appropriate legislative and administrative measures, consistent with the objectives of this Convention and in accordance with the fundamental principles of its domestic law, to enhance transparency in the funding of candidatures for elected public office and, where applicable, the funding of political parties.

1. **Is your country in compliance with this provision?**

Yes

2. **Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.**

Taiwan's Ministry of the Interior is in charge of the planning, promotion, supervision, and guidance of political parties and political donations. Additionally, in accordance with the "Political Donations Act," administrative penalties are imposed by the Control Yuan, and matters such as accepting and reviewing (investigating) declarations (applications) as stipulated in the same Act are under the jurisdiction of the Control Yuan.

"Political Donations Act"

Definition of Political Donations

In accordance with Taiwan's "Political Donations Act," amended and promulgated in 2018, political donations refer to movable or immovable property provided without compensation, payments of disproportionate value, debt forgiveness, or other economic benefits given to individuals or groups engaged in campaign activities or other political-related activities. However, party dues, membership fees, or volunteer services are not included.

Prohibited Donations

The Act explicitly stipulates that for-profit enterprises and social groups with public welfare purposes may contribute political donations to specific political parties. However, to prevent political funds from being operated under the table, which is detrimental to effective management, the Act clearly prohibits donations by such organizations in situations that may affect national security, be detrimental to fair political competition, lead to corruption, or be obviously inconsistent with the purposes of the organization's establishment. For instance, religious organizations, public enterprises, and vendors with substantial procurement contracts or significant public construction investment contracts with government agencies that are still in the performance period, as well as vendors from previous periods or businesses with accumulated losses based on the previous year's financial statements that have not yet compensated as required, are all prohibited from donating to individuals, legal entities, organizations, or other institutions from foreign regions, mainland China, Hong Kong, or Macau, or to those whose main members belong to such groups. Donations are also prohibited (Article 7) to avoid any improper connection between political contributions and public affairs, as well as to prevent interference in government decision-making by large donations or foreign influence.

Prohibition of Inappropriate Benefits or Agreements

Furthermore, the contribution of political donations may not involve the solicitation or expectation of improper benefits. The preceding political donations may not be accepted by political parties, political organizations, and candidates (Article 9).

Accepting and Donating Methods as well as Transparency Measures

The “Political Donations Act” stipulates that only political parties, political groups, and candidates are permitted to receive political donations. Individuals who intend to register or have legally registered to run for public office may receive political donations during the statutory period. There are relevant regulations regarding accepting and donating methods, total amount limits, and transparency measures, as explained below:

- Method of acceptance (Article 10): The recipient shall open a designated account and report it to the Control Yuan for approval. Political donations must be deposited into the designated account within 15 days of receipt.
- Donation method (Article 14): Donations under names other than one’s own are prohibited. Anonymous donations may not exceed NT\$10,000. Cash donations exceeding NT\$100,000 shall be made by check or through a financial institution transfer.
- Aggregate Limit (Articles 17 and 18): There is a cap on the total annual donations from profit-seeking businesses and civil associations to political parties and candidates.
- Financial Record Keeping (Article 20): The recipient shall maintain financial records and prepare accounting reports detailing information about income and expenses exceeding NT\$30,000.
- Filing Method (Article 21): The accounting report must be audited and certified by a commissioned accountant, and the candidate must report to the Control Yuan within 3 months after the election date. Political parties shall report to the Control Yuan by May 31st each year.
- Public Disclosure (Article 21): The entire content of the accounting report shall be made available online. Additionally, the Control Yuan has established “Regulations for the Public Disclosure and Review of Political Donation Accounting Reports.”

Disciplinary and Audit Regulations

Articles 26 to 32 of the “Political Donations Act” provide the penalties for criminal and administrative violations of the Act. To implement the “Political Donations Act” effectively, the Control Yuan has formulated the “Guidelines for Audit of Political Donations” and other regulatory orders and administrative regulations for compliance. It also regularly publishes “The Control Yuan Gazette - Special Issue of Integrity,” which is made available online on the same day of publication for public access. The published content includes a list of confirmed penalties under the Political Donations Act and decisions on appeals.

Legislative Amendment Progress

The “Political Donations Act” has been operating smoothly since its implementation in 2004, and efforts to improve the relevant legal framework are ongoing. On January 3rd, 2019, the Ministry of the Interior inquired various agencies for opinions on legislative amendments.

Following a recommendation from the Control Yuan, it has been stipulated that when political donations are directed towards specific related parties, they shall be disclosed in the accounting report. The Ministry of the Interior has drafted amendments to Articles 20, 23, and 36 of the “Political Donations Act” for submission to the Executive Yuan for review. Additionally, to establish sound regulatory mechanisms for recall funding collection, a complete draft amendment of the Act has been prepared by the Ministry of the Interior, incorporating the preceding 3 articles, and submitted to the Executive Yuan on June 30th, 2020. The Executive Yuan held 4 review meetings regarding the amendments, on August 4th, 2020, November 16th, 2020, December 9th, 2021, and October 19th, 2022. Currently, the review is still ongoing. The Ministry of the Interior is continuously reviewing relevant laws and regulations in response to recent public concerns about the anonymous donation cap in the Political Donations Act and the issue of legislators accepting donations through online live streams and other new fundraising methods.

“Political Parties Act”

Political parties are not intended for profit and, therefore, cannot use their power to compete with the public for benefits. Thus, Article 23 of the “Political Parties Act” prohibits political parties from operating or investing in profit-making enterprises. To normalize the affairs of political parties and avoid being constrained by specific financial powers due to economic pressure, losing the ability to operate independently, and deviating from public opinion, Article 22 stipulates that the Ministry of the Interior should allocate an annual budget to subsidize political parties that achieved a vote percentage of over 3% in the most recent nationwide at-large and overseas citizen legislative elections.

In addition, there are clear regulations regarding the transparency of all financial matters for political parties (party subsidies, political donations, membership fees, etc.). Article 20 of the “Political Parties Act” stipulates that the accounting year for political parties follows the calendar year, uses the accrual basis of accounting, and requires the establishment of books to record accounting matters in detail. All accounting documents shall be kept for 7 years from the end of the accounting year except those that shall be kept permanently or pertain to pending cases. Account books, except those related to pending cases, shall be kept for 10 years from the end of the accounting year. Article 21 provides that political parties shall submit the financial statement of assets and financial status for the previous fiscal year to the Ministry of the Interior by May 31st each year. This financial statement shall be audited and certified by an accountant and approved by the party members’ meeting or the party representatives’ meeting. The Ministry of the Interior shall publish it in the government gazette or newspapers and make it publicly available on the Internet within 45 days after the submission deadline.

The “Political Parties Act” stipulates penalties for both criminal and administrative liabilities for violations of the Act.

3. **Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

Statistics on political donation account permits, revocations, and financial report filings

Year	Number of permitted accounts established	Number of accounts revoked including those established in previous years	Number of financial report filings (cases)
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	prospective candidate (political accounts)				
2020	21	6	350	16	534
2021	5	2	33	3	118
2022	2,308	3	100	4	713
2023	303	8	2,228	5	1,806

**Statistics on political contribution income for prospective candidates and political parties
(reported donation income for prospective candidates in major elections from 2018 to 2024)**

Unit: New Taiwan Dollar

Reporting year	Election type	Total income	Individual income	donation	Profit-seeking business income	donation
2018	Nine-in-one local public servant election	4,105,356,576	2,461,127,650		1,466,156,049	
2020	Presidential and Legislative Yuan Elections	3,235,444,052	1,909,598,306		1,004,413,997	
2022	Nine-in-one local public servant election	4,444,115,157	2,543,656,503		1,711,179,845	
2024	Presidential and Legislative Yuan Elections	3,305,302,652	2,058,951,531		981,112,297	
Reporting year	Election type	Political party donation income	Civil association donation income	Anonymous donation income	Other income	
2018	Nine-in-one local public servant election	80,288,625	46,206,136	51,356,548	221,568	
2020	Presidential and Legislative Yuan Elections	147,901,967	60,300,237	113,091,107	138,438	
2022	Nine-in-one local public servant election	68,233,129	44,904,351	75,392,242	749,087	
2024	Presidential and Legislative Yuan Elections	97,925,500	56,298,705	109,711,866	1,302,753	

Note: In accordance with Article 18, Paragraph 1 of the “Political Donations Act,” the total annual donation to the same (group of) prospective candidate(s) may not exceed the following amounts: Individuals: NT\$100,000; Profit-seeking businesses: NT\$1,000,000; Civil associations: NT\$500,000. Additionally, Article 18, Paragraph 2 was added to the “Political Donations Act” in 2018, stipulating that a political party’s monetary donations to its recommended same (group of) prospective candidate(s) shall not exceed the following amounts: president and vice president: NT\$25,000,000; legislators: NT\$2,000,000; mayors of special municipalities, county magistrates, and city mayors: NT\$3,000,000. As a result, there has been a decreasing trend in political party donation income since 2018. (Taiwan adopts combined elections, holding central or local public servant elections every 2 years.)

Statistics on reported donation income for political parties from 2020 to 2023

Unit: New Taiwan Dollar

Reporting Year	Total Income	Individual Donation Income	Profit-making Enterprise Donation Income
2020	373,741,735	298,229,950	65,067,975
2021	359,561,051	244,567,554	106,872,146
2022	343,234,554	225,468,623	102,038,521
2023	416,255,821	274,649,756	125,569,054

Reporting year	Civil association donation income	Anonymous income	donation	Other income
2020	1,604,885	8,816,508		22,417
2021	2,716,000	5,371,796		33,555
2022	2,316,800	13,292,531		118,079
2023	2,069,000	11,722,339		2,245,672

Note: In accordance with Article 17, Paragraph 1 of the “Political Donations Act,” the total annual donation to the same political party or political group may not exceed the following amounts: individuals: NT\$300,000; profit-seeking businesses: NT\$3,000,000; civil associations: NT\$2,000,000.

Types of cases penalized for violating the Political Donations Act from 2020 to 2023

Penalty year	(1) Total number of penalties	(2) Type of violation									(3) Penalty target (category of person penalized)		
		Excessive donations	Foreign donations	Donations from Profit-seeking business with accumulated losses	Failures to pay to treasury within the deadline (failure to fulfill verification obligation)	Late reporting	Donations from vendors with substantial procurement contracts or significant public construction investment contracts with government agencies that are still in the performance period	Donations made in someone else's name	Others (donations by minors, etc.)	Donors	Prospective candidates	Political parties	
2020	4	0	0	0	0	3	0	0	1	0	1	3	
2021	84	36	33	5	5	0	0	0	5	76	7	1	
2022	81	27	26	19	4	1	1	0	3	74	7	0	
2023	1	0	0	0	0	0	0	1	0	1	0	0	

Note: The above statistics are based on the types of penalty cases that have been finalized and announced. Taiwan adopts combined elections, holding central or local public servant elections every 2 years.

The Control Yuan conducts audits based on accounting reports submitted by political parties and prospective candidates: (1) Total number of penalties: From 2020 to 2023, the Control Yuan penalized a total of 170 cases violating the Political Donations Act.(2) Types of violations: Violations of “excessive donations” were the most common (63 cases in total, accounting for 37.1%), followed by violations of “foreign donations” (59 cases in total, accounting for 34.7%).(3) Penalty targets: “Donors” received the most penalties with 151 cases, followed by “prospective candidates” with 15 cases and “political parties” with 4 cases.

From the Act’s implementation on March 31st, 2004, through October 31st, 2024, 23 cases were confirmed to have violated Article 14, Paragraph 1, which prohibits donations made under names other than the actual donor. These cases resulted in confirmed penalties totaling NT\$1,744,400.

The Control Yuan promotes the Political Donations Act annually through various means such as

electronic billboards or LED displays by agencies, on-site visits, or online video conferences, effectively reducing illegal activities by political parties, candidates, and donors.

Statistics from the Control Yuan’s “Open Inquiry Platform” of the last 4 years

Year	Number of available items online (items)	Number of queries (times)	Number of downloads (times)	Number of visitors (people)
2020	577	183,019	43,305	18,510
2021	140	235,774	68,596	18,813
2022	164	440,319	54,050	29,439
2023	2,328	491,027	129,145	50,726

Funding and Financial Reporting of Political Parties

In accordance with the Political Parties Act, the Ministry of the Interior allocates subsidies to parties that received more than 3% of the votes in the most recent national at-large election or elections for overseas citizens. In the fiscal years 2022 to 2023, a total of NT\$659,392,900 was budgeted each year to subsidize political parties.

In 2022, all 78 political parties required to submit financial reports did so within the deadline and were deemed compliant.

Article 7, paragraph 4

4. Each State Party shall, in accordance with the fundamental principles of its domestic law, endeavour to adopt, maintain and strengthen systems that promote transparency and prevent conflicts of interest.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Civil Service Administrative Neutrality

Article 8 of the “Civil Service Administrative Neutrality Act” stipulates that public officials may not use their official power, opportunities, or methods to solicit, promise, or accept donations of money, goods, or other benefits for political parties, other political organizations, or candidates for office; nor may they obstruct or interfere with others in legal fundraising activities for specific political parties, other political organizations, or candidates. If public officials violate the said provisions, in accordance with Article 16 of the “Civil Service Administrative Neutrality Act,” they shall be disciplined or punished based on the severity of the circumstances, in accordance with the “Public Functionaries Discipline Act,” “Civil Service Performance Evaluation Act,” or other relevant regulations; those involving other legal responsibilities shall be handled in accordance with the applicable laws.

Regulations on the Prohibition of Civil servants Engaging in Business, Restrictions on Part-time Employment, and Avoidance of Conflicts of Interest

“Civil Service Act”

The “Civil Service Act” regulates the conduct obligations of civil servants, specifically addressing the external activities of civil servants, with Article 14 prohibiting engaging in business and Article 15 restricting part-time employment. Articles 19 and 20 contain provisions to prevent conflicts of interest. If a civil servant violates these regulations, disciplinary actions or punishments should be considered based on the severity of the circumstances in accordance with Article 23 of the “Civil Service Act.” If a civil servant infringes upon criminal statutes, penalties should be imposed in accordance with the respective laws.

In accordance with Article 14 of the “Civil Service Act,” civil servants are comprehensively prohibited from engaging in business unless they are appointed by the public shareholding management authority to represent government shares or nominated to serve as directors or similar positions in businesses directly or indirectly invested by the government, which must be approved by the competent authority in advance., and they shall receive prior approval from the competent authority. Additionally, those in positions with direct supervision or management authority over profit-seeking businesses may not acquire shares or capital in those businesses. To assist the competent authorities in verifying whether civil servants violate the prohibition against engaging in business and to save manpower and time in carrying out the verification process while improving the accuracy of verification data, the Ministry of Civil Service has established

a platform for verifying the part-time employment of civil servants. At least once a year, the platform performs checks to compare civil servants' identification numbers with business registration and tax records. The results of these comparisons are provided to the competent authorities for re-verification and fact-finding based on individual case circumstances, aiming to prevent civil servants from violating the prohibition against engaging in business.

To ensure that each civil servant holds 1 position with specific responsibilities, thereby enabling them to safeguard their duties and avoid hindering the execution of public affairs and the exercise of their powers, Article 15 of the "Civil Service Act" stipulates that civil servants engaging in part-time or concurrent employment as well as other repeated conduct of a similar nature shall obtain consent from the relevant service agency before proceeding. These part-time positions must meet the appropriate procedural requirements.

Article 19 of the "Civil Service Act" stipulates that when civil servants perform their duties, they must recuse themselves in cases involving their own interests or those of their relatives; Article 22 states that civil servants may not lend money to, enter into reciprocal contracts with, or receive any other improper benefits from specific individuals connected to their duties.

"Act on Recusal of Public Servants Due to Conflicts of Interest"

To promote clean governance and rectify the political atmosphere, as well as to curb corruption and the improper transfer of benefits, Taiwan has established the "Act on Recusal of Public Servants Due to Conflicts of Interest" (amended and promulgated in 2018). The said Act clearly defines the concept of conflicts of interest, with Article 5 specifying that conflicts of interest refer to in the Act means the public servant obtains interests by himself or his related persons either directly or indirectly through any act or omission in the course of performing his official duties..

Each agency may, based on the specific nature of its operations, establish additional relevant regulations regarding the avoidance of conflicts of interest (as illustrated in Appendix 1). However, in accordance with Article 1, Paragraph 2 of the Act on Recusal of Public Servants Due to Conflicts of Interest, unless other acts impose stricter regulations, the provisions of the said Act shall apply.

(1) Subject of Regulation (Article 2):

President and Vice President of the R.O.C.; heads, deputy heads, chiefs of staff, deputy chiefs of staff, and equivalents of the government agencies (entities) at all levels and headquarters and branches of the state-owned enterprises; administrative officers; Presidents and vice presidents of public schools, military and police academies/schools, and reformatory schools, and heads and deputy heads of entities affiliated with them, if any; elected representatives of democratic bodies and works at all levels; directors, supervisors and equivalents representing the government or the state-owned shares in private juristic entities; directors, supervisors, heads, CEOs and equivalents of public juristic entities; chairmen of the board, CEOs, secretary-general and equivalents of the juristic entities donated by governments; judges, prosecutors, war-time military judges, enforcement officers, judicial associate officers, and prosecutor investigators; chief officers and deputy chief officers above the rank of colonel in the military agencies (entities) at all levels; chief officers in charge of public works, civil engineering management, urban

planning, ethics, accounting, audit and procurement of governments and agencies (entities) at all levels, state-owned entities, public schools, military/police academies/schools, reformatory schools and affiliated entities thereof at all levels..

(2) Self-Recusal, Application for Recusal, Authority Recusal (Article 6, Article 7, Article 9):

To prevent conflicts of interest from occurring, Article 6, Paragraph 1 of the “Act on Recusal of Public Servants Due to Conflicts of Interest” clearly requires a public servants shall recuse himself as soon as he is aware of a conflict of interest. Where a public servant fails to recuse himself notwithstanding the fact that he is obligated to recuse, the interested person may apply with the organ in which he renders service and also the superior agency/entity in accordance with Article 7, Paragraph 1 of the Act. Where the organ holds that the public servant fails to recuse himself notwithstanding the fact that he is obligated to recuse himself, the organ shall order the public servant to recuse himself ex officio in accordance with Article 9, Paragraph 1 of the Act, as this system aims to maintain and enhance transparency and prevent conflicts of interest.

(3) Prohibition and Exceptions for Transactions or Subsidies with Service or Supervisory Organs (Article 14):

Article 14 of the “Act on Recusal of Public Servants Due to Conflicts of Interest” stipulates that a public servant and his related persons shall not conduct transactions such as subsidizing, sales, lease, contracting, or other transactions conducted with consideration with the organ with which the public servant serves or the organs under his supervision. However, exceptions are allowed for circumstances outlined in the provisions, such as the procurement carried out by public notice under the Government Procurement Act or subsidy requested in the legal capacity under laws, provided that the organ has implemented open and fair procedures and sufficient anti-corruption regulations during the subsidization or transaction process.

(4) Disclosure of Identity and Relationship (Article 14, Paragraph 2):

Regarding the preceding exceptions, Article 14, Paragraph 2 also stipulates that under specific circumstances, one shall disclose their identity or relationship in the application forms or tender submissions voluntarily, before rendering the subsidy or engaging in the service. In addition to emphasizing the conflicts of interest recusal, there is an obligation under certain circumstances for public servants and their related persons to disclose their identity or relationship for societal scrutiny, thereby also serving to promote social participation. Moreover, upon rendering the subsidy or engaging in the service, the organ shall disclose his identity and relationship altogether voluntarily to ensure openness and transparency.

(5) Provisions Prohibiting Inerest-Seeking and Requests for Making Intercessions (Articles 12 and 13):

A public servant shall not seek interests for himself or for his related persons by manipulating his official power, opportunities or any method under his official duty. Related persons of a public servant shall not seek interests for himself or for the said public servant by requesting relevant persons in the organ, speaking for the same, or by other improper means.

(6) Punishment Regulations (Articles 16 to 21):

“Act on Recusal of Public Servants Due to Conflicts of Interest” Articles 16, 17, and 20 stipulate that if a public servant is aware of a conflict of interest but fails to recuse himself or does not ensure his recusal, or if he seeks interests for himself or for his related persons by manipulating his official power, opportunities or any method under his official duty, or related persons of a public servant shall not seek interests for himself or for the said public servant by requesting relevant persons in the organ, speaking for the same, or by other improper means, this constitutes a violation of the law. Depending on the severity of the circumstances, the Control Yuan or the AAC may impose a fine ranging from NT\$100,000 to NT\$6,000,000.

Public servants or their related persons and the organ with which the public servant serves or the organs under his supervision, even when certain circumstances are met, may exceptionally subsidize or conduct transactions with consideration. However, they shall disclose their identity or relationship (please refer to the content of Article 7, Paragraph 4 regarding the “Act on Recusal of Public Servants Due to Conflicts of Interest”). In case of violation, a penalty may be imposed in accordance with Article 18, Paragraph 3 of the “Act on Recusal of Public servants Due to Conflicts of Interest.”

The Control Yuan has established the “Regulations on Handling Conflict of Interest Recusal Cases for Public Servants by the Control Yuan” to accept reports of self-recusal from public servants under its jurisdiction, as well as to investigate cases suspected of violating the law based on citizen complaints or transfers from agencies. Additionally, both the MOJ and the Control Yuan have established the “Standards for Penalty Amounts in Conflict of Interest Recusal Cases for Public Officials,” which establish guidelines for fines based on the severity of violations of the Act on Recusal of Public Servants Due to Conflicts of Interest, the level of culpability, the resultant impact, and any benefits gained.

The MOJ (AAC) publishes a list of penalties for violations of the “Act on Recusal of Public Servants Due to Conflicts of Interest” on its official website as stipulated in Article 21. In addition, the Control Yuan has established the “Guidelines for Compiling and Printing the Control Yuan Gazette’s Integrity Special Issue,” which should include content such as: the confirmed list of fines for the “Act on Recusal of Public Servants Due to Conflicts of Interest”; administrative appeal decisions for the “Act on Recusal of Public Servants Due to Conflicts of Interest,” etc. Furthermore, this special issue is published online on the same day of its release to facilitate public access.

(7) Promotion and Clarification:

To strengthen the promotion of conflicts of interest recusal concepts to public servants, the AAC and the Control Yuan continue to conduct promotional activities. Additionally, the AAC has set up a dedicated section on its official website to publish administrative rule, case studies, and promotional materials, providing unified interpretations and consultation opinions to the public.

Websites such as the “Sunshine Acts” website and the “Public Servants and Related Persons Subsidy Transaction Identity and Relationship Disclosure and Query Platform” are available for the public to inquire about promotional materials, confirmed lists of disciplinary cases, administrative appeal decisions, and information on disclosed identity relationships of public servants or related persons regarding subsidies and transactions. -Control Yuan

Regulations for Public Officials Accepting Valued Gifts, Invitations to Dinner, and Requests for Making Intercessions

“Integrity and Ethics Directions for Civil Servants”

The “Integrity and Ethics Directions for Civil Servants” is a code of conduct for public officials, which clearly stipulates regulations and reporting and registration procedures for public officials encountering situations such as accepting valued gifts, invitations to dinner, requests for making intercessions, and other integrity and ethics events. When there is a conflict of interest with their duties, these should be refused in principle.

The directions also stipulate that each agency (organization) may establish stricter regulations as needed; for temporary personnel within the agency, they authorize each agency to include them in self-established regulations as needed or to incorporate the regulatory content into contracts when signing them.

“Executive Yuan and Subordinated Entities Guidelines for Registration and Monitoring of Influence Lobbying”

“Executive Yuan and Subordinated Entities Guidelines for Registration and Monitoring of Influence Lobbying” require each agency to set up a dedicated section on their websites for registering and inspecting requests for making intercessions and to strengthen the promotion of regulations prohibiting requests for making intercessions. The AAC and Government Employee Ethics Units of central government agencies at or above the second level conduct random inspections of events involving requests for making intercessions that raise concerns about illegality.

Government Procurement Recusal Regulations

Article 15 of Taiwan’s “Government Procurement Act” stipulates that entity personnel shall recuse themselves from matters related to procurement when it involves the interests of themselves, their spouses, relatives within the second degree of kinship, or family members living together.

To comply with Article 14 of the “Act on Recusal of Public Servants Due to Conflicts of Interest,” the Public Construction Commission of the Executive Yuan has revised the “Model Statement of Tenderer ” and the “Model Statement of Tenderer for Publicly Obtained Electronic Quotations,” incorporating declarations on whether the supplier is a public servant or related person, and adding explanatory notes on handling procedures and reminders regarding the disclosure of identity or relationship.

The “Regulations for Review by the Procurement Evaluation Committee” also stipulate the recusal of procurement evaluation committee members in specific situations. If they meet one of the particular situations affecting conflicts of interest (for example, cases involving the interests of themselves, their spouses, relatives within the second degree of kinship, or family members living together), they shall resign or be dismissed immediately (Article 14); from the time of receiving evaluation-related information, they may not participate in the bidding , act as a subcontractor , or serve as a team member for that procurement case (Article 14-1).

Conflict of Interest Recusal Regulations for Legislators

Articles 11, 16, and 19 to 24 of the “Legislative Yuan Member Behavior Act” clearly stipulate that legislators may not hold positions in state-owned enterprises, may not accept promises or receive property interests when being lobbied by the public, and related provisions on interest recusal.

Lobbying Regulations

“Lobbying Act”

Regarding lobbying, the “Lobbying Act,” promulgated in 2007, establishes relevant regulations that promote a transparent process to prevent improper benefits and ensure participation in democratic politics.

Lobbying Definition

According to the Act, lobbying refers to the act of a lobbyist intending to influence the formation, formulation, passage, modification, or abolition of laws, policies, or proposals by the lobbied person or their affiliated agency by directly expressing opinions to the lobbied person or their designated person, either orally or in writing.

Prohibited Lobbying Situations

Article 10 clearly stipulates that lobbied persons such as the president, vice president, heads and deputy heads of special municipality governments, county (city) governments, and township (town, city) offices, except for elected representatives at various levels, are prohibited from lobbying or entrusting others to lobby their former agencies within 3 years after leaving office, and for agencies they served in the 5 years prior to leaving office in order to prevent conflicts of interest. Article 12 clearly stipulates that elected representatives at various levels may not lobby for businesses they or their related persons operate or invest in with a total shareholding of 10% or more, nor entrust other lobbyists to do so.

Lobbying Registration

Article 13 of the Act stipulates that lobbyists should prepare an application form for each case and apply for registration with the agency to which the lobbied person belongs before conducting lobbying. Article 16 stipulates that the lobbied person should notify the designated specialized unit or personnel of their affiliated agency for registration within 7 days of accepting lobbying. Furthermore, Article 17 stipulates that lobbyists should compile financial income and expenditure statements used for lobbying and report them to the agency to which the lobbied person belongs before May 31st of each year and when terminating lobbying registration.

The Ministry of the Interior has established an online lobbying registration system, with functions including online application for lobbyists, online approval or rejection by receiving agencies, full disclosure of lobbying cases, and real-time tracking of lobbying case progress, facilitating use by lobbyists and receiving agencies and aiming to increase the number of lobbying registration applications.

Legislative Amendment Progress

The Ministry of the Interior drafted amendments on Partial Articles to the “Lobbying Act” and submitted them to the Executive Yuan on April 29th, 2021. Key revisions include expanding the scope of lobbied persons (adding assistants to elected representatives at all levels and heads of central third-level agencies), simplifying the required information for lobbying registration, adding penalty provisions for illegal lobbying, and modifying the division of responsibilities for penalizing lobbying cases.

Public Servant Property-Declaration System (refer to Article 8, Paragraph 5)

For other practices to enhance transparency, please refer to Articles 10 and 13 of this self-assessment checklist.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Statistics on the Number of Cases Involving Conflicts of Interest for Public Servants

The MOJ and the Control Yuan request all organs annually to compile and report the information about the public servant’s voluntary recusal, application for recusal, or recusal ordered ex officio in the previous year within 30 days at the end of each year.. For the past 4 years (2020 to 2023), the reported information of public servants’ self-recusal are as follows:

Year	Number of reported cases received
2020	26,897
2021	23,098
2022	26,685
2023	26,433

Statistics on types of conflicts of interest recusal for public servants

Table of statistics on types of conflicts of interest recusal for public servants in various agencies (those under the jurisdiction of the MOJ as stipulated in Article 20)

Year	Types of interests			Types of recusal			Recused party (self or related person)				
	Performance evaluation	Other personnel measures	Property interests	Voluntary recusal	application for recusal	ex recusal ordered officio	Self	Spouse	Relatives within second degree of kinship	juristic person or non-juristic entity organizations	Key Persons
2020	6,212	17,818	2,422	26,445	4	3	26,105	193	143	10	1
2021	5,974	12,968	2,918	21,853	2	5	21,551	170	129	10	0
2022	7,378	15,046	2,896	25,314	1	5	24,924	155	198	43	0
2023	6,690	15,129	3,006	24,815	5	5	24,519	164	117	38	0

Analysis of cases reported to the Control Yuan: Among public servants under the jurisdiction

of the Control Yuan, in recent years, central agencies have reported more recusal facts than local agencies. Regarding the interests recused, “non-financial interests” are more common than “financial interests.” Among “non-financial interests,” recusal from deliberations on rewards and punishments is the most common; among “financial interests,” recusal from deliberations on bonuses is the most common.

Concrete actions by the Control Yuan: To ensure agencies take the reporting mechanism seriously, the Control Yuan reminds agencies to report as required by law at the end of each year. In the middle of each year, it separately notifies agencies with poor reporting situations to improve, urging agencies to implement self-recusal and reporting mechanisms.

Disciplinary Situations for Public Servants’ Conflicts of Interest

Penalty status for violating the Act on Recusal of Public Servants Due to Conflicts of Interest for cases handled by the MOJ and the Control Yuan in the past 4 years (2020-2023) in accordance with the Enforcement Rules for the Act on Recusal of Public Servants Due to Conflicts of Interest :

Year	Number of penalties
2020	18
2021	30
2022	27
2023	22

The Control Yuan investigated 21 cases in 2020, 31 cases in 2021, 19 cases in 2022, and 51 cases in 2023. In 2021 and 2022, many cases involving illegal applications for subsidies by the related persons of local elected officials (such as council members and township representatives) were investigated and penalized. In 2023, many cases involving illegal applications for subsidies by the related persons of public servants in various ministries and commissions of the Executive Yuan were investigated and penalized.

Analysis of cases penalized by the Control Yuan: In recent years, the Control Yuan has penalized the related persons of public servants more frequently than the public servants themselves. The illegal acts penalized mostly involved related persons violating Article 14 of the Act on Recusal of Public Servants Due to Conflicts of Interest regarding subsidies or transactions, followed by public servants failing to recuse themselves as required by law.

Concrete actions by the Control Yuan: To prevent related persons from violating the Conflict of Interest Act due to repeated applications for subsidies, the Control Yuan held forums in 2022 with 22 local governments nationwide and held a consultation meetings with various departments under the Executive Yuan in 2024. These meetings are intended to urge the central and local governments to review the subsidy application processes to avoid repeated violations by related persons. Additionally, through legal promotion, the awareness of public servants and related persons regarding the Act on Recusal of Public Servants Due to Conflicts of Interest is enhanced.

Promotion Actions for the Act on Recusal of Public servants Due to Conflicts of Interest

In 2023, the AAC and various Government Employee Ethics Units conducted a total of 1,174 promotional sessions. In the future, the AAC will continue to conduct related legal promotion activities and incorporate common violations from relevant penalty cases into the

content, strengthening public servants’ understanding of the Act on Recusal of Public Servants Due to Conflicts of Interest.

To deepen public servants’ and relevant personnel’s understanding of the Act on Recusal of Public Servants Due to Conflicts of Interest, the Control Yuan held 18 promotional sessions in 2020 (public universities), 8 sessions in 2021 (public universities and public legal persons), 4 sessions in 2022 (government-subsidized foundations and public enterprises), and 61 sessions in 2023 (county and city councils, remote representative assemblies, and the Audit Department).

Random Inspection Status on Requests for Making Intercessions

The registration inspection system for requests for making intercessions allows public officials to follow procedures when faced with requests for making intercessions that raises legal concerns. Through the registration and review mechanism, agencies and public officials can examine these requests, supporting law enforcement and administration by public officials. Additionally, through the inspection mechanism, it is confirmed that the public officials who receive requests for making an intercession adhere to legal and regulatory boundaries in their actions and the policies of their agencies, effectively enhancing anti-corruption measures.

From 2020 to 2023, a total of 100 cases were registered, with 68 cases inspected, including 2 cases forwarded for investigation and 1 case for administrative punishment. Among the registered cases, 25 involved central agencies and 75 involved local agencies, with the majority concerning environmental protection (42 cases), followed by justice, legal affairs, and agriculture (6 cases). Thus, efforts to strengthen diverse promotional activities regarding the prohibition of requests for making intercessions are being made, ensuring that relevant regulations are understood and actively followed. Measures to prevent undue interference with registrations, such as the use of concealed personal information and confidential submission methods, are being enhanced to increase public officials’ confidence and effectively implement the registration process. Moreover, efforts to strengthen the sampling of inspection and punitive cases continues.

Lobbying Case Acceptance and Registration Status

From August 8th, 2008, to June 2024, the number of lobbying cases received by various agencies was 558, of which 524 were approved for registration, accounting for 83% of the 435 cases in the Legislative Yuan. The status of lobbying registrations accepted by the agencies to which the lobbyists belong has been publicly disclosed on the agencies’ websites as required by law.

Year	Number of cases accepted	Number of cases approved for registration
2008	156	148
2009	74	68
2010	37	35
2010	8	8
2012	33	31
2013	12	12
2014	17	16
2015	13	12
2016	26	25

2017	27	25
2018	6	6
2019	9	9
2020	28	27
2021	37	32
2022	18	13
2023	12	12
2024.6	44	44
Total	558	524

Article 8 : Codes of conduct for public officials

Article 8, paragraph 1

1. In order to fight corruption, each State Party shall promote, inter alia, integrity, honesty and responsibility among its public officials, in accordance with the fundamental principles of its legal system.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

“Civil Service Act”

Taiwan’s “Civil Service Act” establishes basic requirements for national civil servants regarding integrity, honesty, and accountability. The “Civil Service Act” has undergone several amendments, with the full text revised in 2022 to include the concept of integrity in the law. Additionally, considering the “Integrity and Ethics Directions for Civil Servants,” reasonable regulations have been set regarding civil servants receiving or gifting property. Therefore, specific provisions regarding the acceptance of gifts and hospitality have been added for thoroughness. The provisions are explained as follows:

- Regulations related to honesty and integrity (Articles 6, 7, 17, and 18): Civil servants shall act impartially, with integrity and diligence, and may not engage in actions that harm their reputation or the government’s credibility; civil servants may not abuse their power for personal gain; civil servants may not gift property to superiors or receive any gifts in relation to matters they handle; civil servants may not take advantage of opportunities related to inspection or investigation to accept hospitality or gifts. However, those who comply with relevant laws and regulations concerning integrity are not subject to this limitation.
- Regulations related to responsibility (Articles 6 and 8): Civil servants shall be cautious and diligent; when performing their duties, civil servants shall strive for practicality and may not evade difficulties, shift responsibilities to others, or delay without reason.

“Core Values of Taiwan’s Civil Officials”

The “Core Values of Taiwan’s Civil Officials,” established by the Examination Yuan in December 2009, are “Integrity, Loyalty, Professionalism, Efficiency, and Care.” Among these, “Integrity” mainly refers to public officials maintaining integrity, proactively avoiding conflicts of interest, properly handling public duties, and effectively utilizing public resources and properties in order to establish a clean and competent government; they should also execute duties fairly in accordance with the law, strictly uphold administrative neutrality, enhance public interest, and consider the rights and interests of all parties to create a fair and conducive development environment.

Employment Oath

Article 2 of the “Oath Act” states that public servants at all levels of the central government, including legislative members, justices of the Constitutional Court, members of the Examination Yuan, supervisory committees, local government heads, and elected representatives, shall take an oath before assuming office, in accordance with this regulation. The content of the oath emphasizes the importance of integrity, including commitments against misconduct, bribery, and wasteful spending of public funds.

Reward Measures for Exemplary Public Officials and Integrity Models

The “Guidelines for Recognizing Exemplary Public Servants” and the “Medal Award Act” have been established to promote integrity, honesty, and responsibility among Taiwan’s public servants and enhance their rewards, thereby promoting their honor and integrity. Those who exhibit integrity in public service, resist temptation and coercion, and have significant achievements worthy of being role models or those who report or help solve major criminal cases and contribute to good governance or ensure the safety of people’s lives and property may be selected as exemplary public officials by the Executive Yuan or awarded merit medals in accordance with the above regulations.

Additionally, in order to reward models of integrity and uprightness and to recognize significant acts of integrity, each year, the Government Employee Ethics Units of each agency conduct a selection process for integrity role models within their organizations. Those who meet the relevant criteria and promote or practice the “Integrity and Ethics Directions for Civil Servants,” report corruption, prevent the misappropriation of public funds, or enhance the government’s reputation may be selected as models of integrity and uprightness.

Training Content for Public Official Integrity (Refer to Article 7, Paragraph 1)

- 3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

Statistics on Attendance for Integrity Training (Refer to Article 7, Paragraph 1)

Article 8, paragraphs 2 and 3

2. In particular, each State Party shall 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.

3. For the purposes of implementing the provisions of this article, each State Party shall, where appropriate and in accordance with the fundamental principles of its legal system, take note of the relevant initiatives of regional, interregional and multilateral organizations, such as the International Code of Conduct for Public Officials contained in the annex to General Assembly resolution 51/59 of 12 December 1996.

1. Is your country in compliance with these provisions?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

“Public Functionary Service Act” (Refer to Article 7) and “Integrity and Ethics Directions for Civil Servants” (Refer to Article 8, Paragraph 1, 2)

These are codes of conduct that all public officials must follow, applicable to salaried public officials and public service employees, excluding those who purely have the legal status of a worker.

The OECD is committed to establishing a foundational framework for government public service ethics. The APEC recommends that member economies formulate and implement regulations concerning civil servant conduct and review their enforcement. This demonstrates that the emphasis on public service ethics has become an international trend and a goal for developed countries.

The “Integrity and Ethics Directions for Civil Servants” are formulated by referencing the United Nations General Assembly’s “International Code of Conduct for Civil Officials” (hereinafter the “International Code of Conduct”), the OECD’s initiatives regarding public service ethics, and the APEC’s initiatives concerning public service ethics. The legislation considers countries such as the United States, Japan, and Singapore to list integrity, impartiality, and law-based governance as the core values of the “Integrity and Ethics Directions for Civil Servants.” For instance, Point 1 of these directions stipulates that the Executive Yuan has established these directions to ensure that its public officials carry out their duties with integrity, fairness, and in accordance with the law. The directions aim to enhance the government’s image of honesty, which is in line with the provisions of the first part of Article 3 of the International Code of Conduct, emphasizing that public servants must wholeheartedly and impartially fulfill their responsibilities. Point 3 stipulates that public officials shall perform their duties fairly and in accordance with the law, prioritizing the public interest. They may not misuse their authority, methods, or opportunities for personal or third-party gain. It carries equivalent meaning to the second part of Article 1 of the International Code of Conduct, that the highest loyalty of a public servant should be to the public interest of their country as expressed through the democratic

system established by the government. According to the first section of Point 4, public officials are prohibited from requesting, anticipating, or accepting gifts from parties with interests related to their official duties. This is consistent with Article 9 of the International Code of Conduct, which states that public servants may not directly or indirectly solicit or accept any gifts or other benefits that could influence their performance of duties, execution of responsibilities, or decision-making. The requirements and standards of both are aligned.

Each agency may establish service codes or ethics guidelines based on the characteristics and needs of their operations, such as for auditors, teachers, doctors, military personnel, and police officers (as explained in Appendix 2).

Clarification and Advocacy

The AAC published a clarification letter and produced a Q&A for the Integrity and Ethics Directions for Civil Servants, which is available on the official website to provide unified explanations and consultation opinions. Additionally, the AAC encourages Government Employee Ethics Units to conduct relevant promotion of integrity and ethics regulations within their agencies to establish a correct understanding of integrity and ethics norms among public officials.

National Academy of Civil Service incorporates an “Clean and Competent Government and Integrity Ethics Directions” course into the basic training for personnel newly passed civil service senior and junior examinations and introductory materials to establish integrity and ethics concepts for new civil servants; in coordination with the Civil Service Development Institute, integrity and ethics-related courses are incorporated into training sessions for on-job civil servants.

To deepen civil servants’ understanding of ethics regulations, the use of the Civil Service Development Institute’s “e-Learning Platform for Civil Servants”^{and} other educational resources is encouraged to study courses related to integrity and ethics.

In addition to the promotion of integrity and ethics standards conducted by the Government Employee Ethics Units within their agencies, they are requested to strengthen outreach during significant holidays and implement the “Integrity and Ethics Directions for Civil Servants” each year to ensure the public’s trust in the impartial execution of duties by public officials.

“Legislative Yuan Member Behavior Act”

Taiwan established ethics standards and codes of conduct for legislators to enhance the development of democratic politics. In 2002, the “Legislative Yuan Member Behavior Act” was amended and published, detailing the ethical norms, lobbying, political donations, and conflict of interest regulations for legislators.

- 3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

Agency Against Corruption, Ministry of Justice Integrity and Ethics Standards Area

<https://www.aac.moj.gov.tw/5791/5793/5821/5833/Nodelist>

Statistics on Integrity Training Course Quantity (refer to Article 7, Paragraph 1)

Integrity Promotion Statistics

Year	Number of integrity promotion cases	Number of integrity promotion participants
2020	8,322	2,225,345
2021	7,741	1,713,423
2022	8,243	1,257,659
2023	6,676	1,374,780
Total	30,982	6,571,207

Article 8, paragraph 4

4. Each State Party shall also consider, in accordance with the fundamental principles of its domestic law, establishing measures and systems to facilitate the reporting by public officials of acts of corruption to appropriate authorities, when such acts come to their notice in the performance of their functions.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Corruption and illegal activity reporting channel

Taiwan's AAC and MJIB both have a global information network that publicly promotes various channels for reporting corruption, including on-site reporting, phone reporting, written reporting, fax reporting, and online submission.

Government Employee Ethics Units are established in all central and local agencies to handle reports of corruption and illegal activities, and they provide various reporting methods, including on-site, telephone, written, and fax.

Duty to Report

Articles 240 and 241 of "The Code of Criminal Procedure" stipulate that anyone who knows of a suspected criminal may report it. A public official who is aware of a suspect's criminal activity in the course of their duties shall report it.

Articles 13 and 14 of the "Anti-Corruption Act" stipulate the penalties for immediate supervisors who knowingly provide protection or fail to report personnel, or a person he or she has been commissioned to handle official matters involved in corruption and those handling supervision, accounting, auditing, criminal investigations, inspection, and government employee ethics officers.

Reward and Protection for Reporting

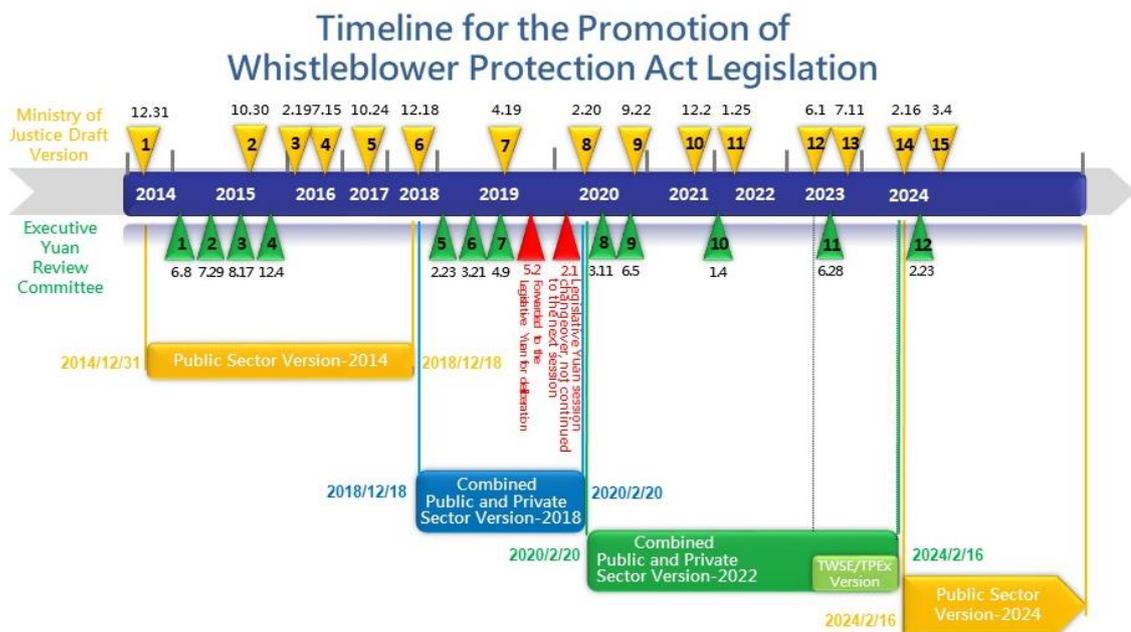
Article 15, Paragraph 1 of the "Witness Protection Act" stipulates that when there is a need for protection, the regulations for the protection of witnesses shall apply to informants, whistleblowers, complainants, and victims.

"The Anti-Corruption Informant Rewards and Protection Regulation" clearly stipulates the rewards for reporting undetected corruption and misconduct cases, which, upon conviction by the court, will grant the informant a reward. The MOJ regularly convenes the "Corruption and Misconduct Reporting Reward Review Committee" to review applications for the reporting reward and to issue the rewards.

Whistleblower Protection Measures

The establishment of a specialized law to protect whistleblowers is an important mechanism

in the fight against corruption and serves as a key indicator for measuring a country’s integrity internationally. The United Nations Convention against Corruption specifies that anti-corruption policies should promote social participation and embody principles such as the rule of law, integrity, and transparency. It also mandates the provision of appropriate measures to protect whistleblowers acting in good faith and with reasonable evidence to prevent them from suffering unjust treatment. Currently, Taiwan’s Whistleblower Protection Act draft is still in the review stage, and the MOJ will continue to promote the legislative process.



Before the legislation is passed, other measures include the 26th meeting of the Central Integrity Committee, which addressed the “Feasible Government Actions Before the Whistleblower Protection Act Draft Is Passed” proposal. The chairperson ruled that “For industries such as healthcare, government-licensed businesses, government-funded institutions, and Exchange-Listed and OTC-Listed Companies , please ask relevant ministries to continue strengthening the implementation of whistleblower protection concepts within their respective business scopes and promote relevant measures that can be adopted before the ‘Whistleblower Protection Act’ draft is completed.” Accordingly, various agencies have successively established relevant regulations to protect the rights and interests of whistleblowers.

Other Private Sector Whistleblower Protection Measures (refer to Article 12, Paragraphs 1-2)

3. Please provide examples of implementation, including related court or other cases, available statistics etc.

Petition and Reporting Cases Handled by the AAC

The AAC handles petition and reporting cases in accordance with the “Guidelines for Handling Reported Cases by the Agency Against Corruption, Ministry of Justice.” Between 2020 and 2023, a total of 12,681 petition and reporting cases were handled, all of which protected the legal rights and interests of whistleblowers as stipulated, and there have been no incidents of leaking whistleblower information.

An important individual case involved public official Dai-Li-shen, who turned himself in to judicial police authorities due to his superior's demands to falsify accounts and misuse public funds for private purposes. After investigation and trial, he received a judgment of exemption from punishment but was barred from holding public office again. The current draft bill includes provisions for accomplice whistleblowers to apply for reinstatement to public office, which is being considered for legislation.

Review and Rewards Issuance for Reporting Corruption Cases

The AAC has published the relevant statistics on reward disbursements in the government information disclosure section of its official website [Homepage/Statistics and Survey].

From 2020 to 2023, the MOJ held a total of 9 review meetings for reporting rewards, reviewing 96 applications. A total of 66 cases were approved for rewards, with a total amount of NT\$78,923,336 in rewards granted.

Article 8, paragraph 5

5. Each State Party shall endeavour, where appropriate and in accordance with the fundamental principles of its domestic law, to 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.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Conflicts of Interest Recusal System and Disclosure of Identity and Relationship (refer to Article 7, Paragraph 4)

Public Servant Property-Declaration System

“Act on Property-Declaration by Public Servants”

To straighten government ethics, and ensure integrity of conducts of public servants, and increase public trust in government administration, Taiwan has established the “Act on Property-Declaration by Public Servants,” which requires public servants with specific identities or holding specific positions to declare their property status to the agency responsible for receiving declarations. Furthermore, the public can request to view the declaration materials in accordance with the regulations. Personnel whose job content has a high degree of influence or is highly related to democratic accountability shall actively disclose their property information, allowing their property status to be constantly monitored and examined by the public and promoting social participation.

To implement the above system, Taiwan has also established related regulations such as the “Enforcement Rules of the Act on Property-Declaration by Public Servants,” “Regulations Governing Review and Inspection of Materials of Property-Declaration by Public Servants,” and “Instructions for Filling out the Public Servant Property-Declaration Form.”

(1) Subject of Regulation (Article 2):

Presidents, vice presidents, heads and deputy heads of first-level agencies; political appointees; heads, deputy heads, and chiefs of staff and supervisors of equivalent rank or above in agencies at all levels; heads, deputy heads, and supervisors of equivalent rank or above in the headquarters and branch organizations of state-owned enterprises; directors and supervisors representing the government or the state-owned shares in private juristic entities; principals and vice principals of public schools at all levels; Chief officers, deputy chief officers, and administrators at all levels above the rank of colonel in the military; Governors at above village (town, city) level elected pursuant to the Public Officials Election and Recall Act; Legislators/councilors in the Legislative Yuan/councils at all levels; judges, prosecutors, enforcement officers, and judge advocates; Government ethics officers and military

superintendents; Administrators of judicial police affairs, taxation, customs, land administrations, accounting, auditing, civil engineering management, company registrations, urban planning, financial supervision and management, public property management, banking crediting, merchandise examinations, trademarks, patents, motor vehicle administrations, environmental protection inspections, and procurement affairs, , and others with specific identities or holding specific positions.

(2) Types and frequency of declaration (Article 3):

The preceding personnel must declare their property to relevant agencies after the date of inauguration (report-for-duty) , being discharged from any of the positions, acting in a position, or being relieved of acting duties. They shall also annually make regular property declarations.

(3) Property to be declared (Article 5):

- Immovable properties, vessels, cars and aircrafts (including the time and reason for acquisition or occurrence; for those acquired within 5 years before the declaration date, the acquisition price should also be declared).
- Cash, deposits, securities, jewelry, antique articles, calligraphy and paintings, and other valuable properties above certain values.
- Rightful claims of creditor, debts and investments to various ventures above certain values (including the time and reason for acquisition or occurrence).
- Abovementioned properties, as prescribed in the preceding paragraph, in the ownership of public servant' s spouse and underage offspring shall be jointly declared.

(4) Agencies responsible for receiving declarations (Article 4):

Declarations are made to the Control Yuan, government ethics units at various levels, or election commissions at multiple levels, depending on the identity or position of the declarant.

(5) Declaration method:

Declarants can make declarations on paper or through online declaration on the “National Public Servant Property Declaration Website.”

Authorization Service

To improve the quality of online declaration services, the MOJ and the Control Yuan have promoted the “Public Servant Authorization for Property Data Integration” service since 2014. After the declarant and their spouse agree to provide authorization, property data from several agencies (organizations) can be accessed through the Internet, including the Department of Land Administration of the Ministry of the Interior, the Fiscal Information Agency of the Ministry of Finance, the Department of Highways and Highway Safety and the Department of Navigation and Aviation of the Ministry of Transportation and Communications (MOTC), the Civil Aeronautics Administration, banks, credit cooperatives, the Taiwan Depository & Clearing Corporation, securities firms, life insurance companies, the Taiwan Stock Exchange, and the Taipei Exchange. This data is provided for declarants to download and reference when making property declarations. This service has greatly improved the efficiency of property declaration

operations and has been well received by declarants.

From September 16th, 2023, the authorization service has been expanded to include the category of declarations made when assuming office, with 8 batches per year based on the reference date. Declarants can obtain authorization through the “National Public Servant Property Declaration System.”

Form Filling Instructions and Clarifications

Taiwan has established the “Instructions for Filling out the Public Servant Property Declaration Form” for declarants to follow. Additionally, interpretations and consultation opinions are provided externally through the issuance of official interpretations and notes and publication on the official website’s dedicated section.

In 2023, the MOJ amended Point 17 of Part II, Individual Matters, of the “Instructions for Filling out the Public Servant Property Declaration Form,” explicitly stating that virtual assets belong to “other valuable properties above certain values.” In accordance with Point 19 of Article 2, Part II, Individual Matters, of the “Instructions for Filling out the Public Servant Property Declaration Form,” if the total transaction value of various types of virtual assets owned separately by the declarant, their spouse, and underage offspring is NT\$200,000 or more (or its equivalent in NT\$) on the declaration date, these virtual assets should be declared. However, virtual assets with a transaction value below NT\$1,000 do not need to be declared.

Formal Review and Substantive Examination

In accordance with the “Regulations Governing Review and Inspection of Materials of Property-Declaration by Public Servants,” the competent property declaration agency (institution) shall conduct a format reviews after it accepts a declaration (Article 5) and conduct substantive inspections on more than 5% of the total number of declarants annually, checking whether the living and consumption of the Declaring Person are obviously beyond his or her salary income , or any other evidence which suffices to suggest that the Declaring Person may have made untruthful declaration or is involved with corruption (Article 7).

The MOJ promotes the use of integrated property data obtained through the “Property Declaration Verification Platform” to provide Government Employee Ethics Units with substantive inspection operations and for declarants to complete property declarations.

Disclosure of Property Declaration Data

Article 6 of the “Act on Property-Declaration by Public Servants” stipulates that declarations made by the President, Vice President, Premier, and Vice Premier, the Presidents and Vice Presidents of the Executive Yuan, Legislative Yuan, Judicial Yuan, Examination Yuan, and Control Yuan; Officers of political affairs; the legislators and mayors of special municipalities; and the governors of counties (cities), shall, in addition to being subject to the prescriptions of the preceding paragraph, be published regularly on government gazettes and on the Internet until 1 year after such person steps down from the position that requires such declaration.

The MOJ (AAC) has set up a dedicated section for property declarations on its official

website, publishing declaration data and penalty lists. In addition, the Control Yuan has established the “Guidelines for Compiling and Printing the Control Yuan Gazette’s Integrity Special Issue,” which shall include content such as: public servant property declaration forms that must be published in the gazette in accordance with laws and regulations; confirmed lists of fines for the Act on Property-Declaration by Public Servants; administrative appeal decisions for the Act on Property-Declaration by Public Servants, etc. This special issue is published online on the same day of its release to facilitate public access. The public can freely browse the property declaration data of public servants that shall be published in the gazette in accordance with the law on the Control Yuan’s Sunshine Acts website and announcement area.

Property Declaration Data Review

The public inspection of declared materials is authorized by Article 6, Paragraph 4 of the “Act on Property-Declaration by Public Servants,” which shall be promulgated by the Executive Yuan in collaboration with the Examination Yuan and Control Yuan. These procedures specify the format for reviewing property declarations, methods for inspections, and application processes, allowing the public to access property declarations to understand the financial status of public servants. This serves to determine whether public servants misuse their authority for personal gain and, in turn, to increase trust in government policies and the integrity and ethics of public servants.

Article 13 of the “Regulations Governing Review and Inspection of Materials of Property-Declaration by Public Servants” stipulates that any person applying for public inspection of declared property materials made by the Declaring Person shall make an application to the competent property declaration agency (institution) by filling in an application form. The competent property declaration agency (institution) may not decline the application without justified reason. The person applying for public inspection shall be a citizen of the Republic of China who has reached the age of majority. Additionally, the public inspection of declared property materials must conceal the personal information of the spouse and underage offspring of the Declaring Person (Article 12).

After the competent property declaration agency (institution) receives the application and is satisfied that the application conforms to the requirements by its review, it shall designate the time and place for the public inspection and notify the applicant to inspect the materials on site (Article 14). The applicant shall conduct the public inspection on site by him or herself, and is prohibited from authorizing others to do the same (Article 15). Furthermore, the public inspection of materials shall be limited to reading only. No material is permitted to be taken out of the place and no transcribing, photographing or photocopying is permitted (Article 16).

The “Act on Property-Declaration by Public Servants” clearly stipulates appropriate penalties regarding non-compliance with the property declaration system. Please refer to the response content related to the “Act on Property-Declaration by Public Servants” in Article 8, Paragraph 6.

Registration for Accepting Valued Gifts, Invitations to Dinner, Requests for Making Intercessions

The “Integrity and Ethics Directions for Civil Servants” provides that public officials should

fill out a registration form and report to the Commissioner when encountering situations such as accepting valued gifts, invitations to dinner, and requests for intercession, and inform the Government Employee Ethics Units when necessary.

Part-Time Employment Reporting

Article 15 of the “Civil Service Act” stipulates that civil servants engaged in part-time employment must meet specific criteria and obtain consent or acknowledgment from their service agency to inform them.

3. **Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

For information regarding conflicts of interest, please refer to Article 7, Paragraph 4 concerning the “Act on Recusal of Public Servants Due to Conflicts of Interest.”

For an analysis of non-compliance with asset declaration and regulatory violations, please refer to Article 52, Paragraph 5 regarding the “Act on Property-Declaration by Public Servants.”

The obligations related to different declaration identities vary, and they can generally be categorized into general identity, trust identity, and changing identity. In accordance with Article 3 of the “Act on Property-Declaration by Public Servants,” general identities shall submit property declarations upon inauguration (report-for-duty), annually regularly, and upon being discharged from any of the positions. In accordance with Article 7 of the “Act on Property-Declaration by Public Servants,” trust identities shall entrust some prescribed property items to a trust enterprise three months after the day of inauguration of the aforementioned positions. They must also declare properties of trust property in addition to the general property declaration. In accordance with Article 8 of the “Act on Property-Declaration by Public Servants,” changing identities when make regular property declarations, shall declare changes of properties annually on the properties. Furthermore, some trust identities and changing identities shall be published their property declaration data on government gazettes for public access, as stipulated in Article 6 of the “Act on Property-Declaration by Public Servants.” The statistics of property declarations and Inspection for the Control Yuan’s public servants from 2020 to 2023 is detailed in the table below:

Control Yuan Public Servant Property Declaration and Inspections Statistics

Year	Number of individuals required to declare	Trusts to be managed	Changes to be managed	Inspections on proportionate basis	Inspections on the case by case basis	Number of cases referred for processing of other administrative violations	Number of penalty cases
2020	6,732	703	988	393	49	6	44
2021	6,819	754	974	429	15	1	29

2022	5,178	560	725	436	21	1	31
2023	7,790	894	1,011	447	13	1	28

In accordance with Article 3 of the Act on Property-Declaration by Public Servants, public servants shall declare properties within 3 months after the date of inauguration (report-for-duty) and shall annually make regular property declarations, within 2 months from being discharged from any of the positions as prescribed declare properties of the day of discharge to the original property declaration agencies(institutions). Article 11, Paragraph 1 of the same Act stipulates that all agencies (institutions) accepting property declarations shall conduct inspections on the case by case and proportionate bases for untruthful property declarations or unusual increments and decrements of properties. The statistics on asset declarations and substantive reviews for public servants of the MOJ from 2019 to 2023 are detailed in the table below:

MOJ Public Servant Property Declaration and Substantive Review Statistics

Year	Number of accepted declarations	Number of substantive review cases selected by public drawing	Substantive review drawing percentage	Number of individual cases audited
2019	53,132	5,724	10.77%	28
2020	52,836	5,690	10.77%	26
2021	53,473	5,768	10.79%	20
2022	53,983	5,821	10.78%	28
2023	55,345	5,964	10.78%	18

From 2020 to 2023, the number of issues published for “The Control Yuan Gazette - Special Issue of Integrity” each year, as well as the number of individuals who have published in the gazette and made the announcements online:

Year	Issue number	Number of listings
2020	15	1,715
2021	12	1,568
2022	13	1,774
2023	37	4,196

Article 8, paragraph 6

6. Each State Party shall consider taking, in accordance with the fundamental principles of its domestic law, disciplinary or other measures against public officials who violate the codes or standards established in accordance with this article.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

“Civil Service Act”

Article 23 of the “Civil Service Act” stipulates that if a civil servant violates the provisions of this law, they shall be punished or disciplined according to the severity of the circumstances; if they violate criminal laws, punishment will be given in accordance with those laws.

“Civil Service Performance Evaluation Act”

In accordance with Articles 3 and 12 of the “Civil Service Performance Evaluation Act,” if any public official under a certain organization is involved in a corruption case that carries significant administrative responsibility and there is substantial evidence, a special evaluation may be conducted at any given time to record 2 major demerits at one time, leading to dismissal.

In accordance with Article 14 and Article 18 of the same Act and Articles 14 and 24 of its enforcement rules, an agency handling cases of a special performance evaluation involving 2 major demerits at one time must reference the legal provisions, detail the specific facts, and submit them for preliminary review by the evaluation committee. The head of the agency will conduct a review. After approval by the competent authority or an authorized subordinate agency, the competent authority will submit it to the Ministry of Civil Service for final assessment. Additionally, the evaluation committee must provide the individuals facing 2 major demerits at one time with an opportunity to present their statements and defenses. The implementation of 2 major demerits at one time will take effect from the date of confirmation; prior to confirmation, the individual shall be suspended.

Furthermore, if civil servants disagree with two major demerits at one time in their special performance evaluation, they may seek redress in accordance with the relevant provisions of the “Civil Service Protection Act.”

“Public Functionaries Discipline Act”

Article 2 of the Public Functionaries Discipline Act stipulates that public officials who engage in “illegal execution of duties, neglect in the performance of duties, or other acts of misconduct” or “illegal actions not related to the performance of duties that result in serious damage to the government’s reputation” shall be subject to disciplinary action if necessary. Article 9 stipulates that disciplinary measures include removal from office, dismissal, deprivation, reduction of retirement (position, rank) benefits, suspension, demotion, reduction of salary, fines, reprimands, warnings, etc.

Penalties for violations of the “Act on Recusal of Public Servants Due to Conflicts of Interest” (refer to Article 7, Paragraph 4).

“Act on Property-Declaration by Public Servants”

Article 12, Paragraphs 1 to 3 of the “Act on Property-Declaration by Public Servants” stipulate that fines may be imposed for “making false declarations due to intentional concealment of properties ”; “having increments of total properties that are above the total annual income of themselves, their spouses, and underage offspring after comparing the properties declared in two consecutive declaration years, failure to explain without justifiable reasons or make untruthful explanations”; “failure to declare properties under the prescribed time limit or intentionally make untruthful declarations without justifiable reasons .”

For the preceding “failure to declare properties under the prescribed time limit or intentionally make untruthful declarations without justifiable reasons ” if, after being punished and notified to declare or rectify within a specified period, the person still fails to declare or rectify without justifiable reason, in accordance with Article 12, Paragraph 4 of the “Act on Property-Declaration by Public Servants,” certain criminal penalties may be imposed.

For those who have trust obligations as stipulated in Article 7 of the “Act on Property-Declaration by Public Servants,” if they fail to establish a trust within the prescribed time limit without justifiable reason or intentionally fail to place property that should be trusted into trust, Article 13, Paragraph 1 of the Act also stipulates that fines may be imposed.

For the preceding failure to establish a trust within the prescribed time limit without justifiable reason or intentional failure to place property that should be trusted into trust, if after being punished and notified to establish a trust or rectify within a specified period, the person still fails to establish a trust or rectify without justifiable reason, in accordance with Article 13, Paragraph 2 of the “Act on Property-Declaration by Public Servants,” certain criminal penalties may be imposed.

The MOJ and the Control Yuan have both established “Standards for Fines in Public Servant Property Declaration Cases.” For declarants who intentionally conceal property and make false declarations, intentionally make false property declarations, have abnormal increases in property in violation of explanation obligations, fail to declare or establish trusts within the time limit, etc., violating the provisions of the Act on Property-Declaration by Public Servants that should be subject to fines, fine standards have been established to implement the legislative intent of the Act on Property-Declaration by Public Servants.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc

Statistics on Administrative Responsibility Imposed for Involvement in Corruption and Illegal Activities

The AAC requires Government Employee Ethics Units to proactively report to the agency head to convene a performance evaluation committee to investigate the administrative responsibility of civil servants in cases involving corruption with a lack of concrete positive

evidence sufficient to prove the threshold of “criminal conviction,” but involving administrative misconduct. The goal is to perform administrative anti-corruption in order to implement the accountability mechanism. The statistics of administrative anti-corruption cases from 2020 to 2024 are shown in the following table.

Year	Number of administrative anti-corruption cases
2020	136
2021	155
2022	118
2023	134

Number of penalties under the Act on Property-Declaration by Public Servants

Year	Number of fine cases
2020	193
2021	81
2022	88
2023	64

Outcomes of Disciplinary Court Disciplinary Tribunal for Disciplined Persons Violating the Anti-Corruption Act

Types of violations	Total	Not disciplined	Dismissed	Not accepted	Disciplined														
					Total	Removed from office	Revocation of office	Deprivation of pension	Reduction of pension	Suspension	Demotion	Salary reduction	Fine	Demerit	Reprimand	Ruling referred	Withdrawn	Transferred to other investigation	Others
2020	88	16	2	-	70	-	62	-	-	4	4	-	-	-	-	-	-	-	-
Theft and embezzlement of public property, bribery in violation of duties, extortion, kickbacks, price inflation, etc.	36	3	-	-	33	-	30	-	-	1	2	-	-	-	-	-	-	-	-
Fraud, unauthorized withdrawal of public funds, illegal collection of taxes, bribery not in violation of duties, etc.	35	10	1	-	24	-	21	-	-	1	2	-	-	-	-	-	-	-	-
Seeking illegal profits, withholding and deducting, fraud in fundraising and conscription, theft and embezzlement of private property, etc.	11	3	1	-	7	-	7	-	-	-	-	-	-	-	-	-	-	-	-
Crime of unexplained wealth	2	-	-	-	2	-	1	-	-	1	-	-	-	-	-	-	-	-	-
Crime of superior’s cover-up	1	-	-	-	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-
Crime of supervisory and government ethics units’ cover-up	1	-	-	-	1	-	-	-	-	1	-	-	-	-	-	-	-	-	-
Others	2	-	-	-	2	-	2	-	-	-	-	-	-	-	-	-	-	-	-
2021	57	1	1	-	55	-	51	-	-	3	1	-	-	-	-	-	-	-	-
Theft and embezzlement of public property, bribery in violation of duties, extortion, kickbacks, price inflation, etc.	20	-	-	-	20	-	20	-	-	-	-	-	-	-	-	-	-	-	-

Fraud, unauthorized withdrawal of public funds, illegal collection of taxes, bribery not in violation of duties, etc.	27	1	1	-	25	-	24	-	-	1	-	-	-	-	-	-	-	-
Seeking illegal profits, withholding and deducting, fraud in fundraising and conscription, theft and embezzlement of private property, etc.	7	-	-	-	7	-	6	-	-	1	-	-	-	-	-	-	-	-
Crime of bribery	3	-	-	-	3	-	1	-	-	1	1	-	-	-	-	-	-	-
2022	30	1	8	1	20	1	18	-	-	1	-	-	-	-	-	-	-	-
Theft and embezzlement of public property, bribery in violation of duties, extortion, kickbacks, price inflation, etc.	7	1	-	1	5	-	5	-	-	-	-	-	-	-	-	-	-	-
Fraud, unauthorized withdrawal of public funds, illegal collection of taxes, bribery not in violation of duties, etc.	21	-	7	-	14	1	12	-	-	1	-	-	-	-	-	-	-	-
Seeking illegal profits, withholding and deducting, fraud in fundraising and conscription, theft and embezzlement of private property, etc.	2	-	1	-	1	-	1	-	-	-	-	-	-	-	-	-	-	-
2023	43	2	1	-	39	-	36	-	-	3	-	-	-	-	-	-	-	1
Theft and embezzlement of public property, bribery in violation of duties, extortion, kickbacks, price inflation, etc.	9	-	-	-	9	-	9	-	-	-	-	-	-	-	-	-	-	-
Fraud, unauthorized withdrawal of public funds, illegal collection of taxes, bribery not in violation of duties, etc.	24	2	1	-	20	-	17	-	-	3	-	-	-	-	-	-	-	1
Seeking illegal profits, withholding and deducting, fraud in fundraising and conscription, theft and embezzlement of private property, etc.	9	-	-	-	9	-	9	-	-	-	-	-	-	-	-	-	-	-
Crime of bribery	1	-	-	-	1	-	1	-	-	-	-	-	-	-	-	-	-	-

- Note: 1. The types of violations by disciplined persons are received from the judicial system.
2. If a disciplined person has 2 or more types of violations simultaneously, each is counted as 1 person-time.

Article 9 : Public procurement and management of public finances

Article 9, paragraph 1

1. Each State Party shall, in accordance with the fundamental principles of its legal system, take the necessary steps to establish appropriate systems of procurement, based on transparency, competition and objective criteria in decision-making, which may take into account appropriate threshold values in their application shall address, inter alia:

(a) The public distribution of information relating to procurement procedures and contracts, including information on invitations to tender and relevant or pertinent information on the award of contracts, allowing potential tenderers sufficient time to prepare and submit their tenders;

(b) The establishment, in advance, of conditions for participation, including selection and award criteria and tendering rules, and their publication;

(c) The use of objective and predetermined criteria for public procurement decisions, in order to facilitate the subsequent verification of the correct application of the rules or procedures;

(d) An effective system of domestic review, including an effective system of appeal, to ensure legal recourse and remedies in the event that the rules or procedures established pursuant to this paragraph are not followed;

(e) Where appropriate, measures to regulate matters regarding personnel responsible for procurement, such as declaration of interest in particular public procurements, screening procedures and training requirements.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Our country has implemented the “Government Procurement Act” since 1999, which was formulated with reference to the regulations and spirit of the World Trade Organization (WTO) Government Procurement Agreement (GPA). It has characteristics of openness, fairness, transparency, competition, efficiency, hierarchical responsibility, and combining promotion of benefits and prevention of malpractices, which are consistent with the regulatory spirit of Article 9 of the United Nations Convention against Corruption (UNCAC).

Establishment of Bidding Rules

Article 94 of the “Government Procurement Act” and Article 4 of the “Regulations Governing the Organization of Procurement Evaluation Committee” stipulate that the procurement evaluation committee shall consist of five or more members, who shall be appointed or hired by the entity from personnel with specialized knowledge related to the procurement case. The competent authority shall recommend the list of names in collaboration with the Ministry of Education, Ministry of Examination, and other relevant entities . The said experts and scholars

shall not be current employees of government entities . Among them, the number of experts and scholars shall not be less than one-third, and they shall not be current employees of government entities . Article 6 of the said regulations stipulates that the list of committee members shall be made public immediately after its formation. However, this does not apply if the entity deems it necessary not to disclose after considering the characteristics and actual needs of individual cases. Article 5 of the said regulations stipulates that a person shall not be selected as a committee member if that person meets any of the following conditions: “If he/she had been convicted of corruption or malfeasance,” “if he/she had been suspended of citizens rights and the suspension is still in effect,” “if he/she is announced to be bankrupt and has not recovered the property rights,” “if he/she is a professional and that his/her practicing license has been suspended, revoked, or abolished,” “if he/she is in breach of laws and regulations, and has been included in the list of the personnel who shall not be selected as a Committee member by the responsible entity of this Act.” The Public Construction Commission has also posted a “List of Personnel Who Shall Not Be Selected as Procurement Evaluation Committee Members" on the “Government e-Procurement System" for entities to consult. Additionally, Article 14 of the “Regulations for Review by Procurement Evaluation Committee” (amended in 2021) stipulates the circumstances under which committee members must resign or be dismissed. Article 14-1, Paragraph 2 of the same regulations stipulate that committee members shall not serve as members of the performance work team for the winning bidder in that case or assist in the performance. The Public Construction Commission has formulated the “Notices for Members of Procurement Evaluation Committee.” It has circulated a notice to all entities to remind evaluation committee members of the contents of the notice before evaluation, including that if committee members have circumstances under which they must not be selected as members or must resign according to regulations, they must actively notify the entity or be dismissed by the entity. Furthermore, the Public Construction Commission has established a “Procurement Evaluation Committee Member Declaration," which states that evaluation committee members conduct evaluation affairs in accordance with the Government Procurement Act and are considered personnel with legal duties and authorities engaged in public affairs as referred to in Article 10, Paragraph 2, Subparagraph 1 of the Criminal Code. Therefore, they fall within the definition of “public officials," as stated in that article. This is done to ensure that committee members understand their responsibilities correctly.

Establishment of Bidding Time-limits

Article 28 of the “Government Procurement Act” stipulates that when entities conduct bidding, they shall set a reasonable time-limit from the date of tender notice or invitation to bid until the deadline for submitting bids or receiving documents. The “Standards for Time-limits for Tendering” authorized by this article clearly stipulates the minimum bidding periods that must be set for various bidding methods at different procuring thresholds.

Publication of Procurement Information

Article 27 of the “Government Procurement Act” stipulates that when entities conduct open tendering or selective tendering, they shall publish the tender notice or qualification review notice in the Government Procurement Gazette and disclose it on the information network. The content of the notice , the number of days for publication, and the method of publication shall be handled in accordance with the “Regulations for Publication of Government Procurement

Notices and Government Procurement Gazette.”

Article 29 of the “Government Procurement Act” stipulates that for open tendering and selective tendering conducted by public notice, the tender documentations and pre-qualification evaluation documents shall be publicly issued, sold, and mailed from the date of publication until the deadline for submitting bids or receiving documents. The content of these documents shall include all necessary information for bidders to submit their bids. For procurements conducted by public notice, agencies/entities currently provide electronic files of tender documentations through the Government e-Procurement Network for suppliers to receive, in accordance with the electronic procurement regulations of Article 93-1 of the “Government Procurement Act.”

Article 61 of the “Government Procurement Act” stipulates that for procurements above the threshold for publication (NT\$1,500,000), entities shall, except in special circumstances, publish the award notice in the Government Procurement Gazette after the award decision and notify all bidders in writing (the same applies if no award can be made). Furthermore, according to Article 62, for procurements below the threshold for publication but exceeding one-tenth of the same threshold (NT\$150,000), the results of the award shall still be transmitted to the Government e-Procurement System.

Bid Review and Award Principles

Articles 50 to 52 of the “Government Procurement Act” have clear stipulations regarding the principles for reviewing bids and determining the winning bidder. The main points are to review bidders' documents according to the conditions specified in the tender documentations, circumstances where tenders are not opened or not awarded, and whether the tender documentations specify the lowest tender or most advantageous tender as the award criterion.

Article 52 of the “Government Procurement Act” stipulates that the principle for entities to award procurements is to select the lowest tender or most advantageous tender that complies with the tender documentation as the winning bidder.

Article 56 of the “Government Procurement Act” stipulates that when using the most advantageous tender method, entities must conduct a comprehensive evaluation based on ranking or scoring of bidders' technical aspects, quality, functionality, commercial terms, or price, according to the evaluation criteria specified in the tender documentations, to determine the most advantageous tender. Items not included shall not be used as references for evaluation.

Exceptions to Open Tendering

Article 18 of the “Government Procurement Act” defines selective tendering and limited tendering, with Articles 20 and 21 regulating the applicability and implementation of selective tendering; Article 22 clearly stipulates the rules for applying limited tendering.

Modification of Tender Rules

Article 48 of the “Government Procurement Act” clearly stipulates exceptional circumstances where bids may not be opened or awarded. In the absence of such circumstances, bids must be opened and awarded according to the time specified in the tender documents.

Penalties

The “Government Procurement Act” stipulates measures for dealing with illegal (including corrupt) behavior by suppliers, including not returning or reclaiming bid bonds, not returning performance bonds, not awarding to that supplier, revoking the award, terminating or recinding the contract, deducting illegal profits, and publishing notices of refusal to deal for 3 months, 6 months, 1 year, or 3 years (Articles 31, 32, 50, 59, 101, 103); suppliers and personnel involved in bid rigging, bid restriction, or leaking secrets are also subject to criminal liability (Articles 87 to 92).

Supervision Mechanisms

Supervising Procurement Procedures for Legal Compliance

Articles 12 and 13 of the “Government Procurement Act” stipulate that comptroller (accounting) departments, relevant units, and superior entities shall conduct on-site monitoring or written review of entities' procedures for bid opening, price competition, price negotiation, contract awarding, and inspection to ensure compliance with procurement laws.

Procurement Supervising Mechanism

According to Article 108 of the “Government Procurement Act,” a procurement supervising mechanism is established. There are 38 procurement supervision units nationwide (including 15 ministries, 22 local government procurement supervision units , and the Central Procurement Supervision Unit audit team) to strengthen monitoring and supervising of possible abnormalities in various stages of procurement within their jurisdictions. If violations of the Government Procurement Act are found in the procurement process or contract performance, they notify the entity to handle it promptly and require corrective measures within a specified time; for serious cases, they also inform the entity- to investigate the responsibility of relevant personnel; if criminal activity is suspected, the case is referred to the competent judicial authorities. Statistics show that in 2023, procurement supervision units conducted about 11,500 government procurement supervisions. Through these procurement supervising actions, deficiencies in procurement operations can be found early, prompting entities to conduct procurements in strict accordance with the Government Procurement Act and maintaining a high-quality procurement environment that is open and fair.

Using Information System Warning Mechanisms to Check Possible Abnormalities

The Government e-Procurement System of the Public Construction Commission has established an abnormal warning section to alert entities to abnormal situations and provide information to supervision units and the Agency Against Corruption (AAC) of Ministry of Justice to prevent malpractices. Warning items include lists of multiple contracts awarding to one supplier for construction or service procurements especially from the same agency; lists of various contracts awarding to one supplier from the same entity for construction or service procurements ; instances of the same agency repeatedly appointing the same external inviting-member; cases where only one out of three or more bidders meets the tender document requirements after twnder opening, etc. Entities conducting procurements can check this warning information at any time to avoid behaviors that violate laws and affect procurement fairness.

Public Supervision Mechanism

The Public Construction Commission, in collaboration with various central ministries and county/city governments, promotes a “Public Supervision” mechanism. For the implementation of major public construction projects, they have established a reporting system and handling procedures, combining civilian power to supervise government administration, helping government departments detect project deficiencies early and seek improvements. Annual evaluations are conducted regularly according to the “Guidelines for Control and Evaluation of Public Supervision of Public Construction Projects,” appointing professionals from relevant fields and impartial social figures to form evaluation teams. Entities rated as excellent or good are rewarded, and outstanding civilian reporters are awarded prizes and certificates. When the public discovers problems such as poor construction quality in public works, they can report and check the progress of reported cases through the “Public Construction Information Supervision System.”

The Government Procurement Integrity Platform (Refer to Article 12, Paragraphs 1-2)

To ensure the smooth completion of major national public construction projects and deter improper interference from external forces, our country launched the Government Procurement Integrity Platform in 2016. For major national construction projects handled by various agencies, the Government Procurement Integrity Platforms are established based on the needs of agency heads. These platforms create cross-domain communication channels among relevant government agencies such as prosecution, integrity, Public Construction Commission, occupational safety, and environmental protection, as well as civic groups, experts, the public, and suppliers. This strengthens government supervision mechanisms while protecting suppliers' reasonable interests, creating a work environment where civil servants can be bold in their duties, and enabling the public to obtain high-quality public infrastructure. Moreover, administrative transparency sections are set up on the websites of each implementing agency to enhance the external transparency of procurement cases and publicly disclose information such as case backgrounds, planning processes, progress updates, case clarifications, and relevant meeting materials and records.

To expand the scope of the Government Procurement Integrity Platform and improve its management strategy to ensure subsequent operational efficiency, the Ministry of Justice (MOJ) issued the “Principles for Tiered Establishment of the Government Procurement Integrity Platform” on April 29th, 2022. In accordance with the commitments in the “Taiwan Open Government National Action Plan,” they completed the construction of a “the Government Procurement Integrity Platform Single Portal Website,” linking to the dedicated sections of various platforms and providing statistical query functions. They also produced promotional videos in Chinese and English titled “the Government Procurement Integrity Platform - Safeguard Major National Construction Projects” and “the Government Procurement Integrity Platform - Revitalize Public Infrastructure” to further strengthen domestic and international policy marketing.

Protests

Article 75 of the Government Procurement Act stipulates that if suppliers believe that an entity's invitation to tender, tender review, or contract award of a procurement violates laws and regulations, causing damage to their rights or interests, they may submit a written protest to the procuring entity in accordance with this article.

Article 76 of the Government Procurement Act stipulates that if suppliers are dissatisfied with the handling of protest for procurements above the threshold for publication or if the procuring entity exceeds the legal deadline for handling, they may submit a written complaint to the Complaint Review Board for Government Procurement set up by the competent authority, municipality, or county (city) government, depending on whether it's a central or local entity procurement, within 15 days from the day after receiving the protest handling result or the expiration of the deadline. If the procurement dispute concerns the non-refund or reclamation of bid bonds, it is not restricted to procurements above the threshold for publication.

Article 83 of the "Government Procurement Act" stipulates that the review decision made by the Complaint Review Board for Government Procurement are considered equivalent to administrative petition. If suppliers are dissatisfied with the above review decisions, they may file an administrative lawsuit with the Administrative Court in accordance with the Administrative Litigation Act.

Regulations for Procurement Personnel

Article 15 of the "Government Procurement Act" stipulates the recusal principles that procurement personnel must follow. Additionally, Article 16 of the "Government Procurement Act" stipulates that requests and lobbying must not be considered in evaluations and must preferably be made in writing or recorded.

Article 95, Paragraph 1 of the "Government Procurement Act" stipulates that entities must have procurement professionals handle procurements. However, procurements of a certain amount (NT\$1,500,000 or higher, but NT\$3,000,000 overseas entities) must be handled by procurement professionals. The qualifications, examinations, training, certification, and management regulations for procurement professionals are clearly stipulated in the "Regulations for Qualification, Examination, Training, Certification and Management of Professional Procurement Personnel."

The "Ethics Regulations for Procurement Personnel" authorized by Article 112 of the "Government Procurement Act" stipulates behaviors that procurement personnel must not engage in, including using their official position to demand, promise, or accept bribes, kickbacks, gifts, preferential transactions, or other improper benefits from suppliers; accepting free or preferential treatment such as food, accommodation, transportation, entertainment, travel, or other similar situations from suppliers related to their duties, and clearly defines the measures for violations of these regulations.

Others

Conflict of Interest Regulations (Refer to Article 7, Paragraph 4)

According to Article 15, Paragraph 2 of the "Government Procurement Act," entity personnel must recuse themselves from matters related to procurement that involve their own interests, their spouses, relatives within two degrees of kinship, or family members living together.

Formulating "Anti-Corruption Mechanisms and Implementation Guidelines for Various Stages of Government Procurement"

To create a clean government procurement environment and prevent corruption, the Public Construction Commission has formulated "Anti-Corruption Mechanisms and Implementation Guidelines for Various Stages of Government Procurement" based on the procurement process. It has been circulated to all entities for their information.

Adding Internal Whistleblower Protection Systems for Suppliers to Contract Templates (Refer to Article 12, Paragraphs 1-2)

In November 2023, the Public Construction Commission, Executive Yuan, revised various procurement contract templates by adding provisions requiring suppliers to establish internal whistleblower protection measures and stipulating that entities receiving whistleblowing reports must actively investigate and clarify to avoid affecting the proper conduct of affairs.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The Public Construction Commission, Executive Yuan, has regularly compiled and published annual procurement implementation statistics to understand procurement implementations by various entities according to the "Government Procurement Act." Relevant statistical data are as follows:

Percentage of publicly conducted procurement awards in terms of number and amount from 2020 to 2023:

Overview of publicly conducted procurement awards in terms of number and amount from 2020 to 2023						
Year	Number of Awards	Publicly Conducted		Award Amount (NT\$100,000,000)	Publicly Conducted	
		Number of Awards	Percentage (%)		Award Amount (NT\$100,000,000)	Percentage (%)
2020	202,319	173,379	85.70	17,817	15,378	86.31
2021	197,447	166,911	84.53	21,995	18,949	86.15
2022	202,896	170,228	83.90	22,719	18,309	80.59
2023	182,678	153,785	84.18	22,958	20,022	87.21

Percentage of the most advantageous tender awards in terms of number and amount from 2020 to 2023:

Overview of the most advantageous tender awards in terms of number and amount from 2020 to 2023				
Year	Number of Awards	Percentage (%)	Award Amount (NT\$100,000,000)	Percentage (%)
2020	57,033	28.19	5,485	30.78
2021	57,321	29.03	6,845	36.07
2022	59,296	29.22	8,498	37.41
2023	57,530	31.49	9,722	42.35

Number of complaint cases received and closure rate by the Complaint Review Board for Government Procurement of the Public Construction Commission, Executive Yuan, from 2020 to 2023:

Cases received and closure rate of the Complaint Review Board for Government Procurement of the Public Construction Commission, Executive Yuan						
Period	Cases Received	Cases closed Procedurally Concluded Cases Substantively Concluded Cases	Closure Rate	Substantively Concluded		
				Dismissal Rate (No. of Cases)	Revocation Rate (No. of Cases)	Other Situations Rate (No. of Cases)
2020	316 cases	322 cases (including cases received before 2020) 144 cases / 178 cases	101.9%	73% (130 cases)	22.5% (40 cases)	4.5% (8 cases)
2021	272 cases	279 cases (including cases received before 2021) 115 cases / 164 cases	102.6%	68.3% (112 cases)	27.4% (45 cases)	4.3% (7 cases)
2022	240 cases	236 cases (including cases received before 2022) 79 cases / 157 cases	98.3%	68.8% (108 cases)	29.9% (47 cases)	1.3% (2 cases)
2023	346 cases	325 cases (including cases received before 2023) 127 cases / 198 cases	93.9%	78.8% (156 cases)	19.7% (39 cases)	1.5% (3 cases)

Note: The denominator for various substantive termination ratios is the number of substantive terminations. Other circumstances of substantive conclusion: Partially dismissed, partially revoked; cases that are partially dismissed, partially revoked, and partially inadmissible.

Results of the Nationwide Supervision of Construction Mechanism from 2020 to 2023 (Number of reports and average processing days):

Construction Mechanism Nationwide Supervision Results Statistics Table		
Period	Number of reported cases	Average number of cases processed
2020	1,099 cases	2.12 days
2021	1,113 cases	2.00 days
2022	1,089 cases	1.89 days
2023	845 cases	2.20 days

The Public Construction Commission, Executive Yuan, annually commissions training institutions to conduct basic and advanced training for procurement professionals, improving the legal literacy and procurement knowledge of entity procurement personnel. The number of trainees and those who passed are as follows:

Number of Trainees and Qualified Procurement Professionals		
Period	Number of Trainees (Persons)	Number of Qualified Procurement Professionals (Persons)
2020	9,473	9,127
2021	9,109	6,744
2022	11,924	7,751
2023	11,929	8,137

Regarding open data, the Public Construction Commission, Executive Yuan, has uploaded 72 datasets related to government bidding operations on the government's DATA.GOV.TW platform, all maintaining data quality at the gold label level or above. Data is added periodically by external parties to facilitate value-added applications based on external requests and evaluations.

Article 9, paragraph 2

2. Each State Party shall, in accordance with the fundamental principles of its legal system, take appropriate measures to promote transparency and accountability in the management of public finances. Such measure shall encompass, *inter alia*:

(a) Procedures for the adoption of the national budget:

(b) Timely reporting on revenue and expenditure;

(c) A system of accounting and auditing standards and related oversight;

(d) Effective and efficient systems of risk management and internal control; and

(e) Where appropriate, corrective action in the case of failure to comply with the requirements established in this paragraph.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

(a) Procedures for the adoption of the national budget:

“Budget Act”

The “Budget Act” serves as the basis for the planning, compilation, deliberation, formation and implementation of the budget of the central government in our country. Additionally, the Executive Yuan has promulgated the “Regulations for Compiling Central Government Medium-term Programming Budget,” “The Central and Local Government FY ○○ Budgetary Compilation Principles,” and “Regulations for Compiling Central Government General Budget of FY ○○” as fundamental regulations for the overall budget system operation, constructing a complete operational system that closely links plans with budgets. Each competent authority must follow the Executive Yuan's administrative guidelines, budget formulation principles, and budget compilation regulations to draft administrative plans and revenue and expenditure estimates within their jurisdiction and submit them to the Executive Yuan. Relevant agencies, in line with the government's current administrative priorities and based on the principles of balancing national development and fiscal stability, carefully review and deliberate according to administrative priorities and actual effectiveness, then compile and complete the central government's overall budget proposal to be submitted to the Legislative Yuan for review.

"Financial Statement Act"

The “Financial Statement Act” stipulates that for each fiscal year, the previous year's central government financial statements and subordinate unit financial statements, as well as the current year's central government overall budget semi-annual settlement report and subordinate unit budget semi-annual settlement report, must be prepared. Through the announcement of semi-annual settlements and financial statements, the goal of financial transparency and public trust is

achieved.

"Local Government Act"

According to Article 40 of the "Local Government Act," the governments of special municipalities shall submit the general budget proposal of the special municipalities to their respective councils. County/city governments and township/city offices shall submit the general budget proposal of the county/city or township/city to their respective councils. After deliberation by the councils of special municipalities, county/city governments, or township/city offices, the general budget proposals shall be announced by the respective governments.

According to Article 42 of the "Local Government Act," the final accounting statement for the budget of a special municipality or county/city shall be submitted to the relevant auditing agency. The auditing agency shall finish the review thereof, prepare a final audit amount table, and submit a final accounting review report to the council of the special municipality or county/city council. The auditing agency shall submit the final audit amount table to the government of the special municipality or county/city government for public announcement. The final accounting report of a township/city shall be submitted to the township/city council for review and shall be announced by the township/city office.

Budget Information Disclosure

According to the provisions of "The Freedom of Government Information Law," "Budget Act," and "Accounting Act," government agencies in our country must proactively disclose budget and financial statements, accounting reports, and other data on their respective websites for public online viewing, enhancing the transparency of government financial information. Additionally, the "Budget Integration Platform for Central Government Agencies and Subsidiary Agencies" has been established, providing links to various agency websites for quick access to publicly available budgets, financial statements, and monthly accounting reports to increase the convenience of data retrieval.

Local Government Budget Information Disclosure (Taking Taipei City Government as an Example)

"Taipei City Budget Inquiry Service Platform"

The Directorate-General of Budget, Accounting and Statistics has established the "Taipei City Budget Inquiry Service Platform" to implement the Taipei City Government's policy of "openness, transparency, and data disclosure" and to address the need for budget book data retrieval and inquiry from various sectors. Launched on August 7th, 2018, it fully discloses the budget data of all Taipei City Government agencies (funds) on the platform, allowing the public to browse the budgets of various agencies and schools from fiscal year 2021 onwards via the internet, with the ability to search using keywords quickly. In addition to centralizing budget data disclosure, this platform further provides a user-friendly query interface, open data files, and visualized web pages to enhance public understanding of the Taipei City Government's budget.

(b) Timely reporting on revenue and expenditure;

Fiscal Indicators

Our government regularly publishes information such as the “Two-Year Budget of the Central Government,” “Revenue, Expenditure and Balance of Central and Local Government,” “Revenue, Expenditure and Balance of Central Government,” and “General Fund Outstanding Debt” on its website.

Tax Expenditure Report

According to Article 29 of the “Budget Act,” the “Tax Expenditure Report” has been compiled annually since 2005 and published in the general explanation of the central government's overall budget proposal for public reference, enhancing our country's fiscal transparency. From fiscal year 2021, the tax expenditure report covers tax items, including income tax, business tax, commodity tax, tobacco and alcohol tax, estate and gift tax, securities transaction tax, and futures transaction tax.

Fiscal Statistical Data Publication

The release of fiscal statistical data is conducted in accordance with the provisions of the “Statistics Act,” “Enforcement Rules of the Statistics Act,” and “Statistical Data Dissemination Directions of Government Agencies,” aimed at ensuring fair access to data for all sectors. Article 16 of the “Statistics Act” and Article 27 of the “Enforcement Rules of the Statistics Act” clearly stipulate that agencies must announce information related to the release of statistical data (including release time and format). For national statistical data with pre-announced release times, except in cases of major unforeseeable circumstances such as natural disasters, the release cannot be arbitrarily advanced, delayed, or interrupted. The Ministry of Finance's methods and administrative procedures for disclosing information, such as preliminary statistics on customs import and export trade and national tax revenue, are also regulated by the Ministry of Finance's Internal Control Operation Manual Version 4.0. All are published on the Ministry of Finance's website in the form of press releases according to pre-announced release times. The release method has been digitized to facilitate the public's fair use of government information.

To accommodate the time required for data compilation and analysis, import and export trade and national tax revenue are generally released at 4 PM on the 7th and 12th of each month. To meet the needs of financial journalists for on-site reporting, press conferences are held simultaneously with the online release of press releases at 4 PM on the day of release, open to media participation and questions, enhancing the service effectiveness of statistics for the public and also safeguarding the public's right to know.

Transparency and Sharing of Fiscal Statistical Information

To enhance the accessibility of fiscal statistical information, the Ministry of Finance's global information network has established a “Statistical Database” section, providing systems for trade statistics inquiry, fiscal statistics inquiry, and local finance inquiry. The coverage is rich and complete, available for public use, and is continuously improved and optimized with a user-oriented approach. Efforts are made to strengthen the description of data background and classification definitions, expand search items and content, add commonly used periods (e.g., cumulative from January to the current month, same month in previous years), and strive to meet user needs for quick search and download use.

To promote more effective application of fiscal data and to adapt to digital development trends, fiscal statistical publications are issued monthly and annually in various electronic file formats and book forms, available for free download by the public. Additionally, a visualization section has been established, presenting fiscal statistical data in lively and vivid ways, such as infographics e-learning videos, and interactive dashboard. Fiscal and trade statistical special topic analyses and statistical bulletins are also compiled to enhance decision-making reference and deepen public understanding, achieving substantial effectiveness in promoting democratic participation.

Debt Information

In addition to regularly publishing debt information for various levels of government for periods of one year and above and less than one year on websites, our government has coordinated with local governments to publish local debt clocks on their respective websites since July 2012. Furthermore, since December 2012, central and local debt information has been successively added to LED scrolling displays at promotion points in agencies affiliated with the Ministry of Finance, national railway and highway stations, motor vehicle offices, medical institutions affiliated with the Ministry of Health and Welfare, national highway service areas, and about 2,000 other announcement locations including book-entry central government bond clearing banks and handling banks, greatly increasing the disclosure locations of national debt clocks and local debt clocks to implement public supervision.

To enhance debt transparency and align our debt disclosure matters with international standards, general government debt information has been disclosed on government websites according to the standards of the "Government Finance Statistics Manual (GFSM)" issued by the International Monetary Fund (IMF). In conjunction with the implementation of the "Fiscal Discipline Act" on April 10th, 2019, central and local governments disclose quarterly the amount and period of revolving funds allocated to various funds and special accounts, as well as the financial statements of these special funds, in accordance with regulations.

(c) A system of accounting and auditing standards and related oversight;

Government Financial Accounting Standards

To strengthen and improve our country's government accounting, after analyzing and adopting International Public Sector Accounting Standards (IPSASs), government accounting theories, and practical developments, the Directorate-General of Budget, Accounting and Statistics issued 9 "Government Accounting Pronouncement" in 2019, providing accounting principles including standards for government accounting and financial reporting, government revenue recognition, government expenditure recognition, government fixed assets, government long-term equity investments, government long-term liabilities, government liability provisions, accounting treatment of contingent liabilities and contingent assets, preparation of government accounting reports, and accounting treatment of government budget execution control, as reference bases for government accounting.

Government Audit Supervision System

Our country's government audit system is founded on the "Constitution." The audit agencies

independently exercise audit authority in accordance with the "Audit Act" and related regulations. The scope includes all agencies, funds, public enterprises, government-invested private enterprises, and organizations or individuals entrusted with or subsidized by public funds, spanning from central to local governments. The relevant audit standards are based on the planned objectives, effectiveness, and measurement criteria set by the agencies, as well as the budget approved by the Legislative Yuan. Audit agencies apply varying levels and methods of supervision depending on the organizational form, legal basis, and degree of use or management of public resources by the audited entities. All significant audit opinions proposed by the audit agencies undergo rigorous verification procedures and are confirmed through responses from the audited agencies, striving for objectivity, fairness, and factual statements.

The audit agencies conduct financial audit work, independently verifying and providing assurance on the results of government budget execution and financial conditions, thereby effectively enhancing credibility and promoting the transparency of government financial information. Our country's "Financial Statement Act," "Audit Act," and related financial audit regulations mainly include examining budget allocations, auditing financial receipts and expenditures, conducting real-time oversight of procurement cases, and finalizing annual final accounts. The government's final accounts must undergo an audit within 3 months of submission. This includes creating a certified amount table and presenting an audit report to the Legislative Yuan or councils. These steps provide the basis for representative bodies to oversee whether administrative agencies have fulfilled their responsibilities.

The Legislative Yuan reviews matters related to budget execution, policy implementation, and the audit and relief of special events in the audit report. If there are consultations or needs for relevant audit materials, the Auditor General must respond or provide them (the audit of annual final accounts of municipal and county/city governments follows the central government's regulations, with the head of the audit agencies set up by the National Audit Office in each locality legally auditing and submitting audit reports to the respective local representative bodies). The final certified amount table of the final accounts is approved by the Legislative Yuan and sent to the Control Yuan, which then requests the President to announce it.

The audit methods of audit agencies originally included pre-audit, resident audit, and post-audit but have transformed to mainly post-audit supplemented by on-site sampling. The focus of auditing has also shifted from auditing account matters and expenditure legality to considering the effectiveness of government administration, emphasizing the economy, efficiency, and effectiveness of expenditures, and utilizing information systems to strengthen auditing. The supervision method for agency procurement has changed from pre-inspection to timely inspection. Overall, the function of government auditing has expanded from traditional supervision to include insightful functions for increasing benefits and foresight functions for preventing problems.

The "Constitution" stipulates that the appointment of the Auditor General and the independent exercise of duties by audit personnel are protected by law. The "Audit Act" specifies that audit agencies and personnel may review (investigate) materials, inspect cash and property, etc., from various agencies, public and private organizations, or relevant personnel in exercising their authority, whether through written audits or on-site sampling. Agency personnel may not conceal or refuse. Additionally, the results of audits by the audit agencies, the issuance of audit

notices to audited agencies for response, direct decisions on cases requesting reconsideration, and other related pending audit cases are all handled according to law, and information systems are used to track the handling status to ensure audit results.

(d) Effective and efficient systems of risk management and internal control; and

Risk Management and Internal Control System

To integrate government internal control, risk management, and performance management mechanisms, guide agencies in self-management, and implement hierarchical supervision responsibilities, the Executive Yuan promulgated the “Principles for Risk Management and Crisis Management in the Executive Yuan and Its Affiliated Agencies” in 2020. Subsequently, the “Handbook for Risk Management and Crisis Management in the Executive Yuan and Its Affiliated Agencies” was developed, and a new integrated system of “Risk Management (including Internal Control) for Administrative Agencies” was implemented starting in 2021. This encourages agencies to integrate risk management tools into daily operations and decision-making processes. Through risk identification and assessment, appropriate internal control or other policies and procedures are adopted to prevent major risks such as corruption or impacts on administrative effectiveness or to reduce the likelihood and degree of impact of their occurrence. Risk management tools are used to incorporate annual administrative plans into integrated risk management, which already includes internal control, thereby eliminating the need for redundant internal control operations, simplifying related reporting processes, and improving administrative efficiency.

The Executive Yuan has established the “Guidelines for Government Internal Control Supervision Operations,” requiring agencies to conduct routine supervision, self-assessment, and internal auditing supervision operations. Agencies are asked to evaluate the overall effectiveness of internal control annually and sign an internal control statement, which is published in the government information disclosure section of each agency's website. This implements agency self-management and ensures the achievement of risk management (including internal control) objectives such as realizing administrative goals, enhancing administrative effectiveness, providing reliable information, complying with legal regulations, and safeguarding asset security. To ensure agencies implement internal controls effectively, the preceding supervision guidelines allow agencies to utilize information technology for internal audits and supervision based on operational needs. The Directorate-General of Budget, Accounting and Statistics, Executive Yuan has developed universal audit modules to help agencies assess operational risks and identify irregular cases in order to strengthen internal control supervision.

(e) Where appropriate, corrective action in the case of failure to comply with the requirements established in this paragraph.

Transparency International (TI) considers the audit agencies responsible for national financial revenue and expenditure audit affairs and playing the role of fiscal integrity supervisors as one of the important pillars of the national integrity system. In conducting audit affairs, the audit agencies focus not only on appropriateness and compliance audits but also on performance audits. If the results of the audit reveal that personnel of various agencies have financial misconduct, improper receipts or expenditures in violation of the budget or relevant laws and regulations, or failures to fulfill responsibilities or low efficiency, they must notify the appropriate

agencies to handle the matter. The relevant agencies may, in accordance with the provisions of the “Audit Act,” submit a response or request for reconsideration. After the review and reconsideration procedures, the audit agencies handle the matter as follows:

- Investigate illegal or unfaithful conduct of agency personnel regarding property and finances. Those involved in misconduct must be legally notified to the heads of the respective agencies for investigation and handling accordingly. Severe cases shall be reported to the Control Yuan for handling according to law. Cases involving criminal matters are transferred to judicial authorities for handling.
- Audit the annual final accounts of various agencies. Regarding various revenue items that are short, omitted, or incorrectly listed, as well as the revenue funds, temporary receipts, and agency collections that must have been deposited but have not, the revenue final account must be corrected and notified for deposit in accordance with the law.
- Audit the annual financial receipts and expenditures of various agencies. For improper expenditures in violation of the budget or relevant laws, subsidies, commissioned projects, or surplus funds from various project expenditures, legally deduct, revise, and reduce the expenditure final accounts and notify for payment into the treasury.
- Audit the collection and treasury payment of taxes and fees by tax collection agencies. For the improper application of laws or calculation errors, legally notify the competent authorities for investigation and handling.
- Evaluate the performance of various agencies. For those who have yet to fulfill their responsibilities or have low effectiveness, notify their superior agency in accordance with the law and report to the Supervisory Authority. For those with a lack of regulations or poor facilities, provide suggestions for improvement to the respective agencies. If it is deemed that efficiency can be improved or public interest can be enhanced, propose suggestions to the respective agencies or relevant authorities. If potential risk items affecting the administration or business efficiency of various agencies are discovered, preventive opinions may be proposed to the respective agencies or relevant authorities.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Central Government General Budget Proposal Section

<https://eng.dgbas.gov.tw/cl.aspx?n=4534>

Visual Query Section of the Directorate-General of Budget, Accounting and Statistics

A “Visual Query” section has been established to optimize the efficiency of government budget data queries, enhance data visualization, and improve the user-friendliness of the interface. It presents data on the central government's general budget, special budget, central government's financial statements and subordinate unit financial statements, and fiscal statistics through diverse and interactive charts, facilitating public access.

Government Budget Data Opening

To comply with the government's open data policy, agencies regularly upload government fiscal and accounting data on the "DATA.GOV.TW" platform in specified open data formats, including budget and financial statements and accounting report data tables. This facilitates searching and downloading by various sectors, enhancing public understanding of government fiscal receipts and expenditures.

Taipei City Government Budget Query Service Platform

As of December 31st, 2023, the cumulative number of views was 142,353

Annual Report on Government Finance in the Republic of China

<https://www.mof.gov.tw/Eng/singlehtml/254?cntId=96b1173e7b8e49e4a3306d48e66d964>

2

Public Finance and Trade Statistics

<https://www.mof.gov.tw/Eng/htmlList/6636>

Relevant Debt Information on Our Government

<https://www.nta.gov.tw/Eng/htmlList/853ac2f3e7314995b1eac8e43bbe4d34>

Annual Audit Report of the National Audit Office

<https://www.audit.gov.tw/p/412-1000-434.php?Lang=en>

Audit Statistics Visualization

The National Audit Office has established a visualization website for important audit results, such as the final accounts audit report, to implement the principles of transparency and accountability advocated by the International Organization of Supreme Audit Institutions (INTOSAI) and to actively and effectively communicate important audit information to stakeholders and the public. It incorporates thought processes in research and design and uses a systematic and holistic interface to strengthen the analysis and reporting of financial audit data for governments at all levels. It can convey the results of final accounts auditing for governments at all levels in a vivid and easy-to-understand manner. It can also establish time series data to track administrative results, which can be used by when reviewing budgets and by the general public when monitoring government administration.

Comprehensive Audit Statistics

<https://odap.audit.gov.tw/BIRReportEN/pwbi.html>

From 2020 to 2023, the audit agencies discovered financial misconduct by personnel of various agencies, of which 17 cases were reported to the Control Yuan for legal handling, and 22 cases were transferred to investigative agencies and reported to the Control Yuan. Examples include the situation of a certain college department plan and Ministry of Education subsidized plan at the Tainan National University of the Arts ; the execution of a certain project by the Army 6th Corps Command; the situation of project fund reporting at the National Tainan Junior College

of Nursing; personnel from a certain reserve command of the Ministry of National Defense and a certain national university allegedly using false original vouchers to report and embezzle public funds falsely; the Cultural Heritage Bureau of the Ministry of Culture allegedly involved in bid rigging in a certain renovation project. All these cases were transferred to judicial authorities for investigation and reported to the Control Yuan.

Article 9, paragraph 3

3. Each State Party shall take such civil and administrative measures as may be necessary, in accordance with the fundamental principles of its domestic law, to preserve the integrity of accounting books, records, financial statements or other documents related to public expenditure and revenue and to prevent the falsification of such documents.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The handling of various accounting matters, in addition to being based on the "Accounting Act" and Directions for Accounting System of Central Government Agencies, also follows the rules set by competent authorities such as the Directorate-General of Budget, Accounting and Statistics; the Directorate-General of Personnel Administration; and the Public Construction Commission of the Executive Yuan. Such matters include the preparation of accounting reports, the establishment, preservation, and destruction of accounting books, types of accounting vouchers and required entries, internal review, procurement supervision operations, etc. Said regulations clearly identify matters to be noted when executing accounting operations and circumstances under which accounting personnel must refuse to sign original vouchers. Additionally, the management and retrieval of accounting vouchers are handled in accordance with the "Points for Attention in the Custody, Retrieval, and Destruction of Government Accounting Vouchers" to maintain the integrity of relevant books, records, reports, or other documents.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

From 2020 to 2023, the audit agencies discovered financial misconduct by personnel of various agencies, of which 17 cases were reported to the Control Yuan for legal handling, and 22 cases were transferred to investigative agencies and reported to the Control Yuan. Among these, cases involving the forgery of government books and records include personnel from a certain reserve command of the Ministry of National Defense and a certain national university allegedly using false original vouchers to falsely report and embezzle public funds.

Article 10 : Public reporting

Article 10, subparagraph (a)

Taking into account the need to combat corruption, each State Party shall, in accordance with the fundamental principles of its domestic law, take such measures as may be necessary to enhance transparency in its public administration, including with regard to its organization, functioning and decision-making processes, where appropriate. Such measures may include, inter alia:

(a) Adopting procedures or regulations allowing members of the general public to obtain, where appropriate, information on the organization, functioning and decision-making processes of its public administration and, with due regard for the protection of privacy and personal data, on decisions and legal acts that concern members of the public;

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Government Information Disclosure

“The Freedom of Government Information Law”

To establish a government information disclosure system, facilitate public sharing and fair use of government information, protect the public's right to know, enhance public understanding, trust, and supervision of public affairs, and promote democratic participation, our country enacted and promulgated “The Freedom of Government Information Law” in 2005, stipulating that government information must be actively disclosed or provided upon public request in accordance with this law.

Scope of Government Information

"Government information" as defined in the Law means information which a government agency produces or acquires within its respective authority and is saved in the forms of documents, pictures, photos, magnetic disks, magnetic tapes, optical disks, microfilms, integrated circuits chips or others which can be read, seen, listened or understood with the assistance of technology or auxiliary methods (Article 3).

Methods of Information Disclosure

The disclosure of government information can be divided into “active disclosure” and “passive disclosure” based on whether it is initiated by government agencies or provided upon public request.

Except for those restricted from disclosure or not provided under Article 18, information must be actively disclosed, including treaties, diplomatic documents, laws, Emergency Orders, regulations and orders which are made in accordance with the Central Regulatory Standardization Law, and local autonomous laws and regulations; the interpretary orders and

discretionary standards made by government agencies for helping the inferior government agencies or the subordinates to interpret the laws consistently, find the facts, and exercise the discretionary power; the structures, duties, addresses, telephone numbers, fax numbers, websites and e-mail addresses of government agencies; documents about administrative guidance; administrative plans, statistics and research reports; budgets and audits; the results of petitions and the decisions of administrative appeals; documents related to public works and procurements; subsidies that are paid or accepted; and meeting records of the agencies based on a collegiate system.

Unless otherwise provided by law and as well as treaties, diplomatic documents, rules, emergency orders, regulations, and orders that are made in accordance with the central regulatory standardization law and local autonomous laws and regulations, government information shall be actively disclosed and published on government registers or other publications. Government agencies shall consider the feasibility of disclosure technology and choose appropriate methods such as publishing on government registers or other publications; transmitting on telecommunications networks or by different ways to provide the public for online search; making available for public browsing, transcribing, photocopying, recording, videotaping, or photographing; hold a press conference or hearing; any other possible ways of which the public can be made aware (refer to Article 8 of the said Act).

Even if it is not subject to active disclosure by government agencies, the public may still fill out an application form and submit it to the agency holding the government information.

Restrictions

When the disclosure of government information involves the rights and interests of specific individuals, government agencies shall first consult the opinions of those particular individuals in writing (Article 12). When the disclosure or provision of government information infringes on personal privacy, Article 18, Paragraph 1, Subparagraph 6 of this Act stipulates that disclosure shall be restricted or non-disclosable. However, this limitation does not apply if necessary for the public interest or to protect the life, body, or health of individuals or with the consent of the parties involved. If the government information contains portions that are restricted from public access or not to be disclosed (e.g., personal privacy) that do not apply to the entire content of said information, the government agency shall remove the restricted or non-disclosable sections and only disclose or provide the remaining portions (refer to Article 18, Paragraph 2 of the said Act).

Remedies

Article 20 provides that an applicant who has an objection to the decision made by a government agency for the request of providing, correcting, or supplementing government information may seek for administrative relief as provided by law. Therefore, if applicants are dissatisfied with the decisions made by government agencies regarding their applications for government information, they may file for administrative appeal and administrative litigation.

Government Data Release

To achieve the purposes of convenient administration and open transparency and to complete a trusted data opening environment, the Ministry of Digital Affairs promotes

government data opening policies, enhances data circulation and format quality, encourages various agencies to provide high-quality data that is easy for external use and meets needs, centrally listed on “DATA.GOV.TW,” and has established the “Principles for Government Data Release Operations of the Executive Yuan and Its Subordinate Agencies at All Levels,” “Metadata Standard Guidelines for Datasets,” etc., to accelerate data release and application, and continues to reference domestic and international development trends. Starting in 2023, it promotes the opening of “high application value” thematic data by various government agencies, prioritizing topics such as agricultural sustainability, spatial information, climate and environment, disaster prevention and relief, transportation, health and medical care, energy management, and social assistance.

Government Open Data, rooted in The Freedom of Government Information Law, encourages the release of government data in open, machine-readable formats that guarantee quality for public use. This initiative enhances administrative efficiency and promotes transparency in government operations. For example, the AAC established the “Government Procurement Integrity Platform” in 2022 for major national construction and procurement projects. Related datasets, which provide information about procurement and investment solicitation cases, are available on DATA.GOV.TW. This open data transparency allows for public scrutiny, helps prevent corruption, encourages multi-stakeholder oversight, ensures information symmetry, and enhances the credibility of government decision-making.

Administrative Operation Transparency Promotion

“Principles for Promoting Transparency in Administrative Operations of the Executive Yuan and its Subordinate Agencies (Organizations)”

In 2016, the Executive Yuan promulgated the “Principles for Promoting Transparency in Administrative Operations of the Executive Yuan and its Subordinate Agencies (Organizations)” through mechanisms to publicize matters such as regulatory orders, review standards, approval processes, review progress, and examples related to business in the operational processes of various agencies' authorized businesses, introducing external supervision forces to ensure the transparency and credibility of the government administrative department's operations and decision-making processes.

Administrative transparency Incentive Measures

Central agencies and local governments such as the Ministry of Transportation and Communications (MOTC), Taipei City Government, and Taichung City Government have established awards to incentivize agencies to publicize regulatory orders, review standards, approval processes, review progress, and examples related to business in their authorized processes in order to encourage various government agencies to promote innovative and e-digital transparency measures. The goal is to introduce external supervision forces to ensure the transparency and credibility of the government administrative department's operations and decision-making processes.

- 3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

Global Information Networks of Various Agencies

Government agencies at all levels have established official websites such as Global Information Networks for various agencies and have set up special sections for government information disclosure to release information that must be actively disclosed publicly. Examples are illustrated on the official website of the Agency Against Corruption, Ministry of Justice (AAC): <https://www.aac.moj.gov.tw/5791/> °

As of the end of July 2024, DATA.GOV.TW has uploaded over 50,000 datasets, with 137,700,000 page views and 21,140,000 downloads.

Measures for proactive information disclosure and simplification of administrative procedures by agencies at all levels (as exemplified in Appendix 3)

Such as digitalization of customs operations, promotion of quality enterprise certification and management mechanisms, disclosure of information on mining, water conservancy, engineering, supervision, meteorology, and transportation, as well as simplification measures for business applications for subsidies or relief, construction management, and police affairs.

Information Disclosure for Subsidies (Donations) to Private Organizations by Government Agencies (Refer to Article 12, Paragraph 1-2)

Results of Administrative Transparency Measures by Various Agencies

Statistics show that in 2022, central and local government agencies planned to implement 188 administrative transparency measures. Categorized by business type: 127 application-related, 11 subsidy-related, 14 major or project-specific budget executions, 1 external donation item, and 35 others. In 2023, central and local government agencies planned to implement 140 administrative transparency measures. Categorized by business type: 48 application-related, 29 subsidy-related, 10 major or project-specific budget implementations, and 53 others.

Statistics on the number of concluded administrative litigation cases for government information requests (with trial causes including “government information” and “provision of administrative information”) from 2020 to 2023

Number of concluded administrative litigation cases for government information requests in district courts (Unit: cases)

Data period	Number of concluded cases	Conclusion status	
		Withdrawn	Transfer Jurisdiction of
2020	-	-	-
2021	-	-	-
2022	4	1	3
January-August 2023	3	-	3

Description:

1. This table covers administrative litigation in the first instance, rehearing, and retrial.
2. Government information request cases include trial causes containing “government information” and “provision of administrative information.”

3. The Amendment to Administrative Litigation Act (Consolidating First Instance Policy) was implemented on August 15th, 2023. Pending administrative litigation cases in district courts were transferred to the District administrative litigation divisions of high administrative courts. Therefore, district court administrative litigation data is only available until August 2023.

4. In this table, “-” indicates a value of 0.

Number of concluded administrative litigation cases for government information requests in high administrative courts (Unit: cases)

Data period	Number of concluded cases	Conclusion status						
		Won	Lost	Partial win/loss	Dismissed as unlawful	Dismissed as groundless	Withdrawn	Transfer of Jurisdiction
2020	44	3	6	2	18	4	8	3
2021	31	2	6	3	13	-	7	-
2022	27	1	11	1	9	1	2	2
2023	30	-	10	2	10	-	6	2

Description:

1. This table covers administrative litigation in the first instance, appeal, retrial, interlocutory appeal, and rehearing.
2. Government information request cases include trial causes containing “government information” and “provision of administrative information.”
3. In this table, “-” indicates a value of 0.

Number of concluded administrative litigation cases for government information requests in the Supreme Administrative Court (Unit: cases)

Data period	Number of concluded cases	Conclusion status					
		Dismissed as unlawful	Dismissed as groundless	Partially dismissed as groundless, partially remanded for rehearing	Remanded for rehearing	Self-judgment	Dismissed
2020	26	-	6	1	1	1	17
2021	29	-	4	1	1	-	23
2022	18	1	4	1	2	-	10
2023	10	1	3	-	-	-	6

Description:

1. This table covers administrative litigation in the first instance, appeal, rehearing, interlocutory appeal, and retrial.
2. Government information request cases include trial causes containing “government information” and “provision of administrative information.”

3. In this table, "-" indicates a value of 0.

Article 10, subparagraph (b)

(b)Simplifying administrative procedures, where appropriate, in order to facilitate public access to the competent decision-making authorities; and

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

E-Government

Since 1998, Taiwan has been planning e-government and has consistently achieved outstanding results in international e-government evaluations. Through the core concept of digital government data governance, it deepens information service integration, simplifies administrative procedures, and implements transparent governance.

My e-Government

The My e-Government portal centrally lists government agency application services and provides a consistent user interface, making it convenient for the public to find government application services. To help the public prepare for application services, the website provides accurate and reliable diverse application information (such as step-by-step application processes, checklists of required items, service contact windows, links to application location maps, etc.), allowing the public to intuitively operate and easily read application instructions.

Personal Data Autonomy Utilization (MyData) Platform

Introduction to MyData Platform

To promote personal data autonomy utilization, the “Personal Data Autonomy Utilization (MyData) Platform” (hereinafter referred to as this platform) was established to optimize personal paper certificate data or application services that citizens previously needed to apply for at various agencies into digital applications. With the core concept of “citizen's autonomous consent and secure data acquisition,” it provides multiple personal data downloads and service applications.

Features

This platform interfaces between data-providing agencies and service-providing agencies, providing an operation interface for citizens to query, integrate, and list data/service item lists. It does not collect, process, or use citizens' data, nor does it have a database that stores citizens' data. The 3 service modes of this platform are as follows:

- Data download: Interface with data-providing agencies through this platform to download personal data independently.
- Counter verification: In addition to the existing practice of bringing relevant document data to the counter for business processing, citizens can also download personal data through this platform to generate corresponding barcodes, which can be handed over

to counter staff. The counter staff can then obtain the corresponding personal data and process subsequent services.

- Online services: After downloading personal data on this platform, citizens can give immediate consent one time to transmit their data online to service-providing agencies (organizations) for personal services.

Platform Benefits

- Creating an environment for personal data autonomy application, innovating government service models: User-centered, innovating government service models, providing citizens with a safe and convenient life, avoiding citizens having to rush between different agencies for business applications, saving citizens' round-trip transportation costs and government investment in counter service costs.
- Driving public and private sectors to develop diverse service areas, providing theme-based services centered on citizens: Already interfaced with 137 personal data items in 9 major categories, including interior affairs, health and welfare, education, transportation, labor, economy, finance and taxation, land administration, and military service. Additionally, central agencies, local governments, state-owned enterprises, and financial institutions supervised by the Financial Supervisory Commission (FSC) have interfaced with MyData for 122 counter-verification items and 711 online service items, including diverse theme-based convenient services such as social welfare, education, and learning, tax services, and financial services.
- Agencies accelerate application service review speed, improving government administrative efficiency: Service-providing agencies need to spend a lot of manpower and time verifying the authenticity of the certificates provided by citizens. When agencies interface related services with the MyData platform, after identity verification and autonomous consent by the party concerned, the data-providing agency transmits online to the service-providing agency, and the file content includes machine-readable format. This not only ensures data accuracy and reliability but also improves agency review efficiency and service quality through online system interfacing.

Public Policy Online Participation(including “participatory budgeting”) (Refer to Article 13, Paragraph 1)

Measures for proactive information disclosure and simplification of administrative procedures by agencies at all levels (as exemplified in Appendix 3)

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

My e-Government

The “My e-Government Portal” centrally lists application services from various government agencies. As of the end of June 2024, it has accumulated 2,365 items of government digital service data.

Personal Data Autonomy Utilization (MyData) Platform

Significant growth in MyData platform service utilization:

This platform provides data downloads, online services, and counter services for the public. Since its launch in 2021, as of the end of June this year, it has connected 80 agencies, providing 137 personalized data downloads, 711 online services, and 122 convenient counter-verification services, totaling 970 items. Cumulative usage for data downloads and online applications has exceeded 1,910,000 times. Compared to the same period in 2023, the number of connected agencies increased by about 6.7%, service usage grew over 3 times, and the number of data and service items grew by about 22%.

Promote new convenient MyData platform services across agencies:

- As of the end of June this year, all local governments (22) have implemented the MyData mechanism. Popular services include Taichung City Government's "Social Housing Application." This year, various convenient services are being actively developed, such as Hsinchu County Government's new "Online Registration for Public and Non-profit Kindergartens" and Keelung City Government's new "Vehicle License Tax Exemption Application for People with Disabilities" among 6 new services.
- Currently, 23 central ministries provide MyData online and counter services. Popular services include the National Police Agency, Ministry of the Interior's "Online Application for Police Criminal Record Certificate (Good Citizen Certificate)" and the Ministry of Labor's "Labor Insurance Maternity Benefit Online Application 2.0 Service." Recently, many people have applied for the "Certificate of Entry and Exit Dates." Through social network recommendations and media coverage, there were nearly 200,000 applications between April and May, with a cumulative total of over 210,000 applications by the end of June.

The World Economic Forum (WEF) released the "2016 The Global Enabling Trade Index," in which Taiwan's "Customs Transparency Index" ranked 1st among 136 economies. The WEF also released the "The Global Competitiveness Report 2019," where Taiwan's transparency ranked 29th among 141 evaluated countries, both closely related to customs' active use of smart technology to enhance border management efficiency in recent years.

Public Policy Online Participation Platform implementation status (please refer to Article 13, Paragraph 1)

Measures for proactive information disclosure and simplification of administrative procedures by agencies at all levels (as exemplified in Appendix 3)

Article 10, subparagraph (c)

(c) Publishing information, which may include periodic reports on the risks of corruption in its public administration.

1. **Is your country in compliance with this provision?**
Yes
2. **Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.**

Current Integrity Status and Analysis Report (Refer to Article 5, Paragraph 3)

Filling in the Governance Performance Report for the Overall Risk Management Promotion Status

As authorized by Article 4 of the "Principles for Risk Management and Crisis Management in the Executive Yuan and Its Affiliated Agencies," the National Development Council, together with the Directorate-General of Budget, Accounting, and Statistics, Executive Yuan, formulated the "Handbook for Risk Management and Crisis Handling of the Executive Yuan and Affiliated Agencies" in 2020. After each agency conducts integrated risk management (including internal control) operations annually, they compile relevant documents to establish a risk assessment and treatment summary table, agency risk profile, and annual agency risk management (including internal control) operation plan. These are submitted to the task force (or project meeting) for review and approval by the agency head, then communicated to subordinate agencies (institutions) and schools for implementation of that year's agency risk management (including internal control) operations. If agencies discover new risks during the current year, they must immediately revise the preceding risk assessment and treatment summary table and agency risk profile and report to the agency head for approval.

Each competent authority must report on the overall risk management (including internal control) promotion in the previous year's government performance report, disclosing information such as the signing of internal control statements by subordinate agencies. Important risk management results related to the previous year's policy objectives must also be included in the report. This must be approved by the agency head by the end of March of the current year and made public for external supervision.

Integrated New System for Risk Management (including Internal Control) in Government Agencies (Refer to Article 5, Paragraph 3)

Agency Integrity Risk Assessment Report

The AAC supervises Government Employee Ethics Units to assist agencies in strengthening their integrity management responsibilities and implementing agency integrity risk management measures. The goal is to review agency risk patterns according to agency characteristics, regularly review integrity risk assessment data annually, conduct evaluations and revisions immediately when new cases or new evidence emerge, and report such matters to the agency head.

Integrity report meetings of agencies at all levels (Refer to Article 5, Paragraph 1)

Meeting minutes and summaries of integrity report meetings at all levels of agencies are disclosed in the integrity section of agency websites, where the strategies and processes of agency integrity risk management are regularly published.

Formulation and Publication of Anti-Corruption Guidelines (Refer to Article 5, Paragraph 3)

Integrity and Governance Public Opinion Survey (Refer to Article 5, Paragraph 2)

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Government performance reports are published in the government information disclosure section of each agency.

In 2023, 2,524 cases involving the review, update, and ongoing adjustment of government employee ethics officers and related incidents were examined across all government agencies nationwide.

Statistics on Convening of Integrity Report Meetings at All Levels

Year	2020	2021	2022	2023
Number of Cases	1,206	1,165	1,049	912

Summary of Integrity Public Opinion Survey Results

The MOJ conducted the “2023 Integrity Public Opinion Survey: Public Perception and Evaluation of Integrity and Information Sources.” The key survey data related to government corruption risk issues are summarized as follows:

- The respondents' views on the severity of improper integrity violation conduct: Among 4 common types of improper integrity violation conduct, the order of severity is: “enterprises providing benefits to influence policies” (average 6.94), “enterprises using employee management or handling power for personal benefits” (average 6.40), “public requesting for others to lobby public officials” (average 5.57), and “public giving red envelopes (bribes) to public officials” (average 4.74).
- The proportion of respondents who believe that money laundering by companies, enterprises, or the public is “serious” (60.8%) is significantly higher than those who believe it is “not serious” (24.6%), but 14.6% of respondents did not express a clear opinion.
- Respondents believe the government must prioritize promoting “openness and transparency” (46.9%) as the top integrity policy, followed by “investigating and prosecuting corruption” (29.5%), and third, “education and promotion” (19.0%); 4.6% of respondents did not express a clear opinion on this issue.
- The average score for respondents' tolerance of public official corruption is 1.28 (0

indicates completely intolerable, 10 indicates completely acceptable), with nearly 62.2% of respondents expressing zero tolerance for corruption and only 1.0% of respondents indicating complete tolerance for corruption.

Annual Report of the AAC (Refer to Article 5, Paragraph 2)

Article 11 : Measures relating to the judiciary and prosecution services

Article 11, paragraph 1

1. Bearing in mind the independence of the judiciary and its crucial role in combating corruption, each State Party shall, in accordance with the fundamental principles of its legal system and without prejudice to judicial independence, take measures to 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.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Laws Ensuring Judicial Independence and Integrity

Article 80 of the Constitution provides that “Judges shall be above partisanship and shall, in accordance with law, hold trials independently, free from any interference.” Justices of the Constitutional Court are judges in the constitutional context (as referred to in Interpretation J.Y. No. 601) The Justices of the Constitutional Court have the authority over the interpretation of the Constitution and the uniform interpretation of statutes and regulations in accordance with the Constitution and its amendments. They sit as the Constitutional Court to adjudicate constitutional litigation cases according to law, which falls within the scope of the independent exercise of judicial power and is provided with the constitution’s institutional protection of judicial independence.

Regarding legal provisions ensuring judicial independence and integrity for judges, relevant regulations are included in Chapter 5 on Judge's Evaluation (Articles 30 to 41-2 of the Judges Act) and Chapter 7 on Disciplinary Chamber of the Judiciary (Articles 47 to 70 of the Judges Act).

Codes of conduct:

Taiwan’s codes of conducts for judges comply with international norms. Articles 6 of the Code of Conduct for Judges took reference from the Bangalore Principles 4.9 and ABA Code 1.3, and Article 8 took reference from Bangalore Principles 4.14, 4.15, 4.16, and ABA Code 3.13 (A), (B)(3) and other codes of conduct. They are all in line with international norms.

Code of Conduct for Judges

- Article 6 clearly stipulates that judges shall not use their position or title to seek property, benefits, or request special treatment.
- Article 8 clearly stipulates restrictions on judges accepting valued gifts.

Judges' Social and Financial Self-Discipline Matters

Article 4: Judges shall not obtain improper benefits or property through opportunist or , unfair methods, or by using their status or position as a judge.

Supervision and disciplinary mechanisms:

Judicial evaluation system:

The judicial evaluation system was amended in 2019 to make the supervision and elimination mechanism for judges more efficient, transparent, open, and rigorous. The few negligent and unfit judges can therefore be punished accordingly to uphold people's litigation rights and increase their trust in justice. The new measures include:

- To improve efficiency, parties or crime victims of concluded cases can now directly request individual case evaluations of judges from the Judicial Evaluation Committee without going through civil organizations.
- To enhance public trust in the objectivity and fairness of the Judicial Evaluation Committee, the number of scholars and impartial members of society on the committee has been increased from 4 to 6.
- In cases where the Judicial Evaluation Committee decides disciplinary action is necessary, the committee can directly report to the Judicial Yuan to refer the case to the Disciplinary Chambers of the Judiciary for adjudication without first being referred to the Control Yuan for review.
- To avoid frivolous evaluation requests that might interfere with legal proceedings and to ensure proper deliberation by the evaluation committee, the new system clearly defines the formal requirements for requests and the grounds for non-acceptance in order to strengthen the procedural participation rights of the requestor and the procedural protection of the judge being evaluated.

Disciplinary Chambers of the Judiciary, Disciplinary Court :

The operation of the Disciplinary Chambers of the Judiciary of the Disciplinary Court has been revised to accelerate the disciplinary process and make punishments more immediate and impactful:

- In the operation of the Disciplinary Chambers of the Judiciary, to make first-instance judgments more diverse in perspective, 2 lay judges have been added to form a collegial panel with 3 professional judges to jointly hear and judge disciplinary cases against judges. This is Taiwan's first system involving non-professional judges in trials, demonstrating the openness and transparency of the judiciary, unafraid of external scrutiny, and accepting reasonable accountability.
- In terms of trial procedures, the Disciplinary Chambers of the Judiciary was changed from a "single-level single-instance" to a "single-level double-instance" system, giving judges subject to disciplinary judgments an additional "legal review" level of remedy. The goal is to protect the people's constitutional right to litigation and make the judgments of the Disciplinary Chambers of the Judiciary more rigorous.
- Regarding types of disciplinary actions, measures to deprive or reduce retirement benefits for disciplined individuals who have already retired or resigned have been added. To prevent judges under disciplinary investigation from rushing to retire, the timing of retirement and severance restrictions has been moved forward to when the Judicial Yuan refers the case to the Control Yuan for review. For judges who have been found guilty of

corruption or have been sentenced by the Disciplinary Chambers of the Judiciary to removal from office, revocation of office, or transfer to other positions, they are ordered to return the basic salary received during their suspension period to achieve disciplinary effectiveness and respond to social expectations of judicial credibility.

Judicial Personnel Examination, Recruitment, and Retirement System

Judges

Article 5 of Taiwan's "Judges Act" stipulates that judges are appointed through examinations and selections (either judges selected through the special examination for judicial officials or selected and transferred as prescribed by the Judges Act). Article 74 includes relevant promotion regulations. Therefore, a fair, just, open, and transparent environment for appointments is established through examination and selection processes and promotion regulations. Articles 77 and 78 stipulate that judges may retire in accordance with the Public Servants Retirement, Severance, and Bereavement Compensation Act.

Recruitment and Vacancies for Judicial Personnel other than Judges

The Judicial Yuan and its affiliated agencies shall fill non-judge staff vacancies by recruiting qualified examination candidates, promoting internal staff, or recruiting external staff, taking into account the agency's characteristics and job requirements. Employees appointed after passing the examination must undergo pre-service training according to the training programs established for their respective examinations, while internally promoted or externally hired staff shall receive relevant education and training for the required job knowledge and skills provided by their employing agencies.

Judicial Personnel Performance Management

According to Article 32, Paragraph 1 of the Judges Act, the Judicial Yuan must conduct group performance evaluations of courts at all levels every 3 years, with the results serving as a reference for evaluating the performance of court leaders at all levels. Paragraph 2 of the same article authorizes the establishment of regulations for group performance evaluations of courts at all levels, stipulating evaluation standards, items, and methods. The said group performance evaluation serves as a concrete measure for the performance management of judicial personnel.

Integrity training for judicial institution personnel:

The following explains the courses related to anti-corruption, public official ethics values and administrative neutrality, planned by the Judges Academy.

- Training for new judicial personnel: Every year, newly recruited judicial personnel undergo training in public official ethics and related courses to enhance their relevant legal knowledge and moral standards. Courses include: "Public Official Ethics Values and Administrative Neutrality," "Judicial Independence and Judicial Ethics," etc.
- In-service training for judicial personnel: In addition to improving relevant legal professional skills to enhance the ability of judicial personnel to investigate and judge corruption cases while in office, routine information security education courses are conducted annually to prevent the leakage of sensitive personal data and abuse. Relevant

anti-corruption in-service education and training are also provided for mediators, contracted interpreters, public defenders, and contracted defenders. Through case studies, role-playing, and other related simulation activities, judicial personnel are helped to understand relevant concepts and implications better. The courses offered include: “Ethics Code for Guardian Ad Litem and Report Writing Considerations,” “Ethical Norms for Public Defenders and Contracted Defenders,” “When Citizen Judges Enter the Courtroom - Discussing Psychological Difficulties, Alternative Trauma, and Ethical Counseling for the General Public,” “Case Analysis of US Judges Violating Ethical Norms,” and “Workplace Bullying from a Judicial Perspective - Focusing on Administrative Responsibility and Judicial Ethics.”

- The Judges Academy offers various courses and, after the courses, asks judicial personnel to fill out questionnaires providing feedback. Effectiveness evaluations are conducted based on questionnaire feedback and survey results to serve as a reference for future course planning. The objective is that through various educational training organized by the Judges Academy, judicial personnel will understand the content of anti-corruption, influence attitudes and behaviors, and ultimately integrate these core values and concepts into their judicial work.

Conflicts of Interest for Judicial Institution Personnel (refer to Article 7, Paragraph 4)

- Article 8 of the Code of Conduct for Judges stipulates that judges shall not accept any gifts or other benefits from those who have interests related to their official duties; judges must also require their family members or court personnel under their command or supervision to comply with the said code. Article 14 of the same code also stipulates that if a judge becomes aware that the representative or defender of a party in a received case is practicing law in the same firm as their family member, they must inform the parties of this fact and report it to the chief judge. If a judge violates the Code of Conduct for Judges, depending on the circumstances, it will be reviewed by the Judges' Self-Discipline Committee of each court or referred to the Judicial Yuan's Judicial Evaluation Committee for review.
- To ensure the impartiality of court judgments and avoid the appearance of bias in court operations, our country's Code of Civil Procedure, The Code of Criminal Procedure, and Administrative Litigation Act all stipulate circumstances under which judges must recuse themselves. If a judge does not recuse themselves or other circumstances could reasonably be considered to affect impartiality in performing their duties, parties may file a written request for recusal to the court of the said judge. If judicial associate officers, clerks, or interpreters have circumstances requiring recusal, parties may also request recusal following the said code.
- According to the “Act on Recusal of Public servants Due to Conflicts of Interest,” judges and judicial associate officers must not use their official powers, opportunities, or methods to seek benefits for themselves or related persons. If they become aware of a conflict of interest, they must immediately recuse themselves or recuse themselves upon the application of interested parties. Violations of the preceding regulations may result in fines ranging from NT\$100,000 to NT\$6,000,000, imposed by the Control Yuan or the Ministry of Justice, depending on the circumstances.

Property Declaration by Judicial Institution Personnel (refer to Article 8, Paragraph 5):

- According to Article 2, Paragraph 1, Subparagraph 10 of the Act on Property-Declaration by Public Servants, judges are subject to this Act. According to Article 4, Subparagraph 1, and 2 of the same Act, for judges with basic salary at grade 6 or above (equivalent to selection rank at grade 12), the property declaration receiving agency is the Control Yuan. For judges with basic salary at grade 7 or below and director of judicial associate officers of each courts, the property declaration receiving agency is their respective court (government employee ethics unit).
- Court public servants must declare the property of themselves, their spouses, and minor children to the relevant agencies when they take office, leave office, act as substitutes, or are relieved of substitute duties, and make regular declarations once a year. After receiving public servant property declaration cases, the court's government employee ethics unit conducts a format review, followed by a substantive review based on a proportion, to confirm the accuracy and authenticity of the declared information.
- Public servant property declaration forms can be made available for public to apply for inspection. Adult citizens of the Republic of China with legitimate inspection purposes can conduct inspections during designated periods and at designated locations after being notified by the agency's government employee ethics unit.
- Through the substantive audit and public inspection mechanisms of public servant property declarations, the property information of judicial personnel with public servant status, such as judges, is made transparent. Combined with relevant preventive regulations in the Act on Recusal of Public Servants Due to Conflicts of Interest, this serves to deter improper benefit transfers and enhance public trust in judicial integrity.

Citizen Judge System

“Citizen Judges Act”

The new citizen judge system was implemented in our nation in 2023. Citizen judges and alternate citizen judges must perform their judicial duties fairly and honestly according to the law and express opinions based on the conviction formed through their participation in the trial. This is an indispensable prerequisite for maintaining the basic principle of a fair trial. Related measures are as follows:

- Since the majority opinions expressed by citizen judges in the final deliberation are binding and may affect the conclusion of the judgment, if citizen judges or alternate citizen judges demand, agree to, or accept bribes or other improper benefits in exchange for not exercising their duties or for exercising them in a certain way, it constitutes serious corruption and perversion of justice, which must be severely punished. Therefore, Article 94 of the Citizen Judges Act stipulates relevant penalties.
- To deter external improper interference with citizen judges and alternate citizen judges in performing their duties, penalties are stipulated for those who solicit, agree to, or deliver bribes or other improper benefits to citizen judges or alternate citizen judges in exchange for not exercising their duties or for exercising them in a certain way. This is stipulated in Article 95 of the same law.
- To maintain the fairness of citizen participation in trial procedures and to enable citizen

judges and alternate citizen judges to perform their duties without concerns, those who intend to cause citizen judges or alternate citizen judges not to exercise their duties or to exercise them in a certain way, or who intend to retaliate against citizen judges or alternate citizen judges for their performance of duties by committing criminal acts against them, their relatives, or family members of a certain relationship, must have their sentences increased for the crimes committed, as a deterrent. This is stipulated in Article 96 of the same law.

- Citizen judges must not disclose deliberation secrets or other secrets known in the course of their duties. Those who violate this provision without justifiable reason must be subject to criminal penalties. Article 97 of the same Act stipulates that the disclosure of secrets is punishable regardless of whether it is for the purpose of obtaining property or other benefits.
- Since the implementation of the Citizen Judges Act in 2023 until now (July 2024), there have been no practical cases of citizen judges being punished for involvement in corruption, leaking secrets, or other such situations. Therefore, there are no relevant statistics or individual cases.

Case Assignment Principles

- According to Articles 2 and 11 of the Regulations on Annual Judicial Affairs Distribution for Judges in Courts at All Levels, district courts, high courts, and their branches must establish specialized divisions or units to handle special professional types of civil and criminal cases (hereinafter referred to as professional cases), and the judges' meeting must select judges to handle these professional cases. Currently, all courts have established specialized divisions(units) to handle professional cases in criminal matters such as medical, financial, intellectual property, sexual assault, juvenile, national security and military, Indigenous peoples, criminal compulsory measures, and transitional justice, in accordance with the preceding regulations.
- The court's judge meeting determines the distribution of court duties for handling corruption crimes. It is based on principles of fairness and justice, with judges assigned to handle such cases through a computer lottery system.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Case 2023 Ping-Zi No. 3 of the Judicial Evaluation Committee was a case where a citizen requested an evaluation, and the Judicial Evaluation Committee decided to accept the request.

In the disciplinary cases of judges who had improper interactions with Weng Mao-Chung, the heaviest sentence handed down by the Disciplinary Chambers of the Judiciary so far is "revocation of office " (Case 2022 Cheng-Shang-Zi No. 2).

A judge failed to honestly declare the source of their assets and privately allowed their cohabitant to discuss case details with an appellant and accept bribes. The Disciplinary Chambers of the Judiciary sentenced the judge to removal from office (2014 Cheng-Zi No. 4).

A judge used their title to participate in investments and obtained unusually high dividends that were clearly against normal practices. The Disciplinary Chambers of the Judiciary sentenced

the judge to a one-grade demotion (2015 Cheng-Zi No. 1).

Article 11, paragraph 2

2. Measures to the same effect as those taken pursuant to paragraph 1 of this article may be introduced and applied within the prosecution service in those States Parties where it does not form part of the judiciary but enjoys independence similar to that of the judicial service.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Laws Ensuring Prosecutorial Independence and Integrity

Judges Act

- Article 89, Paragraph 4 clearly stipulates the reasons for which a prosecutor must undergo individual case evaluation.
- Article 95 clearly stipulates the disciplinary actions that supervisory authorities can take against supervised prosecutors.

Codes of conduct:

Prosecutor Ethics Regulations

- Article 5 clearly stipulates that prosecutors must maintain integrity, be cautious in speech and action, strive to uphold the honor and dignity of their position, and must not use their official duties or titles to seek improper property or benefits for themselves or third parties.
- Articles 11 and 12 clearly stipulate restrictions on prosecutors receiving requests for making intercession and the need to avoid suspicion of impartiality in performing official duties.
- Article 25 clearly stipulates restrictions on prosecutors participating in social activities and accepting invitations to entertainment events.
- Article 27 clearly stipulates restrictions on prosecutors engaging in commercial or other for-profit businesses and on interacting with individuals encountered in the course of their duties.
- Article 28 clearly stipulates restrictions on prosecutors accepting gifts or other benefits.

Guidelines for Prosecutors Participating in Invitations to Dinners and Engaging in Commercial Investments

The guidelines clearly stipulate restrictions on prosecutors participating in invitations to dinners and engaging in commercial investments, etc.

Supervision and disciplinary mechanisms:

The prosecutor evaluation system is stipulated in Article 89 of the Judges Act, with content referring to Article 11, Paragraph 1 on the judicial evaluation system and the content of the Disciplinary Court of the Judiciary Court.

Prosecutor Examination, Recruitment, and Retirement System

The prosecutor examination and recruitment system is stipulated in Article 87 of the Judges Act. Article 89, Paragraph 1 of the Judges Act applies mutatis mutandis to Article 74, establishing regulations for prosecutor promotions. Article 89, Paragraph 1 of the Judges Act applies mutatis mutandis to Article 77 and Article 78, Paragraphs 1 to 3, establishing regulations for prosecutor retirement and bereavement benefits.

Prosecutor Integrity Training

Regarding those who have passed the examination for judicial officials, according to Article 27 of the Judicial Personnel Regulations, Articles 3 and 9 of the Training Regulations for Civil Service Examination Appointees, a training plan is established to conduct training for judicial officials. The Academy for the Judiciary, MOJ, has also established the “Judicial Official Training Rules of the Academy for the Judiciary, Ministry of Justice.” Only after completing this training will they choose to serve as judges or prosecutors according to their preferences.

Prosecutor Conflict of Interest Recusal Mechanism (refer to Article 7, Paragraph 4)

Judges, prosecutors, administrative enforcement Officers, judicial affairs Officers, and prosecutorial affairs Officers are subject to our nation's “Act on Recusal of Public servants Due to Conflicts of Interest.” For relevant provisions on conflict of interest recusal, please refer to Article 7, Paragraph 4.

Prosecutor Property Declaration (refer to Article 8, Paragraph 5)

Judges, prosecutors, and judicial police are subject to our nation's “Act on Property-Declaration by Public Servants.” For relevant provisions on property declaration, please refer to Article 8, Paragraph 5.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

From July 17th, 2020, to June 30th, 2024, the Prosecutor Evaluation Committee received 861 cases and concluded 811 cases. Among these, 7 cases were found valid and referred for disciplinary action to the court, 2 cases were found valid and referred to the Prosecutor Personnel Review Committee, 3 cases were found invalid but resolved to conduct job supervision, 5 cases were found invalid with no need for job supervision, 62 cases were not accepted, 6 cases were withdrawn, and 726 cases were not subject to evaluation.

Prosecutors who violate regulations related to requests for making intercessions shall be reported to the MOJ for handling upon resolution by the Prosecutor Evaluation Committee, with a recommendation for a warning as disciplinary action. Prosecutors who fail to pay attention to avoiding suspicion of impartiality in performing their duties and accept intercession that may compromise the fairness, objectivity, and independence of their duties shall be reported to the MOJ upon resolution by the Prosecutor Evaluation Committee for referral to the Prosecutor Personnel Review Committee for deliberation, with a recommendation for a warning as disciplinary action (2013 Jian-Ping-Zi No. 16, 18).

Prosecutors improperly participated in social activities and accepted hospitality. Upon resolution by the Prosecutor Evaluation Committee, disciplinary action was deemed necessary

and reported to the MOJ for referral to the Control Yuan for review. Among the evaluated individuals, 2 were recommended for a fine of 6 months' total salary, and 1 was recommended for a reprimand (2013 Jian-Ping-Zi No. 17).

A prosecutor failed to avoid suspicion of impartiality in performing duties. Upon resolution by the Prosecutor Evaluation Committee, disciplinary action was deemed necessary and reported to the MOJ for referral to the Control Yuan for review, with a recommended disciplinary action of reprimand (2013 Jian-Ping-Zi No. 20).

A prosecutor showed concern about another person's case. Upon resolution by the Prosecutor Evaluation Committee, disciplinary action was deemed necessary and reported to the MOJ for referral to the Control Yuan for review, with a recommended disciplinary action of removal from the prosecutor's position and disqualification from public official appointment (2017 Jian-Ping-Zi No. 1).

A prosecutor violated regulations related to requests for making an intercession. Upon resolution by the Prosecutor Evaluation Committee, it was reported to the MOJ for referral to the Prosecutor Personnel Review Committee, with a recommended disciplinary action of warning (2019 Jian-Ping-Zi No. 1).

A prosecutor illegally practiced as a lawyer and repeatedly stated their current prosecutor status without inhibition. It clearly damaged the dignity of the position and trust in prosecutorial duties and severely harmed the image of the prosecution. Upon resolution by the Prosecutor Evaluation Committee, disciplinary action was deemed necessary and reported to the MOJ for referral to the Control Yuan for review, with a recommended disciplinary action of dismissal (2019 Jian-Ping-Zi No. 3).

A prosecutor falsely applied for overtime and left the office during working hours without taking leave to handle personal matters. Upon resolution by the Prosecutor Evaluation Committee, the case was established, and disciplinary action was deemed necessary. The MOJ reported the case for referral to the Judiciary Court for review (2021 Jian-Ping-Zi No. 59).

A prosecutor visited a private guesthouse and accepted free hospitality. Upon resolution by the Prosecutor Evaluation Committee, the case was established, but disciplinary action was not deemed necessary. It was referred to the MOJ's Prosecutor Personnel Review Committee for review (2023 Jian-Ping-Zi No. 5).

A prosecutor visited a private guesthouse and accepted free hospitality. Upon resolution by the Prosecutor Evaluation Committee, the case was established, and disciplinary action was deemed necessary. The MOJ reported the case for referral to the Disciplinary Court of the Judiciary Court for review (2023 Jian-Ping-Zi No. 6).

A prosecutor falsely applied for overtime and had attendance anomalies (absenteeism, early departure). Upon resolution by the Prosecutor Evaluation Committee, the case was established, and disciplinary action was deemed necessary. It was referred by the MOJ to the Disciplinary Court of the Judiciary Court for review (2023 Jian-Ping-Zi No. 77).

Article 12 : Private sector

Article 12, paragraphs 1 and 2

1. Each State Party shall take measures, in accordance with the fundamental principles of its domestic law, to prevent corruption involving the private sector, enhance accounting and auditing standards in the private sector, and where appropriate, provide effective, proportionate and dissuasive civil, administrative, or criminal penalties for failure to comply with such measures.

2. Measures to achieve these ends may include, inter alia:

(a) Promoting cooperation between law enforcement agencies and relevant private entities;

(b) Promoting the development of standards and procedures designed to safeguard the integrity of relevant 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;

(c) Promoting 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;

(d) Preventing the misuse of procedures regulating private entities, including procedures regarding subsidies and licenses granted by public authorities for commercial activities;

(e) Preventing conflicts of interest by imposing restrictions, as appropriate and for a reasonable period of time, on the professional activities of former public officials or on the employment of public officials by the private sector after their resignation or retirement, where such activities or employment relate directly to the functions held or supervised by those public officials during their tenure;

(f) Ensuring that private enterprises, taking into account their structure and size, have sufficient internal auditing controls to assist in preventing and detecting acts of corruption and that the accounts and required financial statements of such private enterprises are subject to appropriate auditing and certification procedures.

1. Is your country in compliance with these provisions?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Corporate Governance Laws and Policies

Since 2003, when the Executive Yuan established a special task force to reform and legalize corporate governance, enterprises have begun to focus on corporate governance and the protection of investors' rights. To keep the corporate governance operations of listed companies

up-to-date and align with international standards, the Financial Supervisory Commission issued a 5-year “Strengthening Our Nation's Corporate Governance Roadmap” in 2013, a 3-year “New Corporate Governance Roadmap” in 2018, and a 3-year “Corporate Governance 3.0 - Sustainable Development Roadmap” in 2020. These Roadmap serve as guidelines for promoting corporate governance policies, which focus on “implementing corporate governance,” “increasing information transparency,” “strengthening communication with stakeholders,” “guiding stewardship,” and “providing diversified products.” Relevant regulations have been formulated and amended accordingly.

“Taiwan's Guidelines on Enterprises to Respect Human Rights in the Supply Chain”

The “Taiwan's Guidelines on Enterprises to Respect Human Rights in the Supply Chain” have been established to aid corporations in upholding international human rights norms according to the United Nations Guiding Principles on Business and Human Rights (UNGPs) and taking into account input from diverse stakeholder groups. The goal is to encourage enterprises to identify, assess, prevent, mitigate, and terminate potential negative impacts on human rights in their operations and fulfill their human rights responsibilities in the supply chain. The efforts also cover anti-corruption aspects and are of a soft law nature, not mandatory. In the future, the feasibility of Taiwan enacting hard law will be further evaluated based on international legislation developments.

“Company Act”

Our country's “Company Act,” enacted in 1931, has undergone multiple amendments. To align with international standards and strengthen corporate governance, the 2018 revisions were the most significant in 10 years. Article 1 was amended to stipulate that companies' business operations must comply with laws and business ethics. It also includes provisions on accountability for de facto directors, the “piercing the corporate veil principle,” disclosure of related party transactions, and enhancing shareholders' ability to collect evidence of illegal activities and associated party transactions.

“Securities Exchange Act”

The 2006 amendment to the “Securities Exchange Act” introduced the independent director and audit committee systems (articles 14-2, 14-3, 14-4, 14-5). All TWSE/TPEX listed companies completed the appointment of independent directors by 2017 and audit committees by 2022. Emerging stock companies completed the appointment of independent directors in 2022. Article 14-1 stipulates that public companies, stock exchanges, securities firms, securities finance businesses, centralized securities depository enterprises, or other securities service enterprises must establish internal control systems for finance and operations.

“Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”

The Financial Supervisory Commission instructed TWSE and TPEX to jointly formulate and issue the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” in 2002. It was formulated with reference to the corporate governance principles issued by the OECD and the national conditions of our country. The goal is to encourage TWSE/TPEX listed companies to comply, assist TWSE/TPEX listed companies to voluntarily establish their good

corporate governance systems, and emphasize the disclosure of corporate governance-related information. In addition to establishing the legal framework for corporate governance, related supporting measures have been formulated, and the said principles are continuously revised in line with corporate governance policies and regulations. The content includes regulations on protecting shareholders' rights, strengthening board functions, respecting stakeholders' rights, and enhancing information transparency.

The Financial Supervisory Commission has also separately formulated corporate governance practice principles for financial holding companies, the banking industry, bills finance companies, securities firms, securities investment trust enterprises, securities investment consulting enterprises of the Securities Investment Trust & Consulting Association of the ROC, futures commission merchants, and the insurance industry.

Completed Measures

Since the promotion of "Corporate Governance 3.0 - Sustainable Development Roadmap," numerous important measures have been completed:

- TWSE/TPEX listed companies have established independent directors, audit committees, and corporate governance officers and adopted electronic voting.
- Director elections adopt the candidate nomination system.
- Institutional investors sign stewardship codes and establish stewardship evaluation mechanisms.
- Companies with capital of NT\$10,000,000,000 or higher and foreign shareholding of 30% or higher among TWSE/TPEX listed companies must upload shareholder meeting handbooks and annual reports in advance, TWSE/TPEX listed companies with capital of NT\$2,000,000,000 or higher must prepare sustainability reports, etc.

Private Sector Accounting and Auditing Standards (Refer to Paragraph 3 of this Article)

To strengthen private sector accounting and auditing standards, our country announced the "Framework for the Adoption of International Accounting Standards by Our Country's Enterprises" in 2009, promoting the adoption of International Financial Reporting Standards (IFRSs) by our country's enterprises. Since 2017, a bulletin-by-bulletin endorsement system has been adopted, evaluating each additional bulletin issued by the International Accounting Standards Board (IASB) individually and becoming applicable after recognition by the Financial Supervisory Commission. Certified public accountants in our country who are entrusted to audit and certify financial statements must also comply with the auditing standards set by the Accounting Research and Development Foundation with reference to International Standards on Auditing (ISAs).

For accounting and auditing regulations related to social organizations and foundations (including medical juridical persons and private schools), please refer to Paragraph 3 of this Article.

Private Sector Internal Control Systems (Refer to Subparagraph 2(f) of this Article)

Penalty Provisions

If the content of financial reports contains false, concealed, or other illegal matters, the

company issuer and its responsible persons, employees who have signed on financial reports or financial business documents, and other relevant personnel shall be liable for civil or criminal responsibility according to the “Securities Exchange Act”. Additionally, false statements in internal control system declarations may result in criminal liability under the “Securities Exchange Act.”; for public companies, securities firms, and stock exchanges, if financial reports contain false or concealed information, and if they fail to establish internal control systems as required, the same law also stipulates fines; regarding the civil, criminal, and administrative responsibilities that certified public accountants must bear for financial report certification, the “Securities Exchange Act” and “Certified Public Accountant Act” also have relevant regulations.

Promoting Legislation for Virtual Asset Management

The Financial Supervisory Commission issued the “Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for Enterprises Handling Virtual Currency Platform or Transaction” in 2021 to incorporate anti-money laundering management for VASPs. In January 2024, it outsourced research on specialized laws for VASP management. It will continue to promote legislation for virtual asset management to effectively manage VASP operators and virtual asset market behavior.

(a) Promoting cooperation between law enforcement agencies and relevant private entities;

Complaint and Whistleblowing Provisions in Our Country's “Labor Standards Act”

Article 74, Paragraphs 1, 2, 3, 5, and 6 of the “Labor Standards Act” clearly stipulate that workers who discover violations of the Labor Standards Act and other labor laws by business units can report and complain; dismissal, demotion, salary reduction, or damage to rights and interests that should be enjoyed according to provisions, contracts, or customs by business units due to workers' reporting or complaints are invalid; and stipulate that the identity of complainants must be kept confidential and those who violate confidentiality regulations shall be held responsible and liable for damages according to law; Article 79 of the same law also clearly stipulates penalties for violations of the said Article 74. In addition, on May 15th, 2017, the Ministry of Labor promulgated the “Regulations Governing the Confidentiality and Management of Reporting Cases against Labor Standards Act” in accordance with Article 74, Paragraph 7 of the same law, clearly stipulating the definition of whistleblowers, reporting methods, confidentiality regulations for reported information, handling and management norms for reported cases, and measures for handling leaked reported cases, to protect the rights and interests of those who report cases.

Promoting Whistleblower Protection (Refer to Article 8, Paragraph 4)

As per the chairman's ruling at the 26th meeting of the Central Integrity Committee: “For industries such as medical care, government-licensed businesses, government-invested institutions, and Exchange-Listed and OTC-Listed Companies, please continue to strengthen the implementation of whistleblower protection concepts within your respective business scopes and promote relevant measures that can be adopted before the 'Whistleblower Protection Act' draft is completed.” The Executive Yuan approved the “Executive Yuan Initiative for Whistleblower Protection” on November 1st, 2023, with the following results:

- **Government-endowed foundation that meet the legal scale, state-owned**

enterprises, and non-departmental public bodies have incorporated standard whistleblower protection clauses into existing or self-formulated regulations (supervision regulations or integrity management principles), including designating receiving units, implementing confidentiality measures, and protecting whistleblowers' original rights and interests. Examples are as follows:

- Article 23 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies” stipulates that specific whistleblowing systems must be established and effectively implemented.
- Article 5 of the “Directions Governing Codes of Ethical Practice for Foundations Supervised by the Ministry of Economic Affairs” stipulates the establishment and announcement of internal whistleblowing channels and the appointment of personnel to receive whistleblowing reports and establish relevant regulations for investigation, protection, and rewarding whistleblowers.
- Point 6 of the “Directions Governing Codes of Ethical Practice for Justice Affairs Foundations” stipulates the establishment of a whistleblower protection reporting system and related handling procedures.
- Point 16 of the “Directions Governing Codes of Ethical Practice for Labor Foundations Supervised by the Ministry of Labor” stipulates that whistleblowing system must be established, and the identity information of whistleblowers and the report content must be kept strictly confidential, to protect the rights of the reporter.
- Point 19 of the “Directions Governing Codes of Ethical Practice for National Civil Affairs Foundations” stipulates that proper whistleblowing channels must be provided, and the identity of whistleblowers and the content of reports must be kept strictly confidential.
- The state-owned enterprises under the MOTC (Taiwan Railways, Chunghwa Post Co., Ltd., Taiwan International Ports Corporation, Ltd., Taoyuan International Airport Corporation, Ltd.) have all incorporated whistleblower protection measures into new or revised regulations.
- State-owned enterprises under the Ministry of Economic Affairs (Taiwan Power Company, CPC Corporation, Taiwan Water Corporation, Taiwan Sugar Corporation) have all established whistleblower protection guidelines.
- The Central Bank and its affiliated Central Engraving and Printing Plant and Central Mint have completed revisions to relevant regulations.
- **The Public Construction Commission, Executive Yuan, has incorporated whistleblowing clauses into government procurement contract templates** (refer to Article 9, Paragraph 1).
- **The MOTC has revised the “Ministry of Transportation and Communications Contract Vendor Integrity-related Regulations Notification” by adding the clause**

“This vendor is willing to provide appropriate protection for whistleblowers.”

- **Exchange-Listed and OTC-Listed Companies have improved their information disclosure in annual reports.** The Financial Supervisory Commission oversees the stock exchange and OTC markets to enhance spot checks on the information disclosure of whistleblowing systems in the TWSE/TPEX listed companies’ annual reports. The Financial Supervisory Commission also collects examples of companies with better disclosure as references for improvement and shares them on the corporate governance website for the benefit of TWSE/TPEX listed companies.

In addition to the preceding examples, **the Ministry of Labor, Ministry of Foreign Affairs, Ministry of Education, and some local governments have all incorporated whistleblower protection measures into their respective regulations.**

Strengthening Cooperation with the Private Sector

“Platform for Combating Obstruction of Green Energy Industry Development”

The MOJ established the “Platform for Combating Obstruction of Green Energy Industry Development” in 2023 together with agencies such as the Ministry of Economic Affairs (MOEA) in response to the government's promotion of the “Nuclear-Free Homeland and Green Energy” policy. The goal is to prevent some unscrupulous public officials, elected representatives, and criminal organizations from taking the opportunity to extort construction contractors and severely hindering the development of green energy industries such as wind power and solar power. The Energy Administration, MOEA, and green energy operators regularly hold joint review meetings and communication platform meetings and strengthen advocacy to operators so that they can actively report illegal activities. Some operators have provided information, and the Energy Administration, MOEA has submitted case examples to the communication platform.

“The Government Procurement Integrity Platform”

Our country established the Government Procurement Integrity Platform in 2016, which establishes integrity platforms for major procurements conducted by various agencies according to the needs of agency heads. It establishes cross-domain communication channels among relevant government agencies such as prosecution, integrity, and the Public Construction Commission, as well as civil society organizations, experts, the public, and vendors, to ensure that major public contracts between enterprises and the state are legal and compliant, prevent improper external interference, strengthen government supervision mechanisms, and protect vendors' reasonable rights and interests.

“Integrity Platform for Enterprise Services”

The “Integrity Platform for Enterprise Services” has been piloted since 2022 by combining competent authorities, local governments, prosecution, integrity systems, academia, and non-governmental organizations to foster cross-domain cooperation in industrial parks, science parks, and core industries of agencies. It aims to solve enterprise problems across domains, enable enterprises to obtain high-quality government services, work together to create a clean and high-quality investment environment, and promote sustainable development of the country and enterprises. Since 2024, 38 central and local competent authorities have fully promoted the

“Integrity Platform for Enterprise Services” using the platform's communication and liaison mechanism to actively assist in handling integrity risk issues.

(b) Promoting the development of standards and procedures designed to safeguard the integrity of relevant 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;

Law and Policy Promotion for Private Sector Integrity Management

TWSE/TPEX-Listed Companies

“Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies”

The Financial Supervisory Commission instructed the Taiwan Stock Exchange Corporation and the Taipei Exchange to jointly formulate and issue the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies” in 2010, providing a reference framework for TWSE/TPEX listed companies to establish good business operations. It promotes companies to develop ethical management principles based on this code and the “Sample Template for ○○ Co., Ltd. Procedures for Ethical Management and Guidelines for Conduct” released in 2020. The efforts must cover business philosophies centered on integrity, transparency, and responsibility to establish policies to avoid conflicts of interest, set up effective corporate governance, and establish risk control mechanisms. This includes regulations prohibiting dishonesty, bribery, illegal political contributions, unreasonable gifts and entertainment, and procedures for handling political contributions, charitable donations, improper benefits, facilitation payments, and conflict of interest matters, as well as establishing regulations for accounting and internal control, and integrity management assessment before establishing business relationships.

“Stewardship Principles for Institutional Investors”

As the proportion of institutional investors in our country's capital market continues to rise, the stewardship of institutional investors becomes more important. Under the guidance of the Financial Supervisory Commission, the Corporate Governance Center of the Taiwan Stock Exchange issued our country's “Stewardship Principles for Institutional Investors” in 2016 by referencing international promotion experiences and domestic practices. It uses market mechanisms to continuously improve the quality of corporate governance in our country. The code's content includes “formulating and disclosing conflict of interest management policies” to ensure that institutional investors execute their business based on the interests of clients or beneficiaries.

Corporate Governance Evaluation

The Taiwan Stock Exchange Corporation (TWSE) and the Taipei Exchange (TPEX) have jointly promoted the “Corporate Governance Evaluation System” since 2015 to promote healthy competition among enterprises and voluntary improvement of corporate governance and integrity management, which continues to be conducted annually. The evaluation framework references the corporate governance principles issued by G20/OECD, adjusted to 4 dimensions: “Protecting

Shareholder Rights and Treating Shareholders Equally,” “Enhancing Board Structure and Operation,” “Increasing Information Transparency,” and “Promoting Sustainable Development.” It also references important domestic and international corporate governance-related evaluations, development trends, and laws and regulations to design and continuously add qualitative evaluation indicators to enhance the validity of corporate governance evaluation. Some contents of the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies” have been included as evaluation indicators, such as “4.2 Setting up a dedicated (part-time) unit for integrity management,” “4.15 Passing integrity management policies and specifying concrete practices and prevention programs for dishonest behavior,” “4.16 Establishing a whistleblowing system,” etc., to encourage TWSE/TPEX listed companies to adopt and implement best practices.

Small and Medium Enterprises

Our country's central and local governments at all levels have customized enterprise integrity guidelines for small and medium enterprises and different industry categories. For example, the Ministry of Economic Affairs and its affiliated agencies have compiled “Integrity Management Courses,” “The Handbook of Business Principles of Integrity for Small and Medium Enterprise,” “Industrial Park Corporate Social Responsibility Practice Guide Manual,” “Smart Integrity Ethics Manual,” and “Integrity Ethics Manual for Designated Laboratories,” which are published on the official website of the Ministry of Economic Affairs and strengthened advocacy. For instance, the Tainan City Government compiled the “Enterprise Integrity Anti-Corruption Guidelines for the Construction Industry,” and the Taipei City Government compiled the “Integrity Management Manual for Startup Companies.”

State-owned enterprises (Taking the Ministry of Economic Affairs as an Example)

State-owned enterprises such as Taiwan Power Company have formulated “Corporate Governance Best Practice Principles” to establish a good corporate governance system, protect shareholders' rights and interests, strengthen the functions of the board of directors, give play to the functions of the audit committee, respect the rights and interests of stakeholders, and enhance information transparency. Companies such as Taiwan Water Corporation have also formulated the “Employee and Vendor Interaction Guidelines” to maintain standards of conduct and procedures to properly engage in business activities and related professional activities, prevent conflicts of interest, and promote good business practices. Employees must perform their duties fairly in accordance with the law, with the public interest as the guideline. They must not use the power, methods, or opportunities of their positions to seek illegal benefits for themselves or third parties.

Foundations

The “Foundations Act” promulgated by the President in 2018 clearly defines in Article 2 that foundations means a private legal person that is dedicated to public-benefit purpose, approved by the competent authority and registered with the court. To promote integrity management of foundations, Articles 14 to 16 of the “Foundations Act” stipulate that foundations are prohibited from transferring or using property through collusion, fraud, or other improper means; directors or supervisors must not engage in profit-seeking activities under the pretext of their duties; those with conflicts of interest must recuse themselves, and there are fine provisions

for violations. Article 24, Paragraph 3 stipulates that foundations with a total amount of property registered with the court or annual total income reaching a certain amount or above must formulate integrity management norms under the guidance of the competent authority. Article 27 stipulates that the competent authority, as it deems necessary, may inspect a foundation's financial status and ascertain whether there is any violation of the conditions on its establishment approval or other legal requirement.

The Ministry of Justice, Ministry of the Interior, Ministry of Transportation and Communications, Ministry of Agriculture, Ministry of Foreign Affairs, Ministry of Health and Welfare, Fair Trade Commission, Council of Indigenous Peoples, and other ministries have all formulated relevant regulations on integrity management, whistleblower protection, and prevention of conflicts of interest for the foundations under their jurisdiction.

Civil Associations

The Ministry of the Interior has formulated regulations such as the Civil Associations Act, Regulations on Disposal of the Financial Affairs of Social Associations, and Regulations on Management of the Staff in Social Associations for social service and charitable organizations and other public welfare civil associations regarding accounting, budgeting, final accounts, real estate, use of fund accounts, financial audits, disclosure, voucher preservation, and other financial management matters as well as the staff employment. These regulations are for associations to follow and for members to jointly supervise and prevent malpractices.

Certified Public Accountants (CPA)

The Financial Supervisory Commission supervises the CPA Associations R.O.C. (Taiwan) to issue a total of 13 professional ethics standards bulletins, referencing international accountants' code of professional ethics and considering domestic practices. It has also elevated the Code of Professional Ethics for Certified Public Accountants to the level of a general outline and added a conceptual framework to enhance the professionalism and social image of certified public accountants.

Attorneys

The Taiwan Bar Association, in accordance with Article 68 of the Attorney Regulation Act, has formulated the "Attorneys' Code of Ethics," requiring lawyers to comply with the law and the attorneys' code of ethics when performing their duties, to jointly maintain the dignity and honor of the legal profession. The Taiwan Bar Association has further formulated the "Attorneys' Continuing Education Regulations" in accordance with Article 22, Paragraph 2, requiring attorneys to complete at least 2 hours of legal ethics or attorneys' ethics courses annually during their practice period. If attorneys violate the Attorneys' Code of Ethics in their practice and the circumstances are serious, it may constitute grounds for attorney discipline and can be referred for disciplinary action.

There have been cases where attorneys agreed with clients to take a percentage of settlement amounts in family or criminal cases as fees, which the Attorney Disciplinary Committee found to violate the attorneys' code of ethics and decided to issue a warning. There have also been cases where lawyers used legal aid opportunities to convert aid cases into private fee-charging cases,

in which the Attorney Disciplinary Committee decided to issue a reprimand for violating the attorneys' code of ethics and other regulations.

Enterprise Integrity Promotion

Promotion Status of the Ministry of Justice Investigation Bureau

At the 3402nd Executive Yuan meeting on June 12th, 2014, the Executive Yuan instructed the Ministry of Justice Investigation Bureau to take the initiative and actively prevent corporate corruption and major economic crimes. Following this instruction, the Ministry of Justice Investigation Bureau established the "Corporate Anti-Corruption Division" under the Economic Crime Prevention Department on July 16th, 2014, specializing in the investigation and prevention of corporate corruption crimes. Given the hidden nature of corporate corruption crimes, which are difficult for outsiders to detect, the Ministry of Justice Investigation Bureau actively considers innovative approaches to make the public, business community, and professional organizations aware of the serious harm of corporate corruption. Starting with "empathy," it gradually establishes "partnership" relationships with enterprises, changing from passively intervening in investigations after corporate scandals break out to proactively sharing accumulated investigation experiences and cases to help educate employees. The preventive advocacy and case investigation dual approach is aimed at preventing damage and its expansion.

Promotion Status of the Agency Against Corruption, Ministry of Justice

In response to the recent international focus on anti-corruption in the private sector, the Agency Against Corruption, Ministry of Justice (AAC), has cooperated with various competent authorities to hold various forum activities for different sectors or industries. The AAC has advocated and reinforced values such as "Enterprise integrity" and "Legal Compliance" through a public-private partnership model and guided industry, government, academia, NGOs, and leading businesses from different sectors to hold special lectures and discussions to establish anti-corruption partnerships. The goal is to foster a common belief in integrity and honesty through intensive exchanges between the public and private sectors.

Promoting Good Business Practices in Contractual Relationships Between Enterprises and the State

List of Disqualified Suppliers

To promote good business practices in government procurement, Articles 101 to 103 of the "Government Procurement Act" clearly stipulate that suppliers who fail to perform contracts in good faith have serious deficiencies in inspection or acceptance, seriously delay performance deadlines, illegally subcontract, or engage in other illegal or breach of contract behaviors will be published in the government procurement gazette and rejected from participating in procurement cases of all entities nationwide for a period of 3 or 6 months, 1 or 3 years.

Taipei City Government's "Operation Plan for Incorporating Past Performance of Bidding Vendors into Selection and Review Mechanisms"

The "Operation Plan for Incorporating Past Performance of Bidding Vendors into Selection and Review Mechanisms" was formulated for agency use in 2018 to strengthen the quality of the

Taipei City Government's projects. It includes vendors' inspection scores, major occupational accidents in public works, awards received, vendor suspension situations, and the Public Construction Commission, Executive Yuan's "Public Construction Contractor Performance Scoring Scale Classification" from the past 5 years as the content of the plan. This operation plan was promulgated to various agencies in 2018 and implemented in 2 stages. The first stage was implemented immediately by the engineering offices under the Public Works Department as well as the Unified Bidding Center, Public Works Department, Taipei City Government. The second stage will be implemented city-wide after the "Taipei City Government Vendor Resume Integration Platform System" is connected to The Public Construction Commission, Executive Yuan's system.

Taipei City Government's "Vendor Integrity Governance Commitment"

Local governments in our country also promote practices to foster good business practices. For example, the Taipei City Government added regulations in 2018 requiring vendors to sign a "Vendor Integrity Governance Commitment" when contracting for procurement with the city government to promote enterprise integrity and ethical concepts and call on vendors to operate with integrity. The goal is to cultivate positive procurement relationships. When the public and private sectors collaborate with integrity and transparency, it is essential to have a proper grasp of the concepts of public benefit and convenience while adhering to legal requirements and fostering a high-quality business environment. In the same year, Taipei City also revised the "Corporate Social Responsibility Evaluation Item Table" by adding an "integrity governance" item to prioritize its application to procurement cases with amounts reaching a huge sum or higher.

Taipei City Government's "Corporate Social Responsibility Evaluation Item Table"

On June 1st, 2018, the Taipei City Government promulgated a revised "Corporate Social Responsibility Evaluation Item Table" by adding an "Integrity governance" item to prioritize its application to procurement cases with amounts reaching a huge sum or above.

(c) Promoting 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;

"Get Information About Businesses Registration in Taiwan"

The Ministry of Economic Affairs has established the "Get Information About Businesses Registration in Taiwan" service to provide the public with necessary and timely business registration information, thereby promoting the transparency of relevant data to maintain fair and safe transactions.

"Information reporting platform for company leaders and major shareholders "

To increase the transparency of juristic persons (companies), the "Company Act" was amended and promulgated on August 1st, 2018. Article 22-1 requires companies to disclose major shareholders holding more than 10% of the total issued shares or total capital and to upload this information to the "Company Transparency Platform," which is regularly inspected by the competent authority.

Regulations on Disclosure of Major Shareholders' Equity in Public Companies

According to the “Regulations Governing Information to be Published in Annual Reports of Public Companies” authorized by Article 36, Paragraph 4 of the “Securities Exchange Act,” companies are required to disclose shareholders with 5% or more shareholding or the top 10 shareholders and their shareholdings. If the company's directors or supervisors are representatives of legal person shareholders, they must further disclose the names and shareholding percentages of the top 10 shareholders of that legal person shareholder down to 2 levels according to the preceding regulations.

According to Article 17, Paragraph 1, Subparagraph 4 of the “Regulations Governing the Preparation of Financial Reports by Securities Issuers,” Article 22, Paragraph 1, Subparagraph 5 of the “Regulations Governing the Preparation of Financial Reports by Securities Firms,” and Article 24, Paragraph 1, Subparagraph 5 of the “Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants,” TWSE/TPEX listed companies (including TWSE/TPEX listed securities firms and futures commission merchants) must disclose information on major shareholders such as their names, number of shares held, and percentages of shareholders with 5% or more shareholding in their quarterly financial reports.

To enhance the level of corporate governance in our country and align with international standards, the Financial Supervisory Commission has revised Article 43-1, Paragraph 1 of the “Securities Exchange Act” to lower the reporting and announcement threshold from the current 10% to 5%, which was promulgated by the President in 2023 and entered into effect on May 10th, 2024. The first part of said paragraph stipulates that any person (including their spouse, minor children, and those using other people's names to hold shares) who alone or jointly acquire more than 5% of the total issued shares of any public company must report and announce; the same applies if there are changes. Additionally, if the acquirer is a company, Article 6, Paragraph 1, Subparagraph 1 provides that the company must report and list the information of shareholders holding 5% or more of its shares or those who directly or indirectly have control over shareholders holding 5% or more of its shares pursuant to the “share acquisition reporting method provided by Article 43-1, Paragraph 1 of the Securities Exchange Act.”

(d) Promoting 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;

Government Subsidies (Donations)

"Precautionary Items for Central Government Agencies when Executing Budgets for Subsidies (Donations) to Private Organizations and Individuals"

The “Precautionary Items for Central Government Agencies when Executing Budgets for Subsidies (Donations) to Private Organizations and Individuals” provide regulations for government agencies to examine and control the use of funds in subsidy (donation) cases to private organizations and individuals. To supervise the effectiveness of private organizations receiving government subsidies (donations) in executing various subsidy funds and ensure proper use of subsidies, Point 3 clearly stipulates that agencies must establish clear, reasonable, and

public operating norms for subsidies (donations) to private organizations and individuals according to the nature of the subsidy (donation) (see example in Appendix 4). The goal is to maximize the effectiveness and transparency of government resources. Agencies can also establish on-site inspection methods to examine their operational effectiveness.

Information Platform for Subsidy (Donation) Cases to Private Organizations by the Executive Yuan and its Subordinate Competent Authorities

Agencies must make public information related to subsidies (donations) to private organizations on their website homepages by setting up a dedicated section or providing convenient links in accordance with the preceding key points. To facilitate external inquiries and use, in addition to publishing subsidy (donation) related information quarterly on their official websites as per the above regulations, the Directorate-General of Budget, Accounting and Statistics has also established an "Information Platform for Subsidy (Donation) Cases to Private Organizations by the Executive Yuan and its Subordinate Competent Authorities" on its official website, providing links to the subsidy (donation) information pages of various competent authorities.

Licensing Operations

Examples are as follows:

Ministry of Finance

The Customs Administration, Ministry of Finance, amended and promulgated the "Regulations Governing the Establishment and Management of Customs Brokers" on May 26th, 2023, to enhance the intensity of customs supervision of customs declaration operators and their employees, and in line with the amendment to Article 84 of the Customs Act regarding provisions for ordering corrections within a specified period. The key amendments are as follows:

- Extended the period to 5 years for reapplying under the same name after revocation of customs brokerage license to prevent non-compliant customs brokers from returning to market operations in the short term and from affecting administrative supervision.(Amended Articles 8 and 10) (b)Customs may disclose basic business registration information of customs brokers, allowing importers and exporters to understand relevant information about customs brokers, maintaining transaction safety, and enhancing the transparency of import and export customs clearance.(Amended Article 9-1)
- Customs brokers must present power of attorney within the period specified by customs and keep it properly, and customs may request its presentation or inspection at any time. (Amended Article 12)
- Specifies the deadline for customs brokers to report employee resignations to customs and return their customs declaration certificates. (Amended Article 24)
- Customs brokers may use other appropriate methods to publicly disclose information about their service items and charges. (Amended Article 27)
- Amended penalty provisions to warnings or fines according to Article 84 of the

Customs Act and may order operators to make corrections within a specified period. Penalties shall be imposed successively if they are not corrected by the deadline. (Amended Articles 34 to 39)

In addition to revising the “Regulations Governing the Establishment and Management of Customs Brokers,” we are committed to the creation of clear and comprehensive regulations, transparent licensing and establishment procedures, and emphasize the professionalism and ethics of customs declaration practitioners, a sound customs personnel rotation system, a comprehensive inspection mechanism, and an appropriate promotion system to effectively prevent corruption issues.

Ministry of Transportation and Communications (MOTC)

The MOTC has established “Regulations for Automobile Transportation Operators,” “The Regulations for Administering Vessel Carriers,” “Regulations of Civil Air Transport Enterprise,” etc., for businesses under its jurisdiction requiring licensing. The responsible authorities must issue relevant licenses before companies can operate and be managed.

Financial Supervisory Commission (FSC)

The Financial Supervisory Commission is responsible for the management and supervision of banking, securities, futures, and insurance industries. According to the “Financial Holding Company Act,” “The Banking Act of The Republic of China,” “The Credit Cooperatives Act of The Republic Of China,” “Trust Enterprise Act,” “Act Governing Bills Finance Business,” “The Act Governing Electronic Payment Institutions,” “Offshore Banking Act,” “Standards Governing the Establishment of Securities Firms,” “Standards Governing the Establishment of Securities Investment Trust Enterprises,” “Standards Governing the Establishment of Securities Investment Consulting Enterprises,” “Guidelines for Reviewing Applications for Establishment and Issuance of Business Licenses for Securities Finance Enterprises,” “Standards Governing the Establishment of Futures Commission Merchants,” “Insurance Act,” “Regulations for Establishment and Administration of Insurance Enterprises,” “Regulations for Establishment and Administration of Foreign Insurance Enterprises,” and other relevant laws and regulations, it clearly stipulates the application qualifications, conditions, formal and substantive review standard operating procedures for banking, securities, futures, and insurance industries, and makes approval or rejection decisions according to the relevant administrative procedures of hierarchical responsibility.

Ministry of Labor

The Workforce Development Agency, Ministry of Labor, conducts visitation inspections of private employment service institutions, employers, and foreign workers under its jurisdiction in accordance with the “Employment Service Act,” “Regulations for Permission and Supervision of Private Employment Services Institution,” and other regulations to ensure compliance with regulations to prevent agencies from abusing the licensing procedures for agency operators (including approval and discretion of agency establishment licensing conditions, periods, license revocation, license renewal, and other management matters). Additionally, according to the “(Qualifications and Criteria Standards for Foreigners Undertaking the Jobs Specified Under Subparagraph 1 to 6 of Paragraph 1 of Article 46 of the Employment Service Act),”

“(Review Standards and Employment Qualifications for Foreign Workers Engaging in Work Specified in Subparagraphs 8 to 11, Paragraph 1, Article 46 of the Employment Service Act),”agency personnel are responsible for reviewing decisions at different levels when reviewing applications for various types of foreign nationals to work in Taiwan.

National Communications Commission

The National Communications Commission has established relevant regulations for licensing, review, and evaluation so as to properly manage applications for the establishment, evaluation, and license renewal of radio, television, and satellite broadcasting television operators. Licenses shall be issued following the legal review and approval of application,ensuring the review items and criteria of which adhere to regulatory standards.The relevant review processes and required documents are also published on the official website of the National Communications Commission's to ensure transparency and clarity of the regulations.

The Public Construction Commission, Executive Yuan,

The Public Construction Commission, Executive Yuan, accepts applications for permits or changes in permits for companies established under the Company Act to operate engineering consulting businesses in accordance with Articles 8 and 15 of the “Act governing the administration of professional engineering consulting firms.” The relevant application guidelines, clearly listing the documents to be submitted for application, and have been formulated the standard operating procedures. The relevant legal system is already complete. In addition, a risk management and crisis handling task force has been established to carry out internal audit operations to ensure that administrative operating procedures and functions are effectively implemented.

(e) Preventing conflicts of interest by imposing restrictions, as appropriate and for a reasonable period of time, on the professional activities of former public officials or on the employment of public officials by the private sector after their resignation or retirement, where such activities or employment relate directly to the functions held or supervised by those public officials during their tenure;

Articles 16 and 24 of the “Civil Service Act” Revolving Door Management Regulations

Civil servants are prohibited from serving as directors, supervisors, managers, executive shareholders, or consultants of profit-making enterprises directly related to their duties within 3 years of leaving office, as stipulated in Articles 16 and 24 of our nation's “Civil Service Act.” This prohibition applies to any position they held within 5 years prior to their departure from office. Violators shall be sentenced to imprisonment for not over 2 years and may be fined up to NT\$1,000,000. The goal is to prevent former civil servants from using opportunities, powers, and knowledge of duties and secrets during their tenure to have improper benefit transfer relationships with the profit-making enterprises they wish to transfer to, benefiting themselves or others, affecting the impartiality of civil servants in performing their duties and damaging the overall interests of society and the credibility of the government.

Article 45 of the “Certified Public Accountant Act” Revolving Door Management Regulations

Article 45 of the “Certified Public Accountant Act” stipulates that if a public official's duties

within 2 years before leaving office are related to the matters in Article 39, Paragraph 1 (attestation of financial reports or other financial information), Paragraph 4 (to serve as an agent in cases involving taxation, or to perform attestation of income tax returns filed by profit-seeking enterprises), or Paragraph 5 (to serve as an agent in cases involving industrial and commercial registration or trademark registration and in cases relevant to such registrations) when practicing as a certified public accountant in the area where the former office was located after leaving office, they may not handle business related to these matters for 2 years from the date of leaving office.

Article 28 and Article 34, Paragraph 1, Subparagraph 2 of the “Attorney Regulation Act” Revolving Door Management Regulations

Article 28 of the “Attorney Regulation Act” stipulates that a judicial officer or a public attorney shall not practice in the same court jurisdiction, prosecutors office, government agency (organization), or public school in which they served to perform the duties of an attorney for 3 years after resigning their judicial post. Furthermore, Article 34, Paragraph 2, Subparagraph 2 stipulates that an attorney shall be prohibited from accepting cases where the attorney had previously handled any subject matter while he/she was acting as a judge, prosecutor, or other public officials or was engaged to exercise public power.

In the past, there have been incidents where judicial personnel must have recused themselves from their former agencies after leaving office but still actually accepted appointments, with attorneys who did not need to recuse themselves acting as nominal complaint representatives. The Attorney Disciplinary Committee found this to be a violation of Article 28 of the Attorney Act and Article 18 of the Attorney Code of Ethics and imposed a reprimand for serious circumstances. There have also been cases where former judicial personnel used the method of sub-agency employment of attorneys to violate Article 28 of the Attorney Regulation Act and other provisions, which the Attorney Disciplinary Committee recognized as warranting a warning.

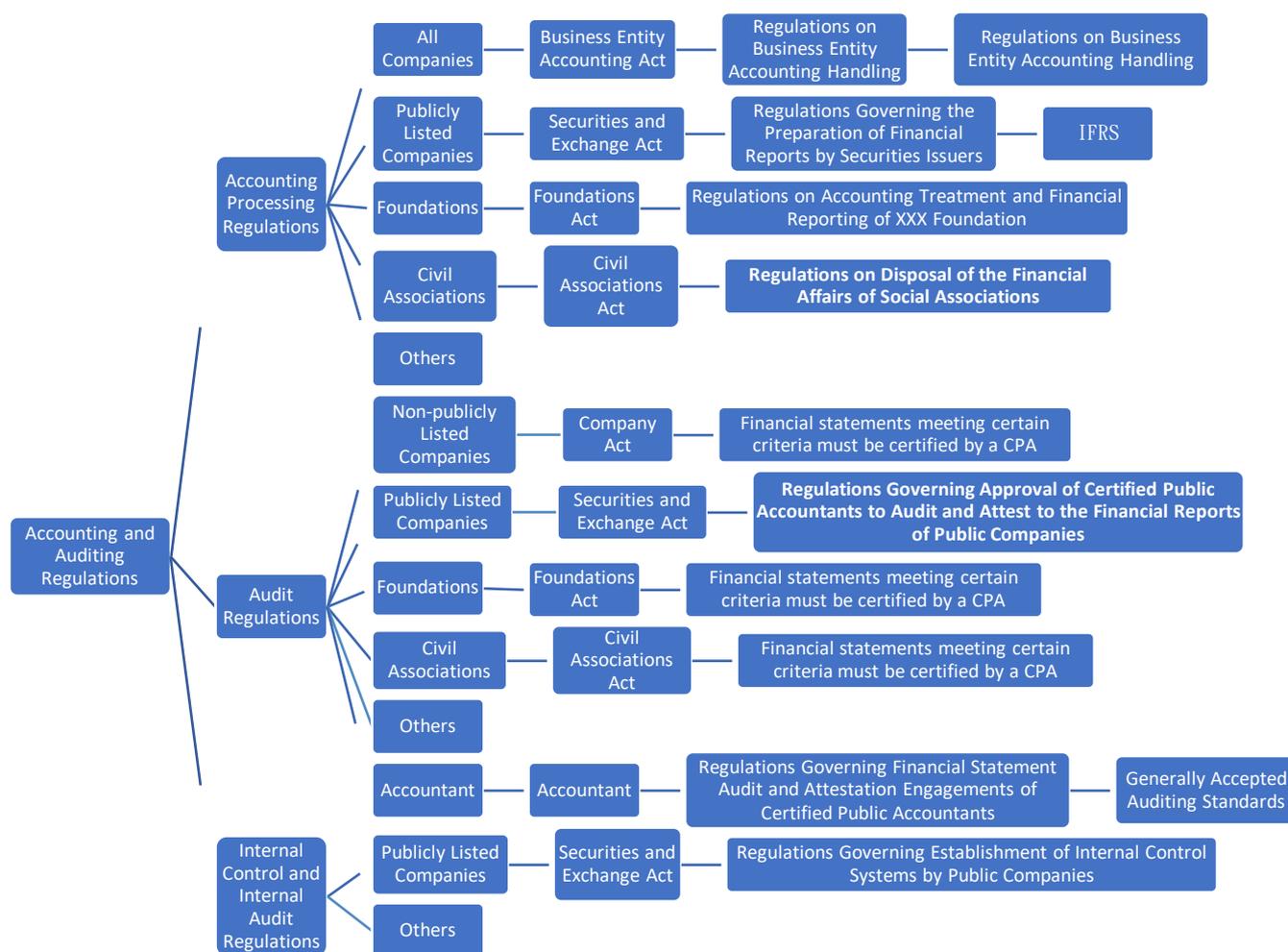
(f) Ensuring that private enterprises, taking into account their structure and size, have sufficient internal auditing controls to assist in preventing and detecting acts of corruption and that the accounts and required financial statements of such private enterprises are subject to appropriate auditing and certification procedures.

“Business Entity Accounting Act” and “Regulations on Business Entity Accounting Handling”

The “Business Entity Accounting Act” specifies the procedures that profit-oriented businesses in our country shall follow when identifying, measuring, recording, categorizing, or summarizing accounting matters and preparing financial statements. The 2014 amendment adjusted the legal structure of the Business Entity Accounting Act in response to IFRS development trends and revised regulations on the presentation of financial statements and the framework for preparing and presenting financial statements to gradually encourage Taiwanese enterprises to adopt the IFRS directly for preparing financial reports. Additionally, the “Regulations on Business Entity Accounting Handling” were established under the authorization of Article 13 of the “Business Entity Accounting Act,” stipulating provisions on the names,

formats of accounting documents, accounting items, accounting books, financial statements, and methods for preparing financial statements.

The regulations for preparing financial reports by securities issuers, securities firms, company-type stock exchanges, and securities futures merchants do not apply to Chapters 4, 6,



and 7 of the Business Entity Accounting Act. Instead, they are separately authorized by Article 14, Paragraph 2 of the “Securities Exchange Act” and Article 97, Paragraph 2 of the “Futures Trading Act.” The Financial Supervisory Commission has established “Regulations Governing the Preparation of Financial Reports by Securities Issuers,” “Regulations Governing the Preparation of Financial Reports by Securities Firms,” “Regulations Governing the Preparation of Financial Reports by Company-Type Stock Exchanges,” and “Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants,” which have been revised with reference to IFRS.

“Company Act”

Companies with capital below a certain amount but reaching a certain scale as referred to in Article 20, Paragraph 2 of the “Company Act” (companies that, at the end of the financial reporting period, have paid-in capital of less than NT\$30,000,000 but meet 1 of the following 2 criteria: net operating revenue of NT\$100,000,000 or more; or 100 or more employees participating in labor insurance) are required to have their financial statements for that year audited and certified by a CPA starting from the 2019 accounting year before submitting them

for shareholder approval or ratification at the annual shareholders' meeting.

“Securities Exchange Act”

According to Article 14-1 of the “Securities Exchange Act,” public companies, stock exchanges, securities firms, and businesses operating securities finance, securities centralized custody, or other securities services must establish internal control systems for finance and operations. Article 36 stipulates that companies that have issued securities under the said Act must announce and report financial reports signed or sealed by the chairman, managers, and accounting supervisors, audited and certified by accountants, approved by the board of directors, and acknowledged by supervisors. They must also announce and report the previous month's operational status monthly.

“Regulations Governing Establishment of Internal Control Systems by Public Companies”

The Financial Supervisory Commission established and promulgated the “Regulations Governing Establishment of Internal Control Systems by Public Companies” in 2002, which has been amended 9 times. It stipulates that public companies must establish internal control systems in writing, including detailed rules for internal audits, which the board shall approve of directors. There are also relevant regulations on the design and implementation of internal control systems, internal audits, self-assessments, internal control system statements, and supervision and management of subsidiaries.

Our nation strengthens the supervision of TWSE/TPEX listed companies' finances, operations, and internal control systems by guiding the Taiwan Stock Exchange and Taipei Exchange to conduct substantive reviews of quarterly financial reports and audits of internal control systems for TWSE/TPEX listed companies. If a public company has major deficiencies in its internal control system, material misstatements in financial reporting, serious violations of laws and regulations, or major fraud or suspected fraud, the Financial Supervisory Commission may order the company to engage accountants to conduct a special audit of the company's internal control system, obtain a audit report for filing with the Financial Supervisory Commission, and refer possible cases of financial report misstatement or irregular transactions to judicial investigation agencies.

To enhance public companies' attention to information security, it was stipulated in December 2021 that companies must allocate adequate human resources and equipment for planning, monitoring, and executing information security management operations. Among them, TWSE/TPEX listed companies meeting certain conditions must appoint a chief information security officer and establish a dedicated information security unit, chief officer, and other personnel. As of the end of 2023, first-tier and second-tier companies have completed the appointment of chief information security officers and information security personnel according to the prescribed schedule.

To align with International Standards on Auditing, it was stipulated in December 2022 that certified public accountants' special audits of companies' internal control systems must apply assurance standards.

In recent years, due to the increasing international attention to environmental, social, and

governance (ESG) and other sustainable development issues, and to coordinate with our country's promotion of TWSE/TPEX listed companies to refine annual report sustainability information disclosure and prepare sustainability reports and other measures, it is stipulated that from 2025, TWSE/TPEX listed companies' internal control systems must include "management of sustainability information" and include it as a necessary audit item.

The Financial Supervisory Commission has also established the "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries," "Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets," and "Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises," which clearly stipulate that financial holding companies, banking industries, and securities and futures industries must establish appropriate internal control and audit systems. Additionally, to strengthen the effectiveness of internal control system audits for the insurance industry, it has approved the Accounting Research and Development Foundation to develop the "Examples of Audit Work for Certified Public Accountants on Internal Control Systems in Insurance Enterprises," which has been applicable to certified public accountants conducting internal control system audits for insurance companies since January 1st, 2021.

Commercial Banks

Articles 13 and 14 of the "Standards Governing the Establishment of Commercial Banks" clearly stipulate that banks must submit related bank rules of internal control system when applying to the competent authority for a business license.

Foundations

"Foundations Act"

Articles 25 and 26 of the "Foundations Act" clearly stipulate the principles of financial information disclosure for foundations. The work plans, financial statements, and work reports of foundations must be submitted to the competent authority for reference and actively disclosed. To ensure sound internal control, audit systems, and accounting systems for foundations, Article 24 stipulates that foundations must establish accounting systems, and accounting treatments must comply with generally accepted accounting principles. Those with total registered property or annual income exceeding a certain amount must develop internal control and audit systems, report to the competent authority for reference, and their financial statements must be audited and certified by certified public accountants. For example, the MOTC, the Fair Trade Commission, and the Ministry of Environment have respectively established accounting treatment and financial reporting guidelines for the foundations under their jurisdiction, regulating the items to be included in the accounting system, establishing internal control and audit systems, classifying accounting documents and books, procedures to be followed, principles for preparing financial statements, and have established audit plans or supervision measures to strengthen the supervision and guidance of foundations.

Medical Juridical Person

Based on Article 24, Paragraph 4 of the "Foundations Act," the Ministry of Health and

Welfare issued the The Regulations for the Accounting of Medical Care Corporate on February 1st, 2019, with Articles 18 to 24 clearly stipulating relevant regulations for accounting handling.

Article 37 of the “Regulations Governing the Preparation of Financial Reports by Medical Juridical Person” stipulates that the financial reports of medical juridical persons must be audited and certified by CPAs, who shall issue opinion letters.

The department annually hires external experts in law, medical management, and finance to form guidance teams, conducting unscheduled on-site guidance visits to medical foundations for effective supervision and guidance.

Private Schools

Private School Law

Articles 51 to 53 of the “Private School Law” stipulate that the budgets, final accounts, and financial statements of school legal persons and their established private schools, must be announced on the school's website as required. They must develop internal control and accounting systems and complete the final accounts within 4 months after the end of the fiscal year, along with their annual financial statements, which must be audited and certified by certified public accountants meeting the requirements of the competent authority for legal persons, and then must be reported to the competent authority for legal persons or schools for reference. The Ministry of Education, based on Article 57 of the “Private School Law” and Article 11, Paragraph 2 of the “Senior High School Education Act,” entrusts the Taiwan Assessment and Evaluation Association to regularly conduct school evaluations of private technical colleges and universities, and announces the results of these evaluations on the association's website.

Political Parties (refer to Article 7, Paragraph 3)

Civil Associations

"Civil Associations Act" & “Regulations on Disposal of the Financial Affairs of Social Associations”

In addition to applying generally accepted accounting principles, the Ministry of the Interior has established the Civil Associations Act and Regulations on Disposal of the Financial Affairs of Social Associations to regulate matters related to accounting, budgeting, final accounts, real estate, fund account disbursements, financial audits, disclosure, document retention, and other financial management and internal control norms for civil associations.

Religious Organizations

“The Ministry of the Interior’s Approval and Supervision Guideline on Review of National Religious Foundations”

Given the special nature of religious organizations, with their inherent ecclesiastical systems and traditions, the Ministry of the Interior is currently continuing to communicate with various sectors to build consensus on specialized legislation for religious organizations to address long-standing issues related to land, buildings, and taxation faced by religious organizations. Before the completion of dedicated legislation, the Ministry of the Interior has already formulated and issued

“The scope of religious foundations under Article 75, Paragraph 2 of the Foundations Act” and “The Ministry of the Interior's Approval and Supervision Guideline on Review of National Religious Foundations” in addition to applying the Civil Code, and is actively guiding local governments to establish and revise relevant supervisory regulations.

To improve financial systems, the Ministry of the Interior continues to commission certified public accountants to audit the financial conditions of national religious foundations, conduct money laundering/terrorist financing risk assessments, and gradually implement policies for financial transparency of religious organizations.

“Certified Public Accountant Act” & “Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants”

The “Certified Public Accountant Act” and the “Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants” are legal provisions for CPAs entrusted with auditing and certifying financial statements. They must comply with the auditing standards established by the Accounting Research and Development Foundation with reference to International Standards on Auditing (ISAs). In 2024, the Financial Supervisory Commission amended the “Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants” to align the referenced auditing standard numbers with the general framework of standards and to accommodate current practices by stipulating that certified public accountants may apply the concept of materiality according to Auditing Standard No. 320, considering materiality and audit risk to increase or decrease audit procedures appropriately. To clarify the auditor's responsibilities, the reasons for increasing or decreasing audit procedures must be stated in the written audit records.

“Regulations Governing Approval of Certified Public Accountants to Audit and Attest to the Financial Reports of Public Companies”

The “Regulations Governing Approval of Certified Public Accountants to Audit and Attest to the Financial Reports of Public Companies” authorized by Article 37, Paragraph 1 of the “Securities Exchange Act” regulates that CPAs must conduct audit and attestation of financial reports of public companies in accordance with auditing standards, and includes provisions to strengthen the responsibility of accounting firms for quality management and improve the quality and supervision of the CPAs' audit and attestation. In 2024, the Financial Supervisory Commission amended the regulations to stipulate that accounting firms' quality management must comply with quality management standards and conform with the general framework of standards issued by the Accounting Research and Development Foundation.

Standards for CPA Service Engagements

To construct a pioneering and internationally competitive capital market, the Financial Supervisory Commission supervised the Accounting Research and Development Foundation to refer to the standards set by the International Auditing and Assurance Standards Board. In 2022, it issued the “General Framework of Standards for Certified Public Accountant Service Engagements Issued by the Auditing Standards Committee” and accordingly revised auditing, review, assurance, and other related service standards and established quality management standards to align the structure, classification, and coding of our relevant standards with international ones.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Corporate Governance Roadmap

<https://www.sfb.gov.tw/en/home.jsp?id=120&parentpath=0%2C117%2C118>

Implementation of Whistleblowing Protection Measures

There are no statistics on the number of whistleblowing cases handled in the private sector. However, since November 2023, the Executive Yuan has promoted whistleblowing protection mechanisms for internal governance in the private sector through administrative guidance. As of May 15th, 2024, 25 cases of ministerial guidance principles conform to the public version content (75.8% achievement rate). For government-endowed foundation that meet the legal scale, state-owned enterprises, and non-departmental public bodies that meet the legal scale, 115 (16.7% achievement rate), 13 (81.3% achievement rate), and 6 (54.5% achievement rate), respectively, have related regulations conforming to the public version content. We will continue to implement whistleblowing protection measures through administrative guidance.

In practice, such cases are currently handled under charges like breach of trust in the Criminal Code. However, in response to the requirements of the UNCAC and based on criminal policy considerations, the MOJ has proposed draft amendments for commercial bribery offenses and included them in the discussion topics of the Criminal Code Research and Revision Team. They will widely gather opinions from various sectors for evaluation to ensure comprehensiveness.

● **Hon Hai SMT Technical Committee Executive Kickback Case**

A senior vice president, Mr. Liao, and a former general secretary and manager, Mr. Deng of Hon Hai's SMT Technical Committee, who had about NT\$50,000,000,000 in annual procurement approval authority, used procurement opportunities to solicit kickbacks from suppliers through a middleman dealer Mr. Hao. After suppliers paid kickbacks, the middleman dealer, Mr. Hao, transferred part of the funds to accounts designated by senior vice president Mr. Liao, who then shared them with subordinates. Senior Vice President Mr. Liao cooperated by instructing his subordinates to place orders with specific vendors for designated products to benefit the operators. After the Taiwan Taipei District Prosecutors Office indicted them for special breach of trust under the Securities Exchange Act and breach of trust under the Criminal Code, the first instance Taiwan Taipei District Court sentenced Liao Wan-Cheng to 10 years and 6 months imprisonment for special breach of trust under the Securities Exchange Act and other crimes. In the second instance, the Taiwan High Court changed the conviction to joint breach of trust under the Criminal Code and sentenced him to 1 year and 4 months imprisonment. After the Supreme Court overturned and remanded the case, the retrial still found him guilty of joint breach of trust under the Criminal Code, sentenced him to 2 years imprisonment, and confiscated NT\$3,160,000 in criminal proceeds. The Supreme Court dismissed the appeal on May 19th, 2021, finalizing the judgment.

The Supreme Court specifically explained the constituent elements of breach of trust under

the Criminal Code as follows: The essence of breach of trust lies in one party violating the obligation to care for the other party's property interests (fiduciary duty) based on the trust relationship between the two parties, resulting in property damage to the other party. The "violation of duty" referred to in Article 342 of the Criminal Code on breach of trust means violating the obligation to care for the other party's property interests arising from laws, regulations, articles of association, contracts, and other norms when "handling affairs for others." This includes the abuse of the authority to dispose of entrusted affairs. It is not limited to relationships involving third parties. Moreover, the result of the breach of trust action must "cause damage to the principal's property or other interests." The protected legal interest is the overall property interest of the victim (principal). To prevent the scope of punishment for breach of trust from being too broad and encompassing too many actions that do not substantially interfere with the victim's overall property interests, regarding the determination of "actions violating duties" (breach of trust actions), the norms violated by the actor must aim to protect others' property, and the actions must be capable of causing substantial damage to the victim's overall property interests, conforming to the characteristics of breach of trust as a property crime resulting in consequences and the principle of Criminal Code as a last resort.

Regarding the civil matters in this case, part of it was finalized on February 9th, 2023, when the Supreme Court dismissed the appeal. The judgment ruled that Senior Vice President Liao must compensate Hon Hai Company for damages of US\$773,744.

- **Other Practical Cases with Final Guilty Verdicts**

Formosa Plastics Group Procurement Personnel Kickback Case (Related case Nos.: Taiwan New Taipei District Court 2015 Yi-Zi No. 157; Taiwan High Court 2015 Shang-Su-Zi No. 2199; Supreme Court 2019 Tai-Shang-Zi No. 9)

Several procurement personnel from Formosa Plastics Group jointly used the opportunity to procure ship spare parts and materials, deliberately shortening the inquiry period for tenders to prevent other vendors from submitting quotes, obstructing fair competition, and allowing specific vendors to inflate their quotes, using the price difference as kickbacks. This increased the procurement costs for Formosa Plastics Marine Corporation and caused them to lose business benefits. This case was finalized with convictions for breach of trust and forgery of documents.

InnoLux Business Department Manager Kickback Case (Related case Nos.: Taiwan New Taipei District Court 2017 Yi-Zi No. 552; Taiwan High Court 2018 Shang-Y-Zi No. 763)

The Business Department Manager and others of InnoLux used their authority to negotiate sales business and approve sales prices on behalf of InnoLux, arranging for Bedste to act as an agent for panel sales to a certain Japanese company, allowing them to earn higher than industry-standard price differences and obtain kickbacks from this, or approving panel prices for sales to Bedste that were significantly lower than the prices InnoLux charged other customers for the same models in the same period, as a way to extract high kickback rewards. This caused InnoLux to lose the opportunity to obtain higher profits through higher pricing. This case was finalized with a conviction for breach of trust.

Results of the "Platform for Combating Crimes Obstructing Green Energy Industry Development"

Between 2021 and June 30th, 2024, based on information received from the “Changhua Area Platform for Combating Crimes Obstructing Green Energy Industry Development,” prosecution agencies have investigated a total of 127 cases of green energy industry crimes, detained 24 people, indicted 87 people (59 cases), deferred prosecution for 23 people (7 cases), seized (including amounts in seized accounts) NT\$84,732,500, CNY17,600, JPY566,000, voluntarily returned NT\$46,512,999, seized 18 real estate properties, 2 vehicles, 2 gold bars, 7 watches, and 1 box of gold jewelry.

2023 Green Energy Industry-Related Crime Crackdown Results

- Township Representative Chen of Dacheng Township, Changhua County, used the pretext of construction vibrations affecting clam farmers to mobilize villagers to protest at construction sites and privately extort money, involving a case of extortion under the guise of authority pursuant to the Anti-Corruption Act.
- Yunlin District Prosecutors Office investigated a case of alleged bribery by a certain group.
- Tainan District Prosecutors Office received information and investigated a case where a certain photovoltaic company allegedly avoided the Council of Agriculture's review threshold by adopting a small-area “land use change” package method, bypassing the threshold and instead applying to the Tainan City Economic Development Bureau, with the land acquisition process suspected of illegalities.

2024 Green Energy Industry-Related Crime Crackdown Results

- This case involved former Mayor Tsai of Mailiao Township, Yunlin County, who was suspected of extorting green energy companies under the guise of authority, and the spouse, Ms Ting, of the former Mayor Lin of Taixi Township, suspected of threatening to obtain money from green energy companies.
- This case involved a Director Hong from a former legislator's office accepting bribes to pressure government agencies.
- This case involved Speaker Huang of the Yunlin County Council, suspected of accepting bribes from solar energy companies to help them obtain electricity business licenses.
- Chiayi District Prosecutors Office investigated a case involving Section Chief Tseng from a township office in Chiayi County, who was suspected of soliciting bribes from green energy companies.

Integrity Platform for Enterprise Services Statistics Results

From 2022 to 2023, the AAC's “Integrity Platform for Enterprise Services” pilot project held 35 enterprise seminars (with 1,574 participating enterprises and 3,604 attendees), facilitated in-depth exchanges with 375 enterprises, and addressed 570 opinion cases.

Corporate Governance Evaluation Results

The corporate governance evaluation is conducted for all TWSE/TPEX listed companies. In 2023, the Taiwan Stock Exchange completed the 9th (2022) corporate governance evaluation

results for all 1,662 TWSE/TPEX listed companies. The 10th (2023) evaluation results will be announced before the end of April 2024. According to the 9th evaluation results, 809 companies have established dedicated (or part-time) units for integrity management and report to the board of directors at least once a year. A total of 1,024 companies have disclosed integrity management policies approved by the board of directors and specified concrete practices and programs to prevent dishonest behavior, such as the implementation of integrity management education and training (including at least course topics, hours, and number of participants) or annual integrity management statement signing (including at least statement content, number of signatories, and percentage). Additionally, 1,137 companies have disclosed whistleblowing systems for internal and external personnel on their company websites regarding illegal (including corruption) and unethical conduct.

Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies

<https://www.selaw.com.tw/SFIWebSeLaw/English/LawArticle/Index/169184>

Sample Template for “○○ Co., Ltd. Procedures for Ethical Management and Guidelines for Conduct”

<https://www.selaw.com.tw/SFIWebSeLaw/English/LawArticle/Index/229767>

From 2020 to 2023, the Ministry of Justice Investigation Bureau conducted 823 sessions of enterprise anti-corruption experience exchanges, with 4,683 participating companies and 58,715 attendees.

From 2020 to 2023, the AAC conducted 24 large-scale promotional seminars for manufacturers on “Debunking the Myths of Profiteering and Convenience” and 81 Enterprise integrity forums (including foreign companies).

Concrete Performance for the Supervision and Evaluation Plan on Affiliated Foundations of the National Land Administration Agency, Ministry of the Interior.

For government-subsidized construction foundations, at least one on-site inspection is conducted every 3 years. The inspected data covers from January 1st to December 31st of the previous year. The evaluation scoring items are divided into 5 sub-items: organizational structure, financial status, business development, amendments to articles of association and issuance standards, and innovative measures.

For example, from 2021 to 2023, annual on-site inspections were conducted on the Central Construction Technology Consulting Research Association and its 2 (re)invested companies, evaluating their financial income and expenditure situation and operational effectiveness.

Supervision of TWSE/TPEX Listed Companies' Finance, Operations, and Internal Control Systems

From 2020 to 2023, the Financial Supervisory Commission conducted a total of 1,329 financial inspections. The implementation of relevant internal control system regulations has been included in the financial inspection items. If deficiencies are found, inspection opinions will be listed, and financial institutions will be supervised for improvement.

From 2020 to 2023, the Financial Supervisory Commission imposed 47 penalties on banks for violating internal control and audit systems, with a total penalty amount of NT\$396,010,000; 90 penalties on securities firms for violating internal control and audit systems, with a total penalty amount of NT\$44,340,000; 44 penalties on securities investment trust and consulting businesses for violating internal control and audit systems, with a total penalty amount of NT\$26,800,000; 61 penalties on futures commission merchants for violating internal control and audit systems, with a total penalty amount of NT\$20,550,000; and 98 penalties on insurance companies for violating internal control and audit systems, with a total penalty amount of NT\$182,600,000.

From 2020 to 2023, the Financial Supervisory Commission imposed penalties in 23 cases where insiders failed to make prior and subsequent declarations as required for holding stocks in others' names, with a total penalty amount of NT\$8,160,000.

Number of criminal cases violating the Securities Exchange Act transferred by the Investigation Bureau, Ministry of Justice from 2020 to 2022 and proceeds of crime(in NT\$ 1,000,000)from such cases:

	2020	2021	2022
Number of cases	57	49	63
Proceeds of crime (NT\$ 1,000,000)	16,563	11,654	5,233

Statistics of different types of crimes and number of suspects in the said cases:

Type of crime	Number of cases			Number of suspects		
	2020	2021	2022	2020	2021	2022
Counterfeit document in collection or issuance	8	7	10	49	35	59
Settlement default	0	0	0	0	0	0
Stock price manipulation through abnormal trading	9	5	11	48	15	39
Insider trading	13	22	24	55	81	112
Unconventional transaction	9	4	6	61	23	25
Special breach of trust and embezzlement	12	7	9	64	14	54
False financial statements	6	3	3	19	11	21
False lawyers or CPA attestation	0	1	0	0	3	0
Stock manipulation with unreliable information	0	0	0	0	0	0
Stock prices manipulation by other means	0	0	0	0	0	0
Illegal private placement	0	0	0	0	0	0
Illegal mergers and acquisitions	0	0	0	0	0	0

Prevent “Fake Learning, Real Working”

In 2021, upon receiving complaints from five Ugandan students at Chung Chou University of Science and Technology in Changhua County about non-transparent school recruitment information, lack of scholarships, and excessive part-time work affecting their studies, the Ministry of Education conducted multiple interviews with students and unannounced visits to the school. In addition to classroom observations, interviews were conducted with students, school administrative staff, and teachers. It was found that the school had failed in recruitment, teaching, life counseling, and campus management stages, violating the University Act and Regulations Regarding International Students Undertaking Studies in Taiwan. The Ministry of Education has imposed administrative penalties in accordance with relevant regulations.

To comprehensively improve the educational rights of general international students and prevent similar cases from occurring, the Ministry of Education will strengthen the inspection of teaching quality for schools enrolling international students starting from the second semester of the 110 academic year (2022) to detect any abnormalities in school teaching and student education at early stages. Additionally, to prevent “Fake Learning, Real Working” situations, inspections for the International Programs of Industry-Academia Collaboration in Taiwan have been initiated since the program's establishment in the 106 academic year (2017).

Article 12, paragraph 3

3. In order to prevent corruption, each State Party shall take such measures as may be necessary, in accordance with its domestic laws and regulations regarding the maintenance of books and records, financial statement disclosures and accounting and auditing standards, to prohibit the following acts carried out for the purpose of committing any of the offences established in accordance with this Convention:

- (a) The establishment of off-the-books accounts;*
- (b) The making of off-the-books or inadequately identified transactions;*
- (c) The recording of non-existent expenditure;*
- (d) The entry of liabilities with incorrect identification of their objects;*
- (e) The use of false documents; and*
- (f) The intentional destruction of bookkeeping documents earlier than foreseen by the law.*

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

“Business Entity Accounting Act”

Article 71 of the “Business Entity Accounting Act” provided that the individual held responsible for company decisions, whether it be an overseeing accountant or entrusted individual who handles accounting affairs, if found guilty in any of the listed offenses below, must by law be punished by imprisonment for no more than 5 years detention, and in lieu thereof or in addition to, a fine of no more than NT\$600,000:

- Knowingly using untrue information to prepare accounting documents or entering false information in account books;
- Intentionally causing the loss, destruction, or damage of accounting documents, account books or statements which should be kept;
- Forging or altering the contents of accounting documents, account books and statements, or tearing up any page thereof, with intent to acquire illegal profit;
- Intentionally omitting accounting events and failing to record transactions thus causing financial statements to become untrue;
- Causing accounting events or financial statements to become untrue by other improper means.

“Securities Exchange Act,” “Futures Trading Act,” “Certified Public Accountant Act”

According to Article 14, Paragraph 3 of the “Securities Exchange Act,” financial reports to be filed by securities issuers, securities firms, and stock exchanges periodically with the Competent Authority shall be signed or stamped with the seal of the chairperson, managerial officer, and

accounting officer, who shall also produce a declaration that the report contains no misrepresentations or nondisclosures. If the content of the financial report contains falsehoods, concealments, or other illegal matters, the company issuer and its responsible persons, as well as employees who have signed the financial report or financial business documents, shall bear civil or criminal liability in accordance with the relevant provisions of the Securities Exchange Act.

Financial reports declared and published by futures commission merchants shall be signed or sealed on each page by the futures commission merchant's responsible person, managerial officer, and in-charge accountant in accordance with Article 7, Paragraph 3 of the "Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants." Individuals who submit inaccurate information in books, documents, and financial reports mandated by law shall be subject to the provisions outlined in the "Futures Trading Act." In cases of violation, applicable penalties shall be enforced as stipulated by regulatory guidelines.

The "Securities Exchange Act" and "Certified Public Accountant Act" have relevant regulations regarding civil, criminal, and administrative responsibilities that certified public accountants should bear for financial report certification.

If a public company fails to issue a statement declaring no false or concealed content in financial reports or establish financial and internal control systems as required, Article 178 of the "Securities Exchange Act" stipulates that fines shall be imposed.

"Civil Associations Act" & "Regulations on Disposal of the Financial Affairs of Social Associations"

Civil associations shall apply general accounting principles, and the Ministry of the Interior has established regulations regarding document preservation and other financial management matters for civil associations according to the Civil Associations Act and Regulations on Disposal of the Financial Affairs of Social Associations.

The Ministry of the Interior established the Regulations on Disposal of the Financial Affairs of Social Associations to establish financial processing systems for social organizations at all levels and assist in the healthy financial development of organizations. To avoid excessive government intervention in organization operations and to consider varying organization sizes, on November 28th, 2022, financial processing content and procedures were relaxed through amendments, simplifying required accounting report submissions and reducing the burden of financial statement preparation for organizations, aiming to achieve streamlined administration and convenience for the public while fulfilling the supervisory responsibilities of competent authorities over organization finances.

"Regulations Governing Accounting System Establishment in School Legal Persons and their Private Schools"

The Ministry of Education has established the "Regulations Governing Accounting System Establishment in School Legal Persons and their Private Schools" under Article 52, Paragraph 1 of the Private School Law; school legal persons and their private schools shall, according to Article 53, Paragraph 1 of the Private School Law, have financial statements certified by legal person authority-approved CPAs; the Ministry of Education may also inspect or have CPAs

inspect school legal persons and their schools' financial statements every 3 years in accordance with Article 53, Paragraph 2 of the Private School Law.

Article 29 of the Regulations Governing Accounting System Establishment in School Legal Persons and their Private Schools stipulates that school legal persons and their private schools should exercise due care in managing accounting vouchers, reports, books, and other files. In cases of loss or damage, the chief accountant of the school legal person should immediately report to the chairman, board of directors, supervisors, and competent authority for investigation and handling; the school's chief accountant should immediately report to the principal, school legal person's board of directors, supervisors, and competent school authority for investigation and handling.

“Medical Care Act,” “Accounting Handling Guidelines for Medical Foundations”

Article 34, Paragraph 1 of the “Medical Care Act” stipulates that legal persons in medical care shall establish an accounting system, adopting a fiscal year system and accrual system. The legal certificates of financial income and expenses shall conform to publicly acknowledged accounting standards and shall be kept on record. Article 34, Paragraph 2 of the “Medical Care Act,” Article 37 of the Regulations Governing the Preparation of Financial Reports by Medical Juridical Persons, and Article 25 of the Foundations Act stipulate that medical foundations shall, within 5 months after the end of each year, submit their previous year's financial reports audited and certified by accountants to the board of directors for approval and then to the competent authority for reference. Additionally, to understand the financial management of medical foundations, the Ministry shall engage external financial experts annually to assist in reviewing medical foundations' financial reports.

Article 18 of the “The Regulations for the Accounting of Medical Care Corporate” stipulates that no accounting vouchers shall be created without basis in real events, and no records shall be made in accounting books and statements. Article 24 stipulates that for accounting matters where accounting vouchers should be obtained and can be obtained, if such vouchers are damaged, missing, or lost due to intentional acts or negligence of the handling personnel or supervisor, causing damage to the business, such handling personnel or supervisor shall be liable for compensation. Medical foundations have all complied with relevant regulations.

Article 23 of the “The Regulations for the Accounting of Medical Care Corporate” stipulates that all accounting vouchers, except those that should be permanently preserved or those related to pending accounting matters, should be kept for at least 5 years after the completion of annual final accounting procedures. All accounting books and financial statements should be kept for at least 10 years after the completion of annual final accounting procedures. However, this does not apply to pending accounting matters. After the preservation periods in the preceding 2 paragraphs expire, documents may be destroyed with approval from the chairman or a supervisor designated by the chairman. Matters regarding legal persons in medical care shall be handled according to relevant regulations.

- 3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

Statistics table of cases, suspects, and crime targets (NT\$10,000) related to false financial reports in criminal cases transferred by the Ministry of Justice Investigation Bureau from 2020 to 2022:

	2020	2021	2022
Number of cases	6	3	3
Number of suspects	19	11	21
Crime targets (NT\$10,000)	426,398	326,350	37,921

Statistics table of annual cases, number of suspects, and crime targets (NT\$10,000) related to false certification by lawyers and accountants in criminal cases transferred by the Ministry of Justice Investigation Bureau from 2020 to 2022:

	2020	2021	2022
Number of cases		1	
Number of suspects		3	
Crime targets (NT\$10,000)		320,000	

Article 12, paragraph 4

4. Each State Party shall disallow the tax deductibility of expenses that constitute bribes, the latter being one of the constituent elements of the offences established in accordance with articles 15 and 16 of this Convention and, where appropriate, other expenses incurred in furtherance of corrupt conduct.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 38 of the “Income Tax Act” stipulates that losses incurred not in the course of operation of business or subsidiary business shall not be considered an expense or loss. The scope of the so-called “business or subsidiary business operations” is limited to reasonable and necessary business activities legally operated by profit-seeking enterprises. Expenditures related to bribery or other illegal activities are not reasonable and necessary expenses for obtaining income from legal business operations. They may not be recognized as deductible expenses or losses for income tax declaration according to the preceding regulations.

Article 19, Paragraph 1, Subparagraphs 2 and 3 of the “Value-added and Non-value-added Business Tax Act” stipulate that the goods or services purchased for social relations purposes and not for the use of principal and ancillary business operation may not deduct the input tax from the output tax. Accordingly, input tax paid for goods or services purchased by business entities for use in bribery or entertainment expenses related to bribery may not be declared for deduction against output tax according to the preceding regulations.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

In tax collection practices, once profit-seeking enterprises submit their income tax returns, tax collection authorities are mandated to investigate any identified irregularities related to expenses or losses. This entails a thorough examination of the associated vouchers and payment circumstances, as well as an assessment of whether such expenses or losses qualify as reasonable and necessary expenditures for the “operation of primary and subsidiary businesses.” If they determine these are expenditures for bribery or other illegal activities, they will disallow recognition according to Article 38 of the “Income Tax Act” mentioned above. However, there are currently no statistics for such cases.

After business entities declare input tax vouchers obtained from purchasing goods or services for deduction against output tax, if tax collection authorities determine these are vouchers for bribery or other illegal activity expenditures, they will disallow the declaration for deduction against output tax according to Article 19 of the Value-added and Non-value-added Business Tax Act mentioned above. However, there are no statistics for such cases.

Article 13 : Participation of society

Article 13, paragraph 1

1. Each State Party shall take appropriate measures, within its means and in accordance with the fundamental principles of its domestic law, to 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 and to raise public awareness regarding the existence, causes and gravity of and the threat posed by corruption. This participation should be strengthened by such measures as:

(a) Enhancing the transparency of and promoting the contribution of the public to decision-making processes;

(b) Ensuring that the public has effective access to information;

(c) Undertaking public information activities that contribute to non-tolerance of corruption, as well as public education programmes, including school and university curricula;

(d) Respecting, promoting and protecting the freedom to seek, receive, publish and disseminate information concerning corruption. That freedom may be subject to certain restrictions, but these shall only be such as are provided for by law and are necessary:

(i) For respect of the rights or reputations of others;

(ii) For the protection of national security or ordre public or of public health or morals.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

(a) Enhancing the transparency of and promoting the contribution of the public to decision-making processes;

Relevant provisions for government information disclosure (refer to Article 10, Subparagraph a)

Taiwan Open Government National Action Plan (2021-2024) (refer to Article 5, Paragraph 1)

The “Taiwan Open Government National Action Plan (2021-2024)” was deliberated and prepared by government agencies and civil communities for over 17 months. During the drafting phase, public opinions were solicited through the “Public Policy Online Participation Platform,” and lead agencies for each commitment held 36 multi-stakeholder meetings to formulate commitment contents. During the implementation phase, lead agencies for each commitment promote efforts in the spirit of public-private collaboration and regularly report implementation progress at Executive Yuan Open Government National Action Plan Task Force meetings. Meeting agenda materials and minutes (including verbatim transcripts) from all meetings are published online for public review.

Public Policy Online Participation

“Guidelines for Implementation of Online Public Policy Participation”

In 2015, the National Development Council established the “Guidelines for Implementation of Online Public Policy Participation” and created the “Public Policy Online Participation Platform” (referred to as the “participation platform”) to allow the public to contribute creative insights and policy suggestions on our nation’s public policies. Through this platform, the public can second, form consensus, and provide feedback to agencies developing major policies and draft regulations or when implementing major policies. This process aims to open policies and draft regulations for discussion, gather input from all sectors, enhance governance capacity, improve transparency in decision-making processes, and encourage public participation in decision-making.

The Public Policy Online Participation Platform also provides “participatory budgeting” functions, striving to establish a participatory budgeting system connecting government agencies and public proposals. The government announces new needs, then opens for public proposals and voting participation, strengthening budget transparency and supervision of government administration, allowing the public to jointly participate in promoting government affairs.

Local Government Civic Participation (taking Taipei City Government as an example)

Taipei City Government

- **Taipei City Civic Participation Website**

Taipei City Government has established the “Taipei City Civic Participation Website” to publicize civic participation-related information, administrative progress, strategy maps, administrative performance, budget and final accounts overview, and other information. Since its establishment on February 15th, 2016, it has accumulated over 600,000 visitors as of December 31st, 2023, and the team will continue to optimize the website’s overall functionality. The website also includes a “Civic Participation Meeting Information” section, disclosing meeting information relevant to the public. It provides precise push notification subscriptions through the Taipei City Government’s official LINE account, allowing the public to keep track of and understand relevant information at any time.

- **Taipei City Government i-Voting Online Voting (including participatory budgeting)**

Taipei City Government promulgated the “Taipei City Government i-Voting Online Voting Operation Guidelines,” using internet and communication technology to broadly collect public opinion and encourage public participation in public affairs and city administration through multiple channels. Among these, the Department of Civil Affairs has completed participatory budget voting for 4 consecutive years since 2017, encouraging public participation in voting, with agencies subsequently implementing relevant proposals based on voting results.

The Government Procurement Integrity Platform (refer to Article 9, Paragraph 1) (Article 12, Paragraphs 1-2)

Agency Integrity Report Meetings at All Levels (refer to Article 5, Paragraph 1) (Article 10, Subparagraph

c)

The Agency Against Corruption, Ministry of Justice (AAC) advocates the establishment of Integrity report meetings in various agencies. It is responsible for reviewing, supervising, evaluating, and consulting on anti-corruption work for the agency. In principle, the agency head serves as the convener, and external supervision and consultation forces are introduced by inviting experts, scholars, and impartial members of society to participate in analyzing integrity risks and strengthening risk control.

Clean Politics Advisory Committee External Participation Mechanism (refer to Article 6, Paragraph 2)

Anti-corruption volunteers

According to Article 7 of the “Volunteer Service Act,” Government Employee Ethics Units of the competent authorities establish anti-corruption volunteer teams and are responsible for recruiting, training, and supervising volunteers and related matters. The “AAC Implementation Plan for Promoting Anti Corruption Volunteer Work” was established in September 2011. As of 2023, a total of 31 integrity volunteer teams have been established nationwide, with 1,869 participating volunteers. Service items mainly focus on “assisting government administration” and “integrity marketing promotion.” Volunteers are trained to gain an in-depth understanding of public affairs and relevant laws, assisting various agencies on the front line with integrity promotion, campus education, operational transparency review, public supervision, and other anti-corruption work. Individuals and groups outside the public sector are encouraged to actively participate in preventing and combating corruption incidents.

Environmental Assessment Committee

The Environmental Impact Assessment Act and the “Operational Regulations for Environmental Impact Assessments for Development Activities” have both established mechanisms for public participation in environmental impact assessments (including pre-submission and during review). The Ministry of Environment verifies the completeness of public participation at each stage of environmental impact assessments for individual cases. The “Ministry of Environment Environmental Impact Assessment Review Task Force Preliminary Review Guidelines” also stipulate methods for public participation during the environmental impact assessment (EIA) review stage. During the EIA review stage of all cases at the Ministry of Environment, the public can provide written opinions through official documents, email, the minister’s mailbox, and the Ministry’s EIA document inquiry system. A brief description of information disclosure and external participation mechanisms during the Ministry of Environment’s environmental impact assessment review stage is as follows:

- Information for all environmental impact assessment review cases is publicly available on the Ministry’s EIA document inquiry system, including public meeting information, document content, historical review meeting information, historical review materials, records, etc. Interested public groups can download and review these in the above system.
- The EIA review meetings are simultaneously livestreamed, and the livestream video

files are later uploaded to the Ministry's YouTube page for public viewing.

The Executive Yuan's Environmental Protection Administration (the predecessor of the Ministry of Environment) established the "Environmental Impact Assessment Review Observation Guidelines" to implement public participation in EIA case reviews and maintain meeting order. Public groups can register to observe meetings and express opinions at meetings according to these guidelines. Opinion statements are generally limited to 3 minutes per person, with the chairperson able to adjust speaking time based on meeting circumstances.

Citizen Participation in Auditing

The audit agencies have aligned with international trends in recent years to focus on major government administration and strengthen the economy, efficiency, and effectiveness of audit performances. To make audit work more closely aligned with government administrative priorities that concern the public, "Citizen Participation in Auditing" is actively promoted, hoping to exercise effective accountability over the government and enhance public governance effectiveness through citizen participation." Citizen Participation in Auditing" is divided into one-way and two-way relationships based on the interaction mode between the audit agencies and citizens, described as follows:

- **One-way relationship – The Audit Agencies Proactively Inform Citizens**

In order to implement INTOSAI P20 Principle of Transparency and Accountability Principle 8, the National Audit Office has proactively published important audit result information on its global website and Open Data Platform to satisfy people's right to know. Important milestones and achievements are as follows: started publishing central government final audit reports in 1994; started publishing Taipei City and Kaohsiung City local government final audit reports, financial audit result annual reports, and government audit annual reports in 1997; started publishing central government semi-annual settlement audit reports in 2003; started publishing audit laws, audit regulatory orders, organizational duties, addresses, phone/fax numbers, service mailboxes, administrative plans, business statistics, research reports, overseas visit reports, budget books, final account books, petition decisions, personal information retention and public construction procurement contracts according to The Freedom of Government Information Law in 2006; established the "Government Audit Information Release Operation Plan for the Audit Agencies" in December 2009 and created the "Important Government Audit Information" section on the National Audit Office's Global Information Network website to publish important audit information such as "Agency Budget Execution," "The Audit Agencies Reports to Control Yuan," "The Audit Agencies Recommendations," "The Audit Agencies Statistics," and "Other Important Audit Cases" quarterly, monthly or weekly; started publishing county/city final audit reports and township financial audits in 2010 February; started publishing special audit reports in 2010; and started uploading 4 major categories of data sets including the audit agencies annual budgets, important government audit information, final audit reports, and final account verification to Open Data Platform in 2015.

- **Two-way relationship – The Audit Agencies Consult Citizens**

The UN's "Citizen Participation Practices Supreme Audit Agencies" in 2013 proposed 3 stages of Citizen Participation in Auditing, with two-way relationship mainly involving the audit agencies

consulting citizens. Additionally, the INTOSAI Development Initiative (IDI)'s "Guidelines for Supreme Audit Agencies Stakeholder Engagement in Auditing" in 2017 also mentioned continuous planning of audit result information communication, establishing two-way communication channels, and implementing stakeholder participation in the audit process. The National Audit Office has proactively published audit results, including final audit reports. It has also established a civic participation section on its global website and expanded consultation with civic groups to promote two-way participatory auditing. This includes using questionnaire surveys and in-depth interviews, among other qualitative methods, to effectively implement two-way, two-stage Citizen Participation in Auditing. Important milestones are as follows:

- Open channels for audit feedback and public supervision: The "Recommendations for Audit Work" and "Public Supervisory" service mailboxes have been set up in the citizen participation section of the National Audit Office's website since 2013. The goal is to open two-way communication channels to collect feedback and valuable insights from stakeholders.
- Proactively consulting civil society organizations and experts: Since 2014, consultation with experts, scholars, and civil society organizations has been expanded for major cases or those concerning people's livelihoods. This consultation occurs during the planning, execution, and reporting stages and serves as a reference for drafting audit plans, collecting evidence, or writing audit reports. Expert consultation data is stored in the government audit management system.
- Conduct sampling/investigation communication meetings: Strengthened communication mechanisms with audited organizations during the initiation, duration, and conclusion phases of sampling/investigation work since 2017 based on the newly established "Guidelines for Audit Organizations' Sampling/Investigation Work Communication."

● **Partnership Relations - Open Participation**

To implement open and transparent government and promote stakeholder participation in auditing, the National Audit Office has actively researched and introduced the National Development Council's "Public Policy Participation Platform" and established "Operating Guidelines for Audit Organizations Using the 'Public Policy Participation Platform'" since 2017 to standardize audit organization practices. The aim is to leverage the platform to gather stakeholder opinions on crucial audit aspects for significant upcoming cases. It involves thoroughly capturing their perspectives and feedback to inform audit planning or seek expert advice, thus ushering in a new era of collaboration in audit partnerships.

Through the previous "Citizen Participation in Auditing" channels, the government can provide information to the public about its performance effectiveness, allow the public to express viewpoints and feelings about government policy issues, and jointly exercise supervisory power to promote good governance and improve public welfare.

(b) Ensuring that the public has effective access to information;

Please refer to Article 10 of this self-assessment checklist.

(c) Undertaking public information activities that contribute to non-tolerance of corruption, as well as public education programmes, including school and university curricula;

Campus Character Education Program

Universities and colleges are encouraged to offer law-related education courses, incorporating integrity, morality, and anti-corruption materials into course teaching references according to the National Integrity Building Action Plan’s strategy to “promote campus integrity and deepen student character education.” Universities and colleges should offer courses related to “civic law and integrity” issues, implement campus legal education, encourage the development of distinctive moral campus cultures, and subsidize implementation plans for moral education promotion and cultivation in schools.

Supplement Democratic Legal Education with Anti-corruption Education

According to the social studies content requirements of the Curriculum Guidelines of 12-Year Basic Education, they already include key concepts of knowledge cultivation, such as how to exercise supervision or checks and balances over the government. Therefore, all schools must implement legal education development and related teaching according to curriculum guidelines to cultivate students’ basic knowledge of anti-corruption and anti-fraud.

Adding Anti-Corruption and Anti-fraud Courses to University General Education

The Ministry of Education has actively promoted and encouraged schools to offer courses related to integrity education issues, such as anti-corruption and anti-fraud, at various important university meetings, such as at the National University and College Presidents’ Meeting and the University Academic Affairs and School Operations Executives Joint Meeting, into course teaching content.

Including Anti-Corruption and Anti-fraud courses in Curriculum Guidelines

Integrating issues from across academic fields is an important feature of the Curriculum Guidelines of 12-Year Basic Education , and the “General Guidelines” have already included moral education and legal education as issues that should be appropriately integrated into course design for various fields and subjects. The learning objectives, learning topics, and substantial content on moral education and legal education issues, and relevant learning points in the social studies curriculum guidelines for civics all include “anti-corruption and anti-fraud” related content.

Campus Integrity and Ethics Promotion

To implement the anti-corruption education work required by the United Nations Convention against Corruption (UNCAC), the AAC first published an integrity education picture book, “The Awakening of the Sacred Mage,” in 2022, written and illustrated by government employee ethics officers. In recent years, they have actively collaborated with Government Employee Ethics Units of the competent authorities to target students of different age groups, working with agencies, schools, and experts to creatively develop various integrity educational materials. These include

picture books, animations, audiobooks, story collections, micro-films, and teaching materials combined with digital methods to integrate integrity awareness into curriculum or teaching content to deepen and popularize integrity education. To further expand campus integrity and ethics education, the AAC has joined forces with various Government Employee Ethics Units of the competent authorities in 2024 to strengthen the promotion of integrity and ethics education in high schools and colleges to reach students of all age groups.

(d) Respecting, promoting and protecting the freedom to seek, receive, publish and disseminate information concerning corruption. That freedom may be subject to certain restrictions, but these shall only be such as are provided for by law and are necessary:

(i) For respect of the rights or reputations of others;

(ii) For the protection of national security or ordre public or of public health or morals.

Please refer to Article 10, Subparagraph a of this self-assessment checklist.

- 3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

From January 2020 to December 2023, the implementation status of the Public Policy Online Participation Platform is as follows:

- “Let’s propose!”: 9,472 public proposals were submitted, 5,315 issues entered the petition phase after verification, and 138 cases were established (reaching 5,000 petitions).
- “Let’s talk!”:
 - Policy Consultation: Ministries have proactively proposed 37 policy cases for public opinion.
 - Draft Regulation Consultation: Ministries have proposed 4,734 draft regulations for public opinion.
- “Let’s supervise!”: Provides 1,014 ongoing government projects and 1,606 completed projects for public review.

Taipei City Government Citizen Participation Results

- Citizen Participation Committee: Held 24 general meetings by December 31st, 2023; 2,517 open data cases; 360 participatory budgeting cases recorded.
- Taipei City Citizen Participation Website: Currently has 3,458 registered citizen participation meeting information.
- Taipei City Government i-Voting: From March 20th, 2017, to December 31st, 2023, there were 376 public proposals and 7 agency proposals. For participatory budgeting voting, 57,000 citizens participated in 2017, growing significantly to over 100,000 citizens in 2018 and reaching over 210,000 citizens in 2020.

Anti-corruption Volunteer Results

As of 2023, 31 anti-corruption volunteer teams have been established nationwide, with 1,869 volunteers participating. The “Anti-Corruption Volunteer Service Network (ACVS)” was established to provide various integrity service information and to help the public and anti-corruption volunteers understand their service effectiveness, build cohesion, and enhance volunteer achievement.

Ministry of Education Encourages Universities and College to Offer Legal Education Courses

The Ministry of Education encourages universities and college to offer courses related to anti-corruption, anti-bribery, ethics administration, law, civics, democracy, and constitutional governance.

Period	No. of Schools	No. of Courses	Students Enrolled
2020 (108 academic year)	150	5,569	286,324
2021 (109 academic year)	146	5,312	270,811
2022 (110 academic year)	147	5,064	262,573
2023 (111 academic year)	147	4,742	154,695

Ministry of Education’s Supervision of Legal and Moral Education in Subsidized Schools at All Levels

The Ministry of Education supervised the promotion of legal and moral education in 326 subsidized schools at all levels in 2020, 322 schools in 2021, 332 schools in 2022, and 346 schools in 2023.

Campus Integrity and Honesty Promotion

To further deepen integrity education, the AAC integrated digital methods and planned to establish an “Integrity Education Database Website” in 2022, which comprehensively includes various creative and interesting integrity teaching materials collected and compiled by Government Employee Ethics Units, becoming an integrated platform for sharing educational resources available for promoting integrity education.

Additionally, in collaboration with affiliated Government Employee Ethics Units, various integrity education promotional activities were organized, such as Taichung City Government’s “Dash for Integrity - Youth Dance Journey,” Ministry of Education’s “2023 National High School Integrity Education Workshop,” and Taipei City Government’s “17th Integrity Cup Inter-

collegiate Debate Competition,” aiming to root integrity seeds in students of all ages.

Article 13, paragraph 2

2. Each State Party shall take appropriate measures to ensure that the relevant anti-corruption bodies referred to in this Convention are known to the public and shall provide access to such bodies, where appropriate, for the reporting, including anonymously, of any incidents that may be considered to constitute an offence established in accordance with this Convention.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please refer to Article 8, Paragraph 4 of this self-assessment checklist.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Please refer to Article 8, Paragraph 4 of this self-assessment checklist.

B. Money-laundering (arts. 14, 52 and 58)

Article 14: Measures to prevent money-laundering

Article 14, subparagraph 1(a)

1. Each State Party shall:

(a) 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, which regime shall emphasize requirements for customer and, where appropriate, beneficial owner identification, record-keeping and the reporting of suspicious transactions;

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Anti-Money Laundering-Related Laws and Regulations in our Nation

“Money Laundering Control Act”

<https://law.moj.gov.tw/ENG/LawClass/LawAll.aspx?pcode=G0380131>

Our nation passed the “Money Laundering Control Act” legislation in 1996, making us one of the first countries in Asia to pass the specialized “Money Laundering Control Act.” In 2016, major amendments were made to enhance the traceability of money laundering crimes, strengthen financial control measures, improve internal auditing and control, enhance international cooperation in anti-money laundering, and expand the scope of regulated entities and sanctions to enhance the anti-money laundering system, stabilize financial order, and align with international standards. Virtual asset service providers were included as regulated entities under the “Money Laundering Control Act,” subjecting them to the Act’s provisions regarding financial institutions.

In 2018, amendments were made to strengthen the current anti-money laundering mechanism. Key points included specifying that lawyers, notaries, and accountants are subject to the Money Laundering Control Act in relation to fund planning; adding requirements for designated non-financial businesses and professions to establish risk-based anti-money laundering internal control and audit systems; clearly stating that central competent authorities should establish regulations for these non-financial businesses and professions to implement internal control and audit systems; and penalties for violations of internal control and audit system obligations; exempting business confidentiality obligations for financial institutions, designated non-financial businesses or professions, and their responsible persons, directors, managers, and employees; allowing central competent authorities of designated non-financial businesses or professions to adopt relevant preventive measures for high-risk countries or regions regarding money laundering or terrorist financing.

The 2023 amendment again blocked and prevented the use of dummy accounts for money laundering and added Article 16 regarding corporate fines and extraterritorial jurisdiction for account collection crimes for legal persons. The “Money Laundering Control Act” was amended and promulgated on July 31st, 2024. Article 6 stipulates criminal penalties for third-party payment service providers who provide services without completing service capacity registration or those established overseas who provide services without registering a company or branch office and service capacity. Additionally, criminal penalties were added for money laundering crimes using third-party payment accounts under special money laundering offenses.

Article 5 of our nation’s current “Money Laundering Control Act” stipulates that financial institutions, financial leasing businesses, virtual asset service providers, designated non-financial businesses or professions, such as third-party payment service providers and other businesses or professionals whose business characteristics or transaction patterns are susceptible to money laundering, must verify customer identity, identify the beneficial owner (Article 8), maintain necessary transaction records when conducting domestic or international transactions (Article 10), report currency transactions above certain amounts and suspicious transactions to the Ministry of Justice Investigation Bureau (Taiwan’s Financial Intelligence Unit) (Article 12), and establish anti-money laundering internal control and audit systems (Article 7).

Anti-Money Laundering Regulations Authorized by the “Money Laundering Control Act” or Other Laws

Under the authorization of the “Money Laundering Control Act,” “Foundations Act,” and “Financial Technology Development and Innovation Experimentation Act,” central competent authorities have established separate anti-money laundering regulations for various institutions, businesses, and personnel, including financial institutions, agricultural financial institutions, financial leasing businesses, virtual asset service providers, jewelry businesses, land administration agents and real estate brokers, lawyers, notaries, bookkeepers and tax filing agents, accountants, third-party payment services, electronic payment institutions, foreign worker remittance companies, and competent authorities handling specific foundations and financial technology innovation experiments. They have also established internal control and audit system implementation regulations to clearly regulate various management and supervision measures for preventing money laundering.

Third-Party Payment Service Enterprise Anti-Money Laundering Work

Based on the risk of third-party payment services being used for money laundering, the “Third-Party Payment Service Industry” was designated by the Executive Yuan on August 18th, 2021, as a non-financial business or profession under Article 5, Paragraph 3, Subparagraph 5 of the “Money Laundering Control Act.” The Ministry of Economic Affairs announced the “Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for the Third-Party Payment Enterprises” on January 28th, 2022. After the Ministry of Digital Affairs (MODA) was established on August 27th, 2022, according to the Executive Yuan’s announcement Yuan-Tai-Gui-Zi No. 1110184307 dated August 24th, 2022, the responsibilities listed in the “Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for the Third-Party Payment Enterprises” previously under the “Ministry of Economic Affairs” were transferred to the MODA starting August 27th, 2022.

The MODA launched the third-party payment service industry capacity registration system in July 2023 and completed the amendment of Article 5-1 of the “Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for the Third-Party Payment Enterprises,” providing that a third-party payment service providers shall apply for registration of AML and Service Capability Registration in accordance with the procedures and methods designated by the MODA. Those approved after review shall be notified and announced by the MODA. Applicants are required to submit anti-money laundering and compliance declarations for registration, and their staffing and qualifications, track record, operational management capabilities, and financial status are reviewed. A consensus on inter-ministerial coordination has been reached with the Financial Supervisory Commission (FSC), whereby banks shall not accept account openings from third-party payment providers who have not completed capacity registration. For existing bank customers, providers who have not applied for capacity registration shall be considered high-risk and will no longer be provided with virtual account services. As of July 18th, 2024, a total of 83 providers have applied for registration, with 63 providers passing the review, 2 registrations revoked, 7 providers pending supplementary documents after review, 10 providers not passing, and 1 provider still under qualification review.

According to the Ministry of Economic Affairs’ company registration data, as of July 18th, 2024, approximately 13,312 companies and firms have registered third-party payment services in their business scope. However, having this registered business item does not necessarily mean the company is actually engaged in third-party payment services. There is a significant difference between the number of companies actually engaging in third-party payment services and registered companies. According to Financial Supervisory Commission’s 2023 announcement, 7 third-party payment providers in Taiwan have daily average payment balances exceeding NT\$1,000,000,000. They include LINE Pay, Pay2Go, NewebPay, ECPay, foodpanda, Uber Eats, and 91APP, all of which have passed capacity registration. Additionally, large e-commerce platforms that also operate third-party payment services, such as Yahoo Information, Fubon Media, Shopee, Ruten, and Rakuten Market, have all passed capacity registration. It is initially estimated that third-party payment providers who have passed capacity registration now cover the main market for general public use of third-party payment services.

Although the registration system for third-party payment services is already a quasi-licensing system, for anti-money laundering management purposes, Article 6 of the “Money Laundering Control Act” further stipulates that third-party payment service businesses or personnel who have not completed anti-money laundering and service capacity registration with the central competent authority shall not provide third-party payment services. Violators shall be subject to imprisonment of up to 2 years, detention, or a fine of up to NT\$5,000,000, or both.

The MODA has developed the “Third-Party Payment Service Industry Anti-Money Laundering Guidelines Manual” along with its associated template to enhance the implementation of the “Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for Third-Party Payment Enterprises.” It also granted registered providers access to the Ministry of the Interior’s household registration system and the beneficial owner database maintained by the Taiwan Depository & Clearing Corporation. The goal is to assist providers in their compliance efforts and effectively execute the Know Your Customer (KYC) procedures. Providers are required to fulfill their obligation to review customer websites (URLs)

to reduce the risk of third-party payment services being used as tools for gambling, money laundering, fraud, and other illegal activities. The ministry will also develop relevant webpage detection tools to allow providers to conduct regular abnormality detection of seller customers' webpages, preventing providers from secretly transforming into gambling platforms or selling special products after applying for third-party payment services.

The MODA initiated anti-money laundering inspections of third-party payment service providers in August 2023 according to the "Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for the Third-Party Payment Enterprises." As of July 18th, 2024, 30 providers have been inspected, with plans to inspect 30 providers annually. The ministry cooperates with law enforcement agencies to implement joint inspections, particularly targeting providers suspected of money laundering concerns. Providers are required to improve deficiencies within a specified period, and those who fail to comply with regulations, refuse to cooperate with improvements or evade inspection shall be penalized according to relevant provisions of the "Money Laundering Control Act."

Strengthening Anti-Money Laundering Work for Virtual Asset Service Providers (VASPs)

The Financial Supervisory Commission issued the "Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for Enterprises Handling Virtual Currency Platform or Transaction" (referred to as "VASP AML Regulations") on June 30th, 2021, stipulating that businesses engaging in virtual asset-related activities for others must first complete Money Laundering Control Act compliance declarations with the Commission before starting operations. When conducting business, they must implement customer identity verification, record keeping, transaction monitoring, and reporting of large and suspicious cash transactions. Violators may be penalized by the Commission according to regulations.

Anti-Money Laundering Regulations for Electronic Payment Institutions

Electronic payment institutions must comply with the "Money Laundering Control Act," "Counter-Terrorism Financing Act," "Regulations Governing Anti-Money Laundering of Financial Institutions," "Regulations Governing Internal Audit and Internal Control System of Anti-Money Laundering and Countering Terrorism Financing of Banking Business and Other Financial Institutions Designated by the Financial Supervisory Commission," and "Regulations Governing Reporting on the Properties or Property Interests and Locations of Designated Sanctioned Individuals or Entities by Financial Institutions." Additionally, The Bankers Association of the Republic of China has established the "Template for Electronic Payment Institutions' Anti-Money Laundering and Countering the Financing of Terrorism Guidelines," "Guidelines for Electronic Payment Institutions to Assess Money Laundering and Terrorist Financing Risks and Establish Related Prevention Programs," and "Patterns of Suspicious Money Laundering or Terrorist Financing Transactions" based on the preceding regulations, which have been submitted to the FSC for approval. Under the preceding regulations, electronic payment institutions are required to set up internal control systems focused on anti-money laundering and combating the financing of terrorism. These systems must receive approval from the board of directors, and any amendments must also undergo similar approval. The content must include identification, assessment, and management of money laundering and terrorist financing risks, establishment of written policies and procedures, and anti-money laundering and

countering terrorist financing programs based on risk assessment results. The goal is to conduct regular reviews to prevent money laundering and terrorist financing.

Explanation of our Nation’s Anti-Money Laundering System

(1) Regulated Entities

According to Article 5, Paragraphs 1-3 of the “Money Laundering Control Act,” the following are regulated entities:

- A. Financial institutions: banks, trust and investment corporations, postal institutions handling savings and remittances and simple life insurance businesses, bills finance companies, credit card companies, insurance companies, securities firms, futures commission merchants, trust enterprises, etc.
- B. Financial leasing businesses and virtual asset service providers, subject to provisions regarding financial institutions.
- C. Designated non-financial businesses or professions:
 - Jewelry businesses
 - Land administration agents and real estate brokers engaging in real estate transaction-related activities.
 - Lawyers, notaries, and accountants when preparing for or conducting transactions for clients involving real estate purchases and sales, asset management, accounts, etc.
 - Trust and company service providers when preparing for or conducting transactions related to legal entity preparation or establishment, serving as or arranging others to serve as company directors, etc.
- D. Third-party payment service providers
- E. Other businesses or professionals whose business characteristics or transaction patterns are susceptible to money laundering.

(2) Customer Identity Verification and Beneficial owner Identification Customer Due Diligence Procedures

Customer Review Process

According to Article 8 of the “Money Laundering Control Act,” financial institutions and designated non-financial businesses or professions must implement customer identity verification procedures, including beneficial owner review. For customers or beneficiaries who are current or former domestic or foreign government or international organization politically exposed persons, their family members, and close associates, risk-based enhanced customer due diligence procedures must be implemented.

Financial Institutions

“Regulations Governing Anti-Money Laundering of Financial Institutions”

- A. Financial institutions must undertake customer due diligence (CDD) measures in the following circumstances (Article 3):

- When establishing business relationships with customers
- When conducting occasional transactions above certain amounts (NT\$500,000 or more), certain quantities of stored value cards (50 or more), cross-border remittances of NT\$30,000 or more (including equivalent foreign currency)
- When discovering suspicious money laundering or terrorist financing transactions
- When doubting the truthfulness or adequacy of previously obtained customer identification data

B. CDD measures (Article 3):

- Identify and verify customer identity using reliable, independent source documents, data, or information, and retain copies of identification documents or records.
- For transactions conducted by agents, verify the fact of agency and identify and verify the agent's identity using reliable, independent source documents, data, or information, and retain copies of identification documents or records
- Identify the customers' beneficial owners and verify their identity using reasonable measures, including using reliable source data or information.
- CDD should include understanding the purpose and nature of the business relationship.

C. For customers who are legal persons, organizations, or trustees, customer identity should be verified, and the beneficial owner identified through the following methods (Article 3):

- Understand the customer's or trust's (including similar legal arrangements) business nature, obtain relevant information (such as name, legal form, proof of existence, authority documents, names of senior management, and office address) to identify and verify customer identity
- For legal person customers, understand whether they can issue bearer shares, and take appropriate measures for customers who have issued bearer shares to ensure updates of their beneficial owner.
- Understand the ownership and control structure of the customer or trust, identify natural persons who directly or indirectly hold more than 25% of corporate shares or capital, identify natural persons who exercise control through other means, or identify senior management personnel to identify customer beneficial owner, and take reasonable measures to verify.

D. Financial institutions may not establish business relationships or conduct occasional transactions with customers before completing CDD measures (Article 3)

E. Financial institutions' shall determine the extent of applying CDD and ongoing due diligence measures based on a risk-based approach. For high-risk situations, senior management approval must be obtained before establishing or adding business relationships, and reasonable measures should be taken to understand customer wealth and fund sources, and enhanced ongoing monitoring should be adopted for business relationships (Article 6)

Third-Party Payment Service Providers

“Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for the Third-Party Payment Enterprises”

Third-party payment service providers must implement customer identity verification

measures according to the following regulations (Article 7):

- A. Customer identity must be verified in the following circumstances:
- When establishing or maintaining business relationships with seller customers
 - When providing payment collection services to buyer customers for amounts of NT\$50,000 or more per transaction. However, this does not apply to credit card payments under NT\$200,000 per transaction.
 - When discovering suspicious money laundering or terrorist financing payment collections.
 - When doubting the truthfulness or adequacy of previously obtained customer identification data
- B. Customer identity verification should be conducted through the following methods:
- Identify and verify customer identity using reliable, independent source documents, data, or information, and retain records of these identification documents.
 - Customer identity verification measures should include understanding the purpose and nature of the business relationship and obtaining relevant information as appropriate.
- C. For customers who are legal persons, organizations, or trusts, understand the customer's business nature and obtain relevant information to verify customer identity
- D. For cases where customer identity verification procedures cannot be completed, consider reporting suspicious money laundering or terrorist financing transactions related to that customer
- E. When suspecting a customer or transaction may involve money laundering or terrorist financing and reasonably believing that performing customer identity verification procedures might tip off the customer, these procedures may be skipped in favor of reporting suspicious money laundering or terrorist financing transactions

When third-party payment service providers implement customer identity verification measures and ongoing review mechanisms as specified in Article 7, Paragraph 2, and the preceding article, they shall determine their implementation intensity based on a risk-based approach, including (Article 10):

- A. For high-risk situations, they shall strengthen customer identity verification or ongoing review measures, which must include at least the following enhanced measures:
- Obtain senior management approval before establishing or adding new business relationships.
 - Take reasonable measures to understand the customer's wealth and source of funds. The source of funds refers to the substantial source that generates the funds.
 - Implement enhanced ongoing monitoring of business relationships.
- B. For customers from high-risk countries or regions, enhanced measures commensurate with their risk shall be adopted.
- C. For lower-risk situations, simplified measures may be adopted, and such simplified measures should be commensurate with their lower risk factors. However, simplified customer identity verification measures may not be adopted in the following situations:

- Customers from high-risk countries or regions.
- Where there is a suspicion of ML/TF in relation to the customer or the transaction.

Businesses or individuals providing virtual asset services

“Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for Enterprises Handling Virtual Currency Platform or Transaction”

The customer due diligence procedures for Virtual Asset Service Providers (VASPs) are similar to the standards and measures of financial institutions, but some regulations are more stringent. For example, customer identity verification is required for temporary transactions equivalent to or exceeding NT\$30,000 or multiple related temporary transactions totaling NT\$30,000 or more. (Article 3 provisions)

Major Shareholder Information Disclosure

Company Major Shareholder Information

The “Company Act” was amended and promulgated on August 1st, 2018, to support this anti-money laundering policy and increase legal person (company) transparency. Article 22-1 requires companies to disclose major shareholders holding more than 10% of total issued shares or capital and upload this information to an electronic platform. By employing information system cross-referencing, a robust anti-money laundering system can be established, thereby enhancing anti-money laundering measures. The central competent authority conducts regular inspections. If a company fails to report or reports false information and does not make corrections within the time limit specified by the central competent authority, the director representing the company shall be fined between NT\$50,000 and NT\$500,000. If corrections are still not made after a second notice period, consecutive fines between NT\$500,000 and NT\$5,000,000 shall be imposed until corrections are made. In serious cases, the company registration may be revoked. The penalties shall be noted sequentially on the information platform.

Currently, the reporting rate is approximately 90%, which helps increase company transparency and provides information about companies’ beneficial ownership structures. Furthermore, through financial institutions and designated non-financial business and professions (DNFBP) inquiry and abnormal feedback mechanisms, the accuracy of relevant information can be reflected in a timely manner.

According to Article 22-1, Paragraph 1 of the Company Act: “A company shall report annually the names... of its directors, supervisors, managerial officers, and shareholders holding more than 10 percent of the total shares of a company to the information platform established or designated by the central competent authority by way of electronic transmission. provided, however, that such report shall not apply to a company with certain qualifications.” Article 7 of the Regulations Governing Reporting and Management of Information on Article 22 of the Company Act provides that: “The companies that are not applicable to Article 22-1 of the Act mentioned in the proviso of Paragraph 1, Article 22-1 of the Act shall be limited to the following paragraphs. 1. A company provided in Paragraph 1, Article 3 of the Administrative Law of State-owned Enterprise.2. A company offering its shares to the public.3. Other companies announced

by the central competent authority jointly with the Ministry of Justice.”

In principle, all non-public companies (except those specified in Article 3, Paragraph 1 of the Administrative Law of State-owned Enterprise and other companies announced by the central competent authority in conjunction with the MOJ) must report information about directors, supervisors, managers, and shareholders holding more than ten percent of total issued shares or total capital in accordance with Article 22-1 of the Company Act.

Regulations on Disclosure of Major Shareholders' Equity in Public Companies

According to the “Regulations Governing Information to be Published in Annual Reports of Public Companies” authorized by Article 36, Paragraph 4 of the “Securities Exchange Act,” companies are required to disclose shareholders with 5% or more shareholding or the top 10 shareholders and their shareholdings. If the company's directors or supervisors are representatives of legal person shareholders, they must further disclose the names and shareholding percentages of the top 10 shareholders of that legal person shareholder down to 2 levels according to the preceding regulations.

According to Article 17, Paragraph 1, Subparagraph 4 of the “Regulations Governing the Preparation of Financial Reports by Securities Issuers,” Article 22, Paragraph 1, Subparagraph 5 of the “Regulations Governing the Preparation of Financial Reports by Securities Firms,” and Article 24, Paragraph 1, Subparagraph 5 of the “Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants,” TWSE/TPEX listed companies (including TWSE/TPEX listed securities firms and futures commission merchants) must disclose information on major shareholders such as their names, number of shares held, and percentages of shareholders with 5% or more shareholding in their quarterly financial reports.

(3) Record Keeping

According to Articles 8 and 10 of the “Money Laundering Control Act,” financial institutions and designated non-financial businesses or persons must retain data obtained from customer identification procedures and necessary transaction records for domestic and foreign transactions; these must be kept for at least 5 years.

Articles 12, 13, and 15 of the “Regulations Governing Anti-Money Laundering of Financial Institutions” establish detailed regulations requiring financial institutions to maintain accounting documents, records of customer interactions and transactions, and keep original copies of customer identification records, transaction documents, and reports to the Investigation Bureau for at least 5 years.

(4) Suspicious Transaction Reporting

According to Article 13 of the “Money Laundering Control Act,” financial institutions and designated non-financial businesses or persons shall report to the Ministry of Justice Investigation Bureau transactions suspected of the following crimes, including incomplete transactions:

- A. Money laundering.
- B. Receipt, possession, or use of property or property interests without reasonable sources and significantly disproportionate to income, involving using false names to open bank accounts,

improperly obtaining others' bank accounts, or circumventing anti-money laundering procedures.

According to the “Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for the Third-Party Payment Enterprises,” A third-party payment enterprise shall report to the Ministry of Justice Investigation Bureau pursuant to paragraph 1 of Article 10 of the Act when a transaction includes any of the following circumstances, which raise suspicion of ML/TF and the same shall apply to attempted transactions (Article 12):

- A. When the third-party payment enterprise provides the service of collecting and making payments for online real transactions as an agent for the seller-side customer, and the seller-side customer cannot provide a concrete explanation, or the explanation provided is obviously not true.
- B. After the entrusted relationship with the seller-side customer is ended, the third-party payment enterprise discovers that the customer denies the transaction, or that no such customer exists, or that there are sufficient evidences or facts to prove that the customer's name was falsely used by someone else.
- C. The buyer-side customer, without due reason, conducts non-credit card transactions with an amount slightly lower than NT\$50,000, or pays an amount slightly lower than NT\$200,000 by credit card, multiple times or consecutively.
- D. The customer conducts an unusual transaction, and such transactions do not appear to be commensurate with the customer's status and income or are unrelated to the nature of the customer's business.
- E. The customer is a natural person, legal person or group that has been announced and sanctioned by the MOJ pursuant to the Counter-Terrorism Financing Act, or a country announced by the MOJ, or a terrorist organization or a terrorist recognized or investigated by an international organization.
- F. The transaction is suspected to be involved with any terrorist activity, terrorist organization, terrorism financing or financing of proliferation.
- G. Other transactions which raise suspicion of money laundering or terrorist financing.

Additionally, the standards for identifying suspicious illegal or obviously abnormal transactions of deposit accounts and the procedures for suspending accounts are handled according to the “Regulations Governing the Deposit Accounts and Suspicious or Unusual Transactions” revised and promulgated in 2014.

(5) Internal Control and Audit System

According to Article 7 of the “Money Laundering Control Act,” financial institutions and designated non-financial businesses or persons shall establish internal control and audit systems for anti-money laundering based on money laundering and terrorist financing risks and business scale. This includes operations and control procedures for preventing money laundering and combating terrorist financing, on-the-job training, appointing dedicated personnel for

coordination and supervision, preparing and regularly updating risk assessment reports for anti-money laundering and combating terrorist financing, and audit procedures.

The implementation regulations for internal control and audit systems of various financial institutions authorized under this article include: (a) Internal control and governance: stipulate that the board of directors and senior management must understand their money laundering and terrorist financing risks and the operation of their Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) program, and take measures to create a culture that values AML/CFT.(b) The board of directors should appoint one senior executive as the dedicated supervisor, giving sufficient authority for the second line of defense of AML/CFT, reporting to the board of directors and supervisors at least semi-annually.(c) Financial institutions with overseas branches should develop group-level AML/CFT programs, including policies and procedures for sharing information within the group for AML/CFT purposes.(d) Overseas business units should have adequate AML/CFT personnel and appoint one person as supervisor responsible for implementing AML/CFT compliance matters.

(6) Penalties

If regulated entities violate the aforementioned provisions of the “Money Laundering Control Act,” the central competent authority shall impose a fine between NT\$500,000 and NT\$10,000,000 on such financial institutions. After the “Money Laundering Control Act” amended and promulgated on July 31st, 2024, the competent authorities shall impose a fine between NT\$50,000 and NT\$5,000,000 on such designated non-financial businesses or persons and may impose consecutive penalties.

Money Laundering and Terrorist Financing Risk Assessment

Our nation conducted its first national-level money laundering and terrorist financing risk assessment between 2017 and 2018. Subsequently, based on the predicate crime threats and industry/sector vulnerabilities identified at that time, Taiwan progressively strengthened and modified its anti-money laundering and counter-terrorist financing related policies, systems, and frameworks in accordance with international standards. Given the constantly evolving nature of money laundering and terrorist financing patterns and the need for countries to keep their understanding of risks and risk mitigation strategies current, our nation’s 2021 national money laundering, terrorist financing, and proliferation financing risk assessment methods and content were updated and adjusted accordingly. This included expanding participating units and personnel, strengthening domestic and international data collection, conducting first-time proliferation financing risk assessment using methodology that is most suitable for Taiwan, adding new assessment items which including “underground banking,” “virtual asset enterprises,” “online games enterprises,” “art auction,” “car trading enterprises (including trading used cars),” and “pawnshop” as emerging or yet-to-be-understood money laundering and terrorist financing channels.

Prohibition of Underground Remittance and Illegal Foreign Exchange Trading

Article 29, Paragraph 1 of “The Banking Act of The Republic of China” and Article 22 of the “Foreign Exchange Regulation Act” provide provisions for prohibiting underground remittance and illegal foreign exchange transaction.

Underground remittance is a high-risk criminal type for third-party money laundering in our nation and is related to our nation's anti-money laundering work. According to "Financial Action Task Force (FATF) Recommendation 14," money transfer service providers should obtain licenses or register and shall be subject to anti-money laundering compliance supervision. Countries should take action to investigate and penalize unlicensed or unregistered money transfer service providers. Since its amendment and promulgation in 1975, The Banking Act of The Republic of China has listed deposit-taking and remittance businesses as bank-exclusive businesses subject to high-level supervision. According to Article 29 of the same Act, non-banks shall not conduct domestic or foreign remittances. Violators shall be subject to criminal penalties.

To combat underground remittance activities, the government has taken relevant proactive measures, including continuously improving relevant regulations, strengthening control over illegal funds through pertinent provisions of the "Money Laundering Control Act" and The Banking Act of The Republic of China, actively cooperating with international financial supervisory authorities, participating in global organizations such as FATF, sharing information and resources to jointly combat transnational illegal money flows, and strengthening law enforcement through criminal investigations of personnel and institutions involved in underground remittance by judicial police agencies. Foreign exchange business in Taiwan is a licensed business that cannot be conducted without the competent authority's permission. Article 22 of the Foreign Exchange Regulation Act stipulates criminal liability for those who engage in illegal foreign exchange transactions as a regular profession.

3. **Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

2021 National Money Laundering, Terrorist Financing and Proliferation Financing Risk Assessment Report (Chinese & English Versions)

<https://www.amlo.moj.gov.tw/1461/31062/1482/37161/post>

Key Findings and Recommendations

The money laundering threat identification reveals that Taiwan is severely affected by 10 major crime types of crimes that are highly threatened by money laundering in Taiwan, including drug trafficking, fraud, smuggling, tax crimes, organized crime, securities crimes, underground banking system, illegal gambling, including online gambling, corruption and bribery, and intellectual property crimes. High threats crimes include third party money laundering.

Due to democratic and liberal environment of Taiwan, active development of financial, economic trade and diversified payment instruments, the identification of money laundering vulnerabilities indicates that some industries are more vulnerable to ML abuse. The three industries/departments with very high vulnerabilities are offshore banking units, virtual asset enterprises, and domestic banks. The 14 highly vulnerable industries/departments include offshore securities branches, online games enterprises, branches of foreign banks in Taiwan, the postal institution, securities firms, offshore insurance units, jewelry retail business, accountants, attorneys, real estate brokers, life insurance companies, third-party payment service, agricultural financial institutions, and securities investment trust enterprises.

Financial institutions have largely adopted digital tools to enhance execution efficiency. Not

only pure online banks but also traditional financial institutions are accelerating the development and use of digital technology to implement anti-money laundering measures to strengthen compliance efficiency. These measures include using information systems to replace manual execution and monitoring, such as introducing automated transaction monitoring technology to identify suspicious transactions or conduct early warning screening. Through the use of digital innovation methods, they strengthen financial institutions' compliance capabilities and implement risk-based anti-money laundering measures.-Financial Supervisory Commission

Statistics on the Number and Amount of Inspections and Penalties Imposed

Competent authorities regularly conduct on-site and off-site inspections. For example, the Financial Supervisory Commission reviews whether accounting firms have established and regularly updated risk assessments covering clients, products, services, distribution channels, and geographic factors; the establishment of internal control systems; and whether they have conducted general or enhanced customer due diligence in accordance with risks. -Financial Supervisory Commission

The following tables provide statistics on the number of inspections and penalties imposed by various competent authorities:

Number of Inspections and Penalties Imposed by the Financial Supervisory Commission on Financial Institutions and Accounting Firms				
Year	On-site Inspections (times)	Off-site Inspections (times)	Number of Penalties	Amount of Penalties
2020	284	0	11	NT\$25,600,000
2021	226	30	13	34,610,000
2022	253	1	1	200,000
2023	287	0	9	17,600,000

From 2020 to 2023, there were 9 penalty cases against banks for anti-money laundering violations with total fines of NT\$65,500,000, 18 penalty cases against securities and futures firms and accountants related to anti-money laundering regulations with total fines of NT\$8,210,000, and 7 penalty cases against insurance companies for anti-money laundering violations with total fines of NT\$4,300,000.

Agricultural Financial Institutions				
Year	On-site Inspections (times)	Off-site Inspections (times)	Number of Penalties	Amount of Penalties
2020	191	0	0	0
2021	142	23	1	500,000
2022	165	0	0	0
2023	191	0	1	400,000
Chunghwa Post Co., Ltd.				
Year	On-site Inspections (times)	Off-site Inspections (times)	Number of Penalties	Amount of Penalties
2020	2	0	0	0
2021	1	0	0	0

2022	2	0	0	0
2023	1	0	0	0
Certified Public Bookkeepers and Bookkeeping and Tax Return Filing Agents				
Year	On-site Inspections (times)	Off-site Inspections (times)	Number of Penalties	Amount of Penalties
2020	24	50	0	0
2021	9	34	0	0
2022	10	33	0	0
2023	17	36	0	0
Land Administration Agents and Real Estate Brokerages				
Year	On-site Inspections (times)	Off-site Inspections (times)	Number of Penalties	Amount of Penalties
2020	2	51	0	0
2021	2	35	0	0
2022	2	40	0	0
2023	2	40	0	0
Anti-Money Laundering Inspection Operations for Third-Party Payment Providers				
Year	On-site Inspections (times)	Off-site Inspections (times)	Number of Penalties	Amount of Penalties
2020	0	0	0	0
2021	0	0	0	0
2022	0	0	0	0
2023	5	18	0	0
2023 Inspection Data Description: Conducted on-site inspections of 5 companies and off-site inspections of 18 companies, specifically targeting operators with money laundering concerns. All inspection deficiencies required improvements within a specified period, with no serious deficiencies requiring penalties under regulations.				

Statistics of Suspicious Transaction Reports

Year	Financial Institutions	Financial Industry Leasing	Virtual Asset Service Providers	Jewelry Business	Land Administration Agents and Real Estate Brokers	Attorneys	Notaries	Accountants and Bookkeepers	Third-Party Payment Service Providers	Total Cases
2020	24297	15	0	0	17	1	33	43	0	24406
2021	22616	1	121	1	18	0	28	61	0	22846
2022	24402	2	227	0	6	0	23	63	1	24724
2023	28922	7	447	2	41	0	28	68	156	29671

Anti-Money Laundering Division of the Ministry of Justice Investigation Bureau (AMLD) is responsible for receiving and analyzing financial intelligence, including Suspicious Transaction Reports (STRs), Currency Transaction Reports (CTRs) and International Currency Transportation Reports (ICTRs), and for disseminating operational analysis reports which reflect

suspected activities to competent authorities. The statistics for AMLD’s dissemination in recent 4 years are as follows:

Statistical Period	Number of Disseminations
2020	352 cases
2021	466 cases
2022	775 cases
2023	1,524 cases

AMLD and Criminal Investigation Bureau of Ministry of the Interior (CIB) have established a joint project in response to the Executive Yuan’s New Generation Anti-Fraud Strategy Action Guidelines. This project focuses on AMLD’s immediately analyzing and expanding dissemination of financial intelligence related to fraud cases to CIB for reference. As a result, the number of disseminated cases in 2023 significantly increased.

To prevent illegal funds from influencing the joint presidential and legislative elections held in January 2024, the Taiwan High Prosecutors Office launched a nationwide law enforcement operation targeting “underground remittance,” “election gambling,” and “fraud syndicate money laundering operations” from July 3rd, 2023 to July 12th, 2023. This operation resulted in 42 cases investigated, involving 169 suspects, with 17 people detained and 38 released on bail for violations of the “Organized Crime Prevention Act” and other charges. Meanwhile, the remaining defendants were subject to restrictions on residence and other measures. The total amount of remittance or money laundering discovered was approximately NT\$15,600,000,000 (inward remittance about NT\$1,800,000,000; outward remittance about NT\$2,100,000,000; gambling or fraud group money laundering about NT\$11,700,000,000), primarily involving mainland China and Southeast Asian regions.

Article 14, subparagraph 1 (b)

(b) Without prejudice to article 46 of this Convention, ensure that administrative, regulatory, law enforcement and other authorities dedicated to combating money-laundering (including, where appropriate under domestic law, judicial authorities) have the ability to cooperate and exchange information at the national and international levels within the conditions prescribed by its domestic law and, to that end, shall consider the establishment of a financial intelligence unit to serve as a national centre for the collection, analysis and dissemination of information regarding potential money-laundering.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Taiwan's anti-money laundering, counter-terrorist financing, and counter-proliferation financing involve competent authorities from nearly all administrative and judicial departments. In terms of legal framework and policy, the MOJ has been the governing authority. It has established the "Money Laundering Control Act" and "Counter-Terrorism Financing Act" and coordinated various departments to formulate policies.

Regarding prevention measures, various financial institutions, non-financial businesses, and personnel are jointly supervised by different departments. For example, financial institutions are overseen by the Financial Supervisory Commission; the Agricultural Finance Agency, Ministry of Agriculture; and the Central Bank. Designated non-financial businesses or persons are supervised by the Department of Prosecutorial Affairs, MOJ; the Securities and Futures Bureau, Financial Supervisory Commission; the Department of Land Administration, MOI; the Administration of Commerce, MOEA; the Administration of Digital Industry, MODA; the Civil Department, Judicial Yuan; and the Taxation Administration, Ministry of Finance. Central authorities related to non-profit organizations include the Ministry of the Interior, the Ministry of Health and Welfare, the Ministry of Education, and the Ministry of Culture.

For law enforcement, there are the MOJ's prosecutors offices at all levels, Investigation Bureau, AAC, and Administrative Enforcement Agency; the Judicial Yuan's Criminal Department and courts at all levels; the Ministry of the Interior's National Police Agency and the National Immigration Agency; the Coast Guard Administration of the Ocean Affairs Council; and the Anti-Money Laundering Division (AMLDD) of the Ministry of Justice serving as the Financial Intelligence Unit.

For international cooperation, there are the Department of International and Cross-Strait Legal Affairs, the MOJ; the Mainland Affairs Council, Ministry of Foreign Affairs; and international cooperation departments of various ministries. Additionally, relevant ministries and agencies are involved in terrorist financing and proliferation financing issues.

Financial Intelligence Unit (FIU)

The Anti-Money Laundering Division of the Ministry of Justice Investigation Bureau (AMLD) was established in 1997 as the FIU of Taiwan in accordance with “Money Laundering Control Act,” “Organic Act for Investigation Bureau, Ministry of Justice,” “Regulations for Department Affairs of MJIB,” and “MJIB Operational Regulations on Matters relevant to AML and CFT .AMLD receives financial intelligence from financial institutions and designated non-financial businesses or persons, analyzes and processes such intelligence, disseminates operational analysis reports which reflect suspected activities to competent authorities, such as domestic law enforcement, security, intelligence, judicial, and other relevant authorities, AMLD also exchanges financial intelligence with foreign FIUs spontaneously or upon request according to the “Money Laundering Control Act” and related regulations.

On July 31st, 2024, referring to FATF recommendations and the UK’s Proceeds of Crime Act 2002, the new Article 17 of the amended “Money Laundering Control Act” in Taiwan was passed by the Legislative Yuan, which grants FIU the authority to collection, process, and utilization of financial intelligence for the purpose of AML/CFT. According to this Article, the FIU is empowered to analyze financial intelligence filed by reporting entities. To conduct such analysis, the FIU may request relevant information from public and private sectors. Additionally, the FIU may disseminate operational analysis reports which reflect suspected activities to competent authorities for proceeding criminal investigation, asset recovery, enhancement of AML measures, stabilization of the financial system, and strengthening international cooperation.

Domestic Inter-agency Information Exchange

When the FIU analyzes financial intelligence filed by reporting entities and finds it relating to integrity or corporate corruption and malfeasance cases handled by prosecutors’ office or other judicial authorities, the FIU would proactively disseminate operational analysis reports to that agency with indication of the requirements of intelligence purpose only confidentiality.

Prosecutors or other judicial authorities may also query the FIU for specific targets’ financial intelligence data for specific periods when investigating integrity or corporate corruption and malfeasance cases or may request the FIU to handle international transmission and exchange of related financial intelligence with foreign FIUs.

Domestic relevant agencies (such as prosecutors’ offices at all levels, the Criminal Investigation Bureau, the Ministry of Justice Investigation Bureau, and other procuratorial or law enforcement agencies) may also request via online submission system or letters the FIU to assist in querying specific targets’ financial intelligence for criminal investigations. This procedure effectively promotes information sharing.

Cross-border Information Exchange

As the national FIU, AMLD is a member of the Egmont Group and conducts cross-border information exchange and international cooperation according to Article 28 of the “Money Laundering Control Act,” “Regulations for Departmental Affairs of MJIB,” and “ MJIB Operation Regulations on Matters relevant to AML and CFT “. Please refer to Paragraph 5 of the Article 14 of the Act..

Public-Private Sector Exchange

The Anti-Money Laundering Office of the Executive Yuan (AMLO) and AMLD to strengthen public-private partnership, in particular forstering information sharing between public and private sector. AMLD established and officially launched the AML/CFT/CPF Information Sharing Platform (hereinafter: the Platform) on September 26th, 2022. The Platform's participants include reporting entities under Article 5 of the "Money Laundering Control Act" (or relevant industry associations), domestic law enforcement agencies, supervisory authorities (such as the Financial Supervisory Commission and MODA), and administrative agencies (such as the Customs Administration and the National Taxation Bureau). The public sector participants of the Platform (including the FIU) regularly update AML/CFT/CPF risk information with de-identified cases on the platform for reference of public and private sector participants.

3. **Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

Statistics on Information Exchange between Our National FIU and Foreign FIUs (refer to Article 14, Paragraph 5)

Status of AML/CFT Cooperation Agreements/Memoranda of Understanding between Our Nation's FIU and Other Jurisdictions' FIUs (refer to Article 14, Paragraph 5)

Article 14, paragraph 2

2.States Parties shall consider implementing feasible measures to detect and monitor the movement of cash and appropriate negotiable instruments across their borders, subject to safeguards to ensure proper use of information and without impeding in any way the movement of legitimate capital. Such measures may include a requirement that individuals and businesses report the cross-border transfer of substantial quantities of cash and appropriate negotiable instruments.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Large Currency Transaction Reporting and Abnormal Management

Article 12, Paragraph 1 of the “Money Laundering Control Act” stipulates that financial institutions and designated non-financial businesses or personnel shall report to the Investigation Bureau for currency transactions reaching a certain amount (NT\$500,000 or equivalent in foreign currency) unless otherwise specified in the “Money Laundering Control Act.”

Article 13, Paragraph 1 of the “Money Laundering Control Act” stipulates that financial institutions and designated non-financial businesses or personnel shall report suspicious money laundering transactions to the Investigation Bureau.

Declaration of Foreign Currency or Anti-Money Laundering Items for Travelers Entering and Exiting the Country

Article 14, Paragraphs 1 and 2 of the “Money Laundering Control Act,” Article 38, Paragraph 1, and Article 92, Paragraph 1 of the “Act Governing Relations between the People of the Taiwan Area and the Mainland Area,” and the 2017 amended “Anti-Money Laundering Regulations for Cross-border Declaration and Reporting” stipulate that travelers or transportation service personnel entering or leaving the country carrying foreign currency, currency issued by Hong Kong or Macau, Renminbi, NT dollar cash and securities, gold, or other items suspected of being used for the purpose of money laundering that exceed an applicable designated threshold amounts, or those above-said items deliver through cargo, courier, mail, or similar methods, must declare to the Customs, which will then report to the Investigation Bureau of the Ministry of Justice. To provide travelers with more convenient declaration procedures, Article 4 of the above regulations was amended in November 2022 to add computerized online processing system as a declaration method.

According to Article 2, Paragraph 1 of the “Anti-Money Laundering Regulations for Cross-border Declaration and Reporting,” securities refer to bearer traveler’s checks, other checks, promissory notes, bills of exchange, or other securities that can be exercised by the holder in domestic or foreign countries. Article 2, Paragraph 2 of the same regulations defines items suspected of being used for money laundering as diamonds, precious stones, and platinum beyond personal use. Article 4 stipulates that for NT dollar cash declarations under the previous

2 paragraphs, amounts exceeding the limit set by the Central Bank according to Article 18-1, Paragraph 1 of The Banking Act of The Republic of China must be returned.

The Customs Administration of the Ministry of Finance’s website has established an “Anti-Money Laundering” Section providing relevant promotional materials and cases. Since November 7th, 2022, Chinese and English online declaration services for “Inbound/Outbound Passengers Previous Registration and Declaration of Money Laundering Controlled Items” have been added to the “Customs-Port-Trade Single Window” platform. Travelers can use computers or mobile devices to pre-declare anti-money laundering items exceeding the limit before customs clearance. During actual customs clearance, travelers only need to present their passports at The Red (Goods to Declare/ Customs Service) Channel for entry or at the Customs Service Desk for departure. After customs retrieves the pre-declaration data online and asks travelers to sign on a digital pad, the declaration and inspection procedures are completed, thus completing the anti-money laundering items declaration process.

In 2023, the Customs Administration of the Ministry of Finance cooperated with the Anti-Money Laundering Office of Executive Yuan to replace new anti-money laundering promotional materials at major airports, ports, official websites, and fan pages. The Director-General of the Customs Administration recorded a Podcast episode titled “Director-General’s Personal Guidance: How to Travel Abroad Safely!” to help strengthen promotion and prevent false declarations or concealment.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics, etc.

The number of cases reported by the Customs Administration of the Ministry of Finance to the Anti-Money Laundering Division (AML) of the Ministry of Justice according to the “Anti-Money Laundering Regulations for Cross-border Declaration and Reporting.”

Year	Number of Cases
2020	269,842
2021	294,216
2022	366,456
2023	442,631

Statistics for Large Currency Transaction Reports (CTR) and International Currency Transportation Reports (ICTR) received by the Investigation Bureau’s Anti-Money Laundering Division in the past 4 years are as follows:

Statistical Period	CTR cases	ICTR cases
2020	052,846	364
2021	080,885	816
2022	214,045	207
2023	309,001	1,091

The number of ICTR cases AMLD received increased dramatically in 2023 is because the

lifting of people's entry and exit restrictions after the end of the COVID pandemic..

The number and amount of cases reported by the Customs Administration of the Ministry of Finance to the Anti-Money Laundering Division (AMLDD) of the Ministry of Justice from 2020 to 2023 according to the “Anti-Money Laundering Regulations for Cross-border Declaration and Reporting” are as follows:

- In 2020, 269,842 cases were reported, including 269,799 declared cases and 43 cases of non-declaration or false declaration discovered, with seized amounts of approximately NT\$91,000,000.
- In 2021, 294,216 cases were reported, including 294,188 declared cases and 28 cases of non-declaration or false declaration discovered, with seized amounts of approximately NT\$11,720,000.
- In 2022, 366,456 cases were reported, including 366,362 declared cases and 94 cases of non-declaration or false declaration discovered, with seized amounts of approximately NT\$52,940,000.
- In 2023, 442,631 cases were reported, including 442,576 declared cases and 55 cases of non-declaration or false declaration discovered, with seized amounts of approximately NT\$57,560,000.

Article 14, paragraph 3

3. States Parties shall consider implementing appropriate and feasible measures to require financial institutions, including money remitters:

(a) To include on forms for the electronic transfer of funds and related messages accurate and meaningful information on the originator;

(b) To maintain such information throughout the payment chain; and

(c) To apply enhanced scrutiny to transfers of funds that do not contain complete information on the originator.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 10 of the “Money Laundering Control Act,” Article 12 of the “Regulations Governing Anti-Money Laundering of Financial Institutions,” and Article 11 of the “Regulations Governing Anti-money Laundering of Agricultural Financial Institutions” stipulate that financial institutions shall retain necessary transaction records when conducting domestic and foreign transactions in the course of business. Transaction records shall be kept for at least 5 years from the completion of the transaction.

Point 4 of the “Directions Governing Foreign Exchange Business of Banking Enterprises” stipulates that authorized banks and post offices under Chunghwa Post Co., Ltd. performing outward remittance business shall include the required and accurate remitter information in their messages; intermediary institutions shall retain all the wire transfer originator and beneficiary information accompanying the wire transfer ; beneficiary banks and intermediary banks shall take risk control measures to determine when to execute, reject, or suspend remittances lacking the required originator or beneficiary information, and take appropriate follow-up actions and enhanced scrutiny.

Article 5 of the “Regulations Governing Internal Audit and Internal Control System of Anti-Money Laundering and Countering Terrorism Financing of Banking Business and Other Financial Institutions Designated by the Financial Supervisory Commission” and Article 5 of the “Regulations Governing Internal Audit and Internal Control System of Anti-money Laundering and Countering Terrorism of Agricultural Financial Institutions” stipulate that banks and other financial institutions designated by the Commission, and agricultural financial institutions handling domestic and cross-border general outward and inward remittance business shall process them in accordance with relevant regulations, and shall provide and maintain necessary and accurate remitter information and necessary beneficiary information; otherwise, they shall not execute remittance business. Remitter information shall include the remitter’s name, debit account number (or a traceable transaction code if none), and one of the following: 1. ID number 2. Remitter’s address 3. Date and place of birth; beneficiary information shall include the beneficiary’s name and receiving account number (or a traceable transaction code if none).

The “Directions for Confirming Customer Identity in Domestic Remittance Operations and Deposit Without Passbook of Financial Institutions,” amended and promulgated in 2018, provides that financial institutions accepting over-the-counter domestic remittances shall retain information such as the remitter’s (including legal persons) name, ID number (or unified number). For transactions conducted by agents, the agent’s name and ID number must be noted. Financial institutions shall require remitters to present identification documents for verification.

3. **Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

The Financial Supervisory Commission conducted 1,329 financial inspections from 2020-2023. The implementation of relevant regulations has been included in the Commission’s financial inspection items, and if deficiencies are found, inspection opinions will be listed, and financial institutions will be supervised for improvement.

The Financial Supervisory Commission’s Administrative Penalty Decision Jing-Guan-Yin-Kong-Zi No. 10801047081, dated August 29th, 2019, found that when Shin Kong Commercial Bank employees processed remittance transactions as instructed by customers, the remittance applications did not include agent information. The bank failed to carry out customer due diligence. As of customers transferring money concealed by a withdrawal, the bank did not properly implement ongoing monitoring procedures and also failed to report large cash transactions.

The Financial Supervisory Commission’s Administrative Penalty Decision Jing-Guan-Yin-Kong-Zi No. 10802077541, dated August 1st, 2019, found that First Commercial Bank processed cash receipt transactions exceeding NT\$500,000 under the name of the security company, which received cash from customers on behalf of the bank, rather than under the customers' names. This altered the actual nature of the cash transactions, and the bank staff failed to verify the identities of the transacting parties and report to the Ministry of Justice Investigation Bureau. Consequently, the bank failed to effectively implement internal control mechanisms for anti-money laundering. Additionally, there were deficiencies in establishing appropriate monitoring procedures for the operations related to foreign workers’ salary exchange and remittance.

Article 14, paragraph 4

4. In establishing a domestic regulatory regime and supervisory regime under the terms of this article, and without prejudice to any other article of this Convention, States Parties are called upon to use as a guideline the relevant initiatives of regional, interregional and multilateral organizations against money-laundering.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Our nation is a formal member of the Asia/Pacific Group on Money Laundering (APG) and is subject to its mutual evaluations of member countries' compliance with FATF 40 Recommendations. The APG's second round Mutual Evaluation of Taiwan's anti-money laundering system in 2007 and subsequent annual progress report analyses specifically pointed out deficiencies in the "Money Laundering Control Act," including incomplete money laundering crime patterns and high thresholds, insufficient inclusion of non-financial institutions or individuals at risk of being used for money laundering in the anti-money laundering system, and lack of general legal regulations for financial institutions to retain transaction data and conduct customer due diligence. These did not comply with the FATF's International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation (FATF 40 Recommendations). Our nation promptly implemented legislative improvements and, in October 2019, received an APG announcement of "regular follow-up" status in the third round of mutual evaluation. Through follow-up reports submitted in October 2021 and September 2023, our nation continued to maintain the best "regular follow-up" rating.

As FATF 40 Recommendations standards continue to update, our nation's "Money Laundering Control Act" has undergone multiple revisions regarding the scope of money laundering crimes and anti-money laundering measures. However, some areas still do not fully align with international standards and practical needs. Recently, the "Money Laundering Control Act" was amended and promulgated on July 31st, 2024, to ensure Taiwan's "Money Laundering Control Act" complies with FATF 40 Recommendations standards.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Currently, our nation maintains a "regular follow-up" status in the APG mutual evaluation.

Article 14, paragraph 5

5. States Parties shall endeavour to develop and promote global, regional, subregional and bilateral cooperation among judicial, law enforcement and financial regulatory authorities in order to combat money- laundering.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 28 of the “Money Laundering Control Act” stipulates that to prevent international money laundering activities, the Taiwan government may sign anti-money laundering cooperation treaties or other international written agreements with foreign governments, institutions, or international organizations based on the principle of reciprocity. In our nation, the Anti-Money Laundering Division (AML/D) of the Ministry of Justice serves as the national financial intelligence center for disseminating international intelligence data on anti-money laundering.

To actively broaden scope of international cooperation, AML/D joined the Egmont Group (hereinafter referred to as EG) in 1998. The goal is to exchange financial intelligence with foreign FIUS regarding predicate offenses related to money laundering and corruption based on relevant treaties and agreements, the EG Charter, and its Intelligence Exchange Principles. EG currently has 170 members , including the U.S. Financial Crimes Enforcement Network (FinCEN) and Singapore’s Suspicious Transaction Reporting Office (STRO), which are counterpart agencies for exchanging financial intelligence with AML/D , Taiwan through the EG’s Secure Web (hereinafter referred to as: ESW). In addition to exchanging financial intelligence through the ,Taiwan is also a member of the Asia/Pacific Group on Money Laundering (hereinafter referred to as APG). Besides participating in APG activities, Taiwan can attend FATF activities as a member of APG delegation. Taiwan is also one of the founding members of the Asset Recovery Interagency Network - Asia Pacific (hereinafter referred to as ARIN-AP) and continues to work closely with this organization to recover proceeds of crime. The goal of the above actions is to establish mutual consultation channels with foreign counterparts through actively participating in activities held by shared-values international organizations. counterpart agencies.

AML/D, Taiwan’s FIU, has signed AML/CFT cooperation agreements or MOU with 61 countries or jurisdictions, including Albania, Palau, Paraguay, Marshall Islands, Philippines, Poland, South Korea, Bermuda, Cook Islands, Solomon Islands, Saint Kitts and Nevis, United States, Dutch Aruba, Macedonia, Netherlands Antilles, Israel, Nepal, Armenia, Mongolia, Nigeria, Japan, Fiji, Dominican Republic, Papua New Guinea, Saint Vincent, Saudi Arabia, Malawi, British Virgin Islands, Canada, Burkina Faso, Trinidad and Tobago, Saint Martin, Nicaragua, Finland, Liechtenstein, Guernsey, Panama, Afghanistan, Hungary, Holy See, Latvia, Ghana, Tanzania, Principality of Andorra, Guatemala, Papua New Guinea, Timor-Leste, Kingdom of Tonga, Hashemite Kingdom of Jordan, Republic of Kosovo, Republic of Ecuador, Turks and Caicos Islands, Republic of Malta, Palestine, Slovenia, Principality of Monaco, Republic of Nauru, Cayman Islands, Gibraltar, and Bahamas.

Through the network of EG, AMLD is able to exchange financial intelligence including corruption-related information with foreign intelligence units, including corruption-related information, with foreign FIUs. AMLD also receives financial intelligence shared by counterpart FIUs for reference. All the information is classified as confidential intelligence, limited to law enforcement agency use, and cannot be disclosed to third parties without prior permission.

3. Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Taiwan’s FIU (AMLD) has signed anti-money laundering and counter-terrorism financing cooperation agreements/memoranda with 57 countries or regions, as shown in the following table (as of January 2024):

European Region		American Region		Asian Region		Oceania Region	African Region
Finland	Albania	Canada	Saint Vincent	Japan	Armenia	Palau	Nigeria
Poland	Principality of Andorra	United States	Saint Kitts and Nevis	South Korea	Timor-Leste	Fiji	Republic of Malawi
Hungary	Republic of Kosovo	Nicaragua	Dutch Aruba	Mongolia	Kingdom of Tonga	Solomon Islands	Burkina Faso
Macedonia	Republic of Malta	Panama	Saint Lucia	Nepal	Hashemite Kingdom of Jordan	Marshall Islands	Ghana
Latvia	Slovenia	Dominican Republic	Trinidad and Tobago	Saudi Arabia	Palestine	Papua New Guinea	Tanzania
Holy See	Principality of Monaco	Paraguay	Bermuda (North Atlantic)	Philippines	Afghanistan	Cook Islands	Republic of Nauru
Guernsey	Liechtenstein	Dutch Saint Martin	Guatemala	Israel			
		British Virgin Islands	Turks and Caicos Islands				
		Netherlands Antilles	Republic of Ecuador				

The numbers of cases and intelligence exchanges that AMLD exchanged with foreign FIUs Taiwan’s FIU through the ESW are shown in the following table:

Statistical Period	Sharing Upon Request	Making Requests to Foreign FIUs	Spontaneous Sharing from Foreign FIUs	Spontaneous Sharing to Foreign FIUs
20	cases	7 pieces	cases	0 pieces
21	cases	6 pieces	cases	pieces
22	cases	4 pieces	cases	9 pieces

23	cases	9 pieces	cases	5 pieces	cases	pieces	cases	pieces
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The activities held by international organizations that Taiwan FIU participates routinely is listed as follows:

Organization	Activities
Egmont Group	Egmont Group Plenary, Egmont Group Working and Regional Group Meetings (regular participation)
Financial Action Task Force (FATF)	FATF Plenary Meetings (regular participation)
Asia/Pacific Group on Money Laundering (APG)	APG Annual Meeting, APG Typologies and Capacity Building Workshop (regular participation)
Asset Recovery Interagency Network - Asia Pacific (ARIN-AP)	ARIN-AP General Annual Meeting (regular participation)

Article 52 : Prevention and detection of transfers of proceeds of crime

Article 52, paragraph 1

1. Without prejudice to article 14 of this Convention, each State Party shall take such measures as may be necessary, in accordance with its domestic law, to require financial institutions within its jurisdiction to verify the identity of customers, to take reasonable steps to determine the identity of beneficial owners of funds deposited into high-value accounts and to conduct enhanced scrutiny of accounts sought or maintained by or on behalf of individuals who are, or have been, entrusted with prominent public functions and their family members and close associates. Such enhanced scrutiny shall be reasonably designed to detect suspicious transactions for the purpose of reporting to competent authorities and should not be so construed as to discourage or prohibit financial institutions from doing business with any legitimate customer.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 8 of the “Money Laundering Control Act” requires financial institutions and designated non-financial businesses or professions to implement customer identification procedures, including beneficial owner review. For customers or beneficiaries who are current or former domestic or foreign government or international organization politically exposed persons, their family members, and close associates, risk-based enhanced customer due diligence procedures must be implemented.

In addition to financial institutions and agricultural financial institutions, our nation has made relevant customer due diligence regulations for banking, securities, and insurance businesses conducting foreign exchange operations, financing leasing enterprises, virtual currency platforms and trading businesses, jewelry businesses, land administration agents and real estate brokers, lawyers, notaries, bookkeepers and tax filing agents, third-party payment services, foreign currency exchange counters, and financial technology innovation experiments.

Article 3 of the “Regulations Governing Anti-Money Laundering of Financial Institutions” stipulates that financial institutions shall consider filing suspicious money laundering or terrorist financing transaction reports for customers who cannot complete the required CDD process. Article 10 provides that when conducting customer due diligence (CDD) measures, a financial institution shall put in place risk management systems to determine whether a customer and the customer’s beneficial owner or senior managerial officer is a person who is or has been entrusted with a prominent function by a domestic government, a foreign government or an international organization (referred to as politically exposed persons (PEPs) hereunder):

- A. For a customer or the beneficial owner thereof determined to be a current PEP of a foreign government, a financial institution shall treat the customer directly as a high-risk customer and adopt enhanced CDD measures.

- B. For a customer or the beneficial owner thereof determined to be a current PEP of the domestic government or an international organization, a financial institution shall assess the PEP's risks when establishing business relationship with the PEP and conduct annual review thereafter. In case of higher risk operations relationship with such customers, the financial institution shall adopt enhanced CDD measures.
- C. For a senior managerial officer of a customer determined to be a current PEP of the domestic government, a foreign government or an international organization, a financial institution shall determine whether to apply the enhanced CDD measures considering the officer's influence on the customer.
- D. For a PEP who is no longer entrusted with a prominent public function by the domestic government, a foreign government or an international organization, a financial institution shall assess the influence that the individual could still exercise by considering relevant risk factors and determine whether to apply the provisions of the preceding 3 subparagraphs based on the RBA.
- E. The preceding 4 subparagraphs apply to family members and close associates of PEPs.

Article 3, Subparagraph 7 of the "Regulations Governing Anti-Money Laundering of Financial Institutions" stipulates that when the customer is a legal person, an organization or a trustee, a financial institution shall understand the ownership and control structure of the customer or the trust, and obtain the following information to identify the beneficial owners of the customer and take reasonable measures to verify the identity of such persons:

A. For legal persons and organizations:

- The identity of the natural person(s) who ultimately has a controlling ownership interest in the legal person. A controlling ownership interest refers to owning directly and/or indirectly more than 25 percent of the legal person's shares or capital; a financial institution may ask the customer to provide its list of shareholders or other documents to assist in the identification of persons holding controlling ownership interest.
- To the extent that no natural person exerting control through ownership interests is identified under the preceding sub-item or that there is doubt as to whether the person(s) with the controlling ownership interest is the beneficial owner(s), the identity of the natural person(s) (if any) exercising control of the customer through other means.
- Where no natural person is identified under Sub-item A or B above, a financial institution shall determine the identity of a natural person who holds the position of senior managing official.

B. For trustees: the identity of the settlor(s), the trustee(s), the trust supervisor, the beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, or the identity of person(s) in an equivalent or similar position.

The Bankers Association has issued "Practical Reference Guidelines for Banks to Identify Beneficial owners," which explains the timing and exceptions for reviews, beneficial owner verification procedures, information updates, and application of risk-based approaches. It provides reference guidelines for identifying beneficial owners across common customer types, including non-state-owned enterprises and non-public domestic companies, unlisted offshore

clients, offshore financial institutions, or their managed investment vehicles established in countries/regions not adopting FATF standards, partnerships, and non-profit organizations.

In practice, domestic banks' procedures for identifying ownership structures and obtaining beneficial owner information for non-individual customers involve not only requesting customers to provide beneficial owner information and corporate shareholder holdings but also verifying through publicly available information, shareholder registers, proof of capital contribution, or other documents that can help understand customer ownership or capital contribution situations. If no natural person with control is found, or if there are doubts about whether a natural person with control is the beneficial owner, other methods must be used to identify the natural person exercising control over the legal entity. For example, consideration should be given to determining natural persons who exercise control over the company through personnel or financial means as beneficial owners.

Article 6, Paragraph 1 of the "Regulations Governing Anti-Money Laundering of Financial Institutions" provides that a financial institution shall determine the extent of applying CDD and ongoing due diligence measures based on a risk-based approach (RBA):

- A. For high-risk situations, a financial institution shall perform enhanced CDD or ongoing due diligence measures, including adopting at least the following additional enhanced measures:
 - Obtaining the approval of senior management before establishing or entering a new business relationship;
 - Taking reasonable measures to understand the sources of wealth and the source of funds of the customer. The aforementioned source of funds refers to the substantial source from which the funds generate; and
 - Conducting enhanced ongoing monitoring of the business relationship.
- B. For customers from high ML/TF risk countries or regions, a financial institution shall conduct enhanced CDD measures commensurate with the risks identified.
- C. For lower-risk situations, a financial institution may apply simplified CDD measures, which shall be commensurate with the lower risk factors. However simplified CDD measures are not allowed in any of the following circumstances :
 - Where the customers are from or in countries and jurisdictions known to have inadequate AML/CFT regimes, including but not limited to those which designated by international organizations on AML/CFT as countries or regions with serious deficiencies in their AML/CFT regime, and other countries or regions that do not or insufficiently comply with the recommendations of international organizations on AML/CFT as forwarded by the Financial Supervisory Commission; or
 - Where there is a suspicion of ML/TF in relation to the customer or the transaction.

Article 11 of the "Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for the Third-Party Payment Enterprises" provides that when conducting CDD measures, a third-party payment enterprise shall query the customer and use an external database or information obtained from external sources to determine whether a customer and its senior managerial officer is a person who is or has been entrusted with a prominent function by a domestic government, a foreign government or an international organization (referred to as politically exposed persons (PEPs) hereunder) and shall comply with the following provisions:

- A. For a customer determined to be a current PEP of a domestic or foreign government or international organization, a third-party payment enterprise shall treat the customer directly as a high-risk customer, and adopt enhanced CDD measures as specified in the subparagraphs of Article 9.
- B. For a senior managerial officer of a customer determined to be a current PEP of the domestic government, a foreign government or an international organization, a third-party payment enterprise shall determine whether to apply the enhanced CDD measures under subparagraphs of Article 9 considering the officer's influence on the customer.
- C. The preceding subparagraphs also apply to family members and close associates of PEPs. The scope of family members and close associates mentioned above will be determined in the manner stipulated in the latter section of Article 7 of paragraph 4 of the Act.
3. **Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.**

In the 2019 APG Mutual Evaluation Report, our country received a “Largely Compliant” rating for technical compliance with FATF Recommendation 10 (CDD-Customer Due Diligence).

The Financial Supervisory Commission conducted a total of 1,081 anti-money laundering business inspections from 2020 to 2023, finding deficiencies in 195 instances, which were listed as inspection opinions and subsequently tracked for improvement by operators.

On May 13th, 2021, the Financial Supervisory Commission fined Citibank (Taiwan) Ltd. NT\$10,000,000 for deficiencies in their anti-money laundering operations, including the incomplete establishment of customer risk assessment mechanisms, customer ongoing review mechanisms, transaction monitoring mechanisms, failure to properly implement customer due diligence, and failure to properly conduct or promptly complete suspicious transaction alert investigations. The involved customers or transactions had multiple high-risk factors, and the transaction amounts were substantial. This constituted failures to establish and properly implement internal control systems, simultaneously violating Article 7 of the “Money Laundering Control Act” and Article 45-1, Paragraph 1 of The Banking Act of The Republic of China. Therefore, in accordance with Article 24 of the “Administrative Penalty Act,” a fine was imposed under Article 129, Paragraph 7 of “The Banking Act of The Republic of China.”

The Ministry of Agriculture (MOA) has directed the Agricultural Bank of Taiwan to establish an Anti-Money Laundering (AML) information system for the Agricultural Bank and credit departments of farmers' and fishermen's associations to update politically exposed persons lists in the system according to changes in status, adjust risk levels, and strengthen customer due diligence. If there are suspicious transactions, they are reported to the Ministry of Justice Investigation Bureau according to regulations.

The MODA initiated anti-money laundering inspections of third-party payment service providers in August 2023 in accordance with the “Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for the Third-Party Payment Enterprises.” As of July 18th, 2024, 30 providers have been inspected, with plans to inspect 30 providers annually. They cooperate with law enforcement agencies to implement joint inspections,

particularly focusing on providers suspected of money laundering concerns. All inspection deficiencies require improvement within a specified period, and providers who fail to comply with regulations, refuse to cooperate with improvements, or evade inspection will be penalized according to relevant provisions of the “Money Laundering Control Act.”

Article 52, subparagraph 2 (a)

2. In order to facilitate implementation of the measures provided for in paragraph 1 of this article, each State Party, in accordance with its domestic law and inspired by relevant initiatives of regional, interregional and multilateral organizations against money-laundering, shall:

(a) Issue advisories regarding the types of natural or legal person to whose accounts financial institutions within its jurisdiction will be expected to apply enhanced scrutiny, the types of accounts and transactions to which to pay particular attention and appropriate account-opening, maintenance and record-keeping measures to take concerning such accounts;

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Our country implements customer due diligence procedures for financial institutions and designated non-financial businesses or professions based on FATF international standards. In the 2019 APG Mutual Evaluation Report, our country received a “Largely Compliant” rating for technical compliance with FATF Recommendation 10 (CDD-Customer Due Diligence).

According to Article 8, Paragraph 3 of the “Money Laundering Control Act,” financial institutions and designated non-financial businesses or professions should implement enhanced customer due diligence procedures based on risk for customers or beneficiaries who are current or former domestic or foreign government or international organization politically exposed persons, their family members, and close associates.

According to Article 10 of the “Regulations Governing Anti-Money Laundering of Financial Institutions,” financial institutions should verify whether customers and their beneficial owners, senior management are current or former domestic or foreign government or international organization politically exposed persons, and take enhanced customer due diligence measures based on risk according to Article 6 of the same law, as referred to in Article 52, Paragraph 1. Additionally, according to Paragraph 7 of the “Guidelines for Banks to Assess Money Laundering and Terrorist Financing Risks and Establish Related Prevention Programs” established by the Bankers Association, examples of enhanced customer due diligence measures have been provided for banks’ reference, such as:

A. Implementing Enhanced Due Diligence measures, for example:

- Obtaining relevant information about account opening and relationship purposes: expected account usage such as expected transaction amounts, purposes, and frequencies.
- Obtaining information about personal customers’ wealth sources, transaction fund sources and destinations, types and quantities of assets. For funds sourced from deposits, further understanding of the source of those deposits is required.
- Obtaining further business information for legal person, organization, or trustee customers: understanding the customer’s latest financial status, commercial activities,

and business relationship information to establish their assets, fund sources, and fund destinations.

- Obtaining explanations and information about transactions to be conducted or already completed.
- Conducting on-site or telephone investigations according to customer type to confirm actual operational conditions.

B. Obtaining approval from senior management at levels set according to the bank's internal risk considerations before establishing or adding business relationships.

C. Increasing the frequency of customer due diligence.

D. Implementing enhanced ongoing monitoring of business relationships.

To clearly regulate the scope of politically exposed persons (PEPs) and their family members and close associates as specified in Article 8, Paragraph 3 of the "Money Laundering Control Act," the MOJ revised and issued the "Standards for Determining the Scope of Politically Exposed Persons and Their Family Members and Close Associates" in 2018, including domestic, foreign, and international organization PEPs, and their family members and close associates in the regulations.

For listed PEPs after leaving office, financial institutions and designated non-financial businesses or professions should still assess their influence based on risk. The risk assessment should at least consider the duration of their important political position and whether their new position after leaving office is related to their previous important political position (Article 5). For those still subject to enhanced customer due diligence procedures under Article 8, Paragraph 3 of the "Money Laundering Control Act" after assessment, this also applies to their family members and close associates.

Article 9 of the "Regulations Governing Anti-Money Laundering of Financial Institutions" stipulates provisions for financial institutions' ongoing monitoring of accounts or transactions:

A. A financial institution shall use a database to consolidate basic information and transaction information on all customers for inquiries by the head office and branches for AML/CFT purpose so as to strengthen the institution's capability of account and transaction monitoring. A financial institution shall also establish internal control procedures for requests and inquiries regarding customer information made by various units and shall exercise care to ensure the confidentiality of the information.

B. A financial institution shall establish policies and procedures for account and transaction monitoring based on a risk-based approach and utilize information system to assist in the detection of suspicious ML/TF transactions.

C. A financial institution shall review its policies and procedures for account and transaction monitoring based on AML/CFT regulations, nature of customers, business scale and complexity, ML/TF trends and related information gathered from internal and external sources, and its internal risk assessment results, and update those policies and procedures periodically.

D. The policies and procedures for account and transaction monitoring of a financial institution shall include at least complete ML/TF monitoring indicators, parameters setting, threshold amounts, alerts and operation procedures of monitoring, the reviewing procedures for monitored cases and reporting standards, and shall be documented.

E. Complete ML/TF monitoring indicators mentioned in the preceding subparagraph shall, based on the business nature of a financial institution, include the suspicious indicators published by the relevant associations and the additional ones developed by the financial institution in reference to its ML/TF risk assessment or daily transaction information. With regard to transfer of funds between e-payment accounts, a financial institution should, when carrying out the monitoring, take into consideration all information received on both accounts to determine whether to file a suspicious ML/TF transaction report.

F. A financial institution shall document its continuous account or transaction monitoring status.

Article 15 of the same Act stipulates that financial institutions must refuse to establish business relationships or conduct transactions that match monitoring patterns or other abnormal circumstances, determine the extent of applying CDD measures based on a risk-based approach, promptly complete reviews of whether they are suspicious money laundering or terrorist financing transactions, and maintain records. After review, if determined to be suspicious money laundering or terrorist financing transactions, they shall be reported to the Investigation Bureau regardless of transaction amount. -Financial Supervisory Commission

The standards for determining suspicious illegal or apparently abnormal transactions in deposit accounts and procedures for suspending accounts are handled according to the “Regulations Governing the Deposit Accounts and Suspicious or Unusual Transactions” revised and issued by the Financial Supervisory Commission in 2014.

Additionally, our country has supervised relevant associations to issue guidelines or practical reference practices, such as anti-money laundering and counter-terrorist financing guidelines templates or self-regulatory standards established by relevant associations, including suspicious money laundering or terrorist financing transaction typologies for various types of financial institutions, which are published on the Financial Supervisory Commission and affiliated websites’ anti-money laundering section for reference. Regarding establishing business relationships and transaction monitoring with virtual currency platforms and trading businesses, the Bankers Association has established “Self-Regulatory Standards for Banks Establishing Business Relationships and Transaction Monitoring with Virtual Currency Platforms and Trading Businesses,” regulating items such as platform operators’ customer identification and review principles, requirements for platform operators, fund custody, and financial flow services.

According to the Bankers Association’s “Guidelines for Banks to Assess Money Laundering and Terrorist Financing Risks and Establish Related Prevention Programs,” and the Securities Association, Securities Investment Trust and Consulting Association, and Futures Association have respectively established “Guidelines for Securities Firms to Assess Money Laundering and Terrorist Financing Risks and Establish Related Prevention Programs,” “Guidelines for Securities Investment Trust Enterprises and Securities Investment Consulting Enterprises Regarding Assessment of Money Laundering and Terrorism Financing Risks and Adoption of Prevention Programs,” “Guidelines for Futures Commission Merchants and Leverage

Transaction Merchants Regarding Assessment of Money Laundering and Terrorism Financing Risks and Adoption of Prevention Programs,” and the Insurance Association’s “Guidance for Insurance Sector on the Best Practices for Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) Compliance ,” and newly added travel accident insurance as one of the low-risk transaction products, allowing insurance companies to simplify review and ongoing monitoring measures, etc., providing examples for banking, securities, investment trust and consulting, futures, and insurance industries to assess customer risks based on factors such as geographical risks, occupation, account opening and business relationship establishment channels, establish different customer risk levels, and enhance customer due diligence measures for high-risk customers.

“Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for the Third-Party Payment Enterprises”

When third-party payment service providers verify customer identity, they shall refuse to establish business relationships or provide services in any of the following circumstances (Article 8):

- Suspected use of anonymous, pseudonymous, front person, fictitious business, or fictitious legal entity names for transactions or services.
- Customer refuses to provide documents related to customer identity verification measures.
- Use of forged or altered identification documents.
- All presented identification documents are copies. However, this restriction does not apply to businesses that can be conducted with copies or digital files of identification documents supplemented by other control measures.
- Provided documents are suspicious, unclear, or the customer is unwilling to provide other supporting documents, or the provided documents cannot be verified.
- Customer unusually delays providing required identification documents.
- Customer is an individual, legal entity, or group sanctioned under the Counter-Terrorism Financing Act, or terrorists or groups identified or pursued by foreign governments or international organizations. However, this does not apply to payments made under Article 6, Paragraph 1, Subparagraphs 2-3 of the Counter-Terrorism Financing Act.
- Other abnormal circumstances when establishing business relationships or providing services where the customer cannot provide reasonable explanation.

When verifying customer identity, third-party payment service providers shall inquire and use external databases or information sources to confirm whether customers and their senior management are current or former politically exposed persons in domestic or foreign governments or international organizations and handle according to the following regulations (Article 11):

- If a customer is a current politically exposed person in a domestic or foreign government, they shall be directly considered a high-risk customer, and enhanced customer identification measures under Article 9 shall be adopted.
 - If a customer's senior management is a current politically exposed person in domestic or foreign government or international organization, the influence of such senior management on the customer shall be considered to decide whether to adopt enhanced customer identification measures under Article 9.
 - The preceding 2 provisions also apply to family members and close associates of politically exposed persons. The scope of family members and close associates mentioned above will be determined in the manner stipulated in the latter section of Article 7 of paragraph 4 of the Act.
3. **Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.**

In the 2019 APG Mutual Evaluation Report, our country received a “Largely Compliant” rating for technical compliance with FATF Recommendation 10 (CDD-Customer Due Diligence).

Financial Supervisory Commission Anti-Money Laundering and Counter-Terrorist Financing Section

<https://www.fsc.gov.tw/en/home.jsp?id=101&parentpath=0,2>

The MODA initiated anti-money laundering inspections of third-party payment service providers in August 2023 according to the “Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for the Third-Party Payment Enterprises.” As of July 18th, 2024, 30 providers have been inspected, with plans to inspect 30 providers annually. The ministry cooperates with law enforcement agencies to implement joint inspections, particularly targeting providers suspected of money laundering concerns. Providers are required to improve deficiencies within a specified period, and those who fail to comply with regulations, refuse to cooperate with improvements or evade inspection shall be penalized according to relevant provisions of the “Money Laundering Control Act.”

Article 52, subparagraph 2 (b)

(b)Where appropriate, notify financial institutions within its jurisdiction, at the request of another State Party or on its own initiative, of the identity of particular natural or legal persons to whose accounts such institutions will be expected to apply enhanced scrutiny, in addition to those whom the financial institutions may otherwise identify.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Taiwan officially launched the “AML/CFT Information Sharing Platform” on September 26th, 2022. Public sector uploads administrative penalty results (supervisory authorities) and de-identified case sharing (law enforcement agencies) to the platform as one of the risk indicators for financial institutions’ reference in the process of customer due diligence. Financial institutions independently adjust risk ratings for specific natural person or legal entity customers according to law and implementing risk-based approach to decide if they should conduct enhanced customer due diligence procedures on specific customers.

Additionally, the Anti-Money Laundering Office, Executive Yuan regularly issues national money laundering, terrorist financing and proliferation financing risk assessment reports, listing very high-risk and high-risk industry sectors for money laundering, which can serve as an important reference basis for financial institutions when assessing customer occupational risk levels during customer due diligence.

According to Article 6, Paragraph 1 of the “Regulations Governing Anti-Money Laundering of Financial Institutions,” financial institutions shall perform enhanced CDD measures or ongoing due diligence measures for high-risk situations. Furthermore, according to Point 5 of the Bankers Association’s “Guidelines for Banks to Assess Money Laundering and Terrorist Financing Risks and Establish Related Prevention Programs,” except for foreign government politically exposed persons, economically sanctioned individuals, terrorists or groups identified or pursued by foreign governments or international anti-money laundering organizations, and individuals, legal entities, or groups designated for sanctions under the Counter-Terrorism Financing Act who should be directly considered high-risk customers, banks may establish types of customers to be directly regarded as high-risk based on their business models and relevant risk factors. According to Point 7 of the same guidelines regarding risk control measures, banks should adopt different control measures for high-risk customers and customers with specific high-risk factors based on their risk prevention policies and procedures to effectively manage and reduce known risks. Examples are as follows:

A. Implement enhanced customer due diligence measures (enhanced due diligence), such as:

- Obtaining relevant information about account opening and relationship purposes: expected account usage such as expected transaction amounts, purposes, and frequencies.
- Obtaining information about personal customers’ wealth sources, transaction fund

sources and destinations, types and quantities of assets. For funds sourced from deposits, further understanding of the source of those deposits is required.

- Obtaining further business information for legal person, organization, or trustee customers: understanding the customer's latest financial status, commercial activities, and business relationship information to establish their assets, fund sources, and fund destinations.
- Obtaining explanations and information about transactions to be conducted or already completed.
- Conducting on-site or telephone investigations according to customer type to confirm actual operational conditions.

B. Obtaining approval from senior management at levels set according to the bank's internal risk considerations before establishing or adding business relationships.

C. Increasing the frequency of customer due diligence.

D. Implementing enhanced ongoing monitoring of business relationships.

In banking practice, banks obtain relevant information about high-risk customers' account opening, contract signing, and transaction purposes, requiring unit supervisor approval before establishing or adding business relationships. When conducting counter transactions, the bank system will prompt tellers to enhance inquiries about the reasonableness of fund sources or uses for such customers. High-risk customers are reviewed regularly at least once a year.

Regarding sanctions targets published by international organizations such as the United Nations, OFAC, or countries like the United States, the Financial Supervisory Commission will inform financial institutions for reference. Financial institutions will enhance customer due diligence for such customers, freeze designated sanctioned targets' accounts, and report relevant suspicious transactions to the Ministry of Justice Investigation Bureau.

3. **Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.**

2021 National Money Laundering, Terrorist Financing and Proliferation Financing Risk Assessment Report (Chinese & English Versions)

<https://www.amlo.moj.gov.tw/1461/31062/1482/37161/post>

In the 2019 APG Mutual Evaluation Report, Taiwan achieved a "Largely Compliant" rating in technical compliance for FATF Recommendation 10 (CDD-Customer Due Diligence). For example, Standard 10.17 - Financial institutions should implement enhanced customer due diligence measures when ML/TF risks are higher, including (1) obtaining senior management approval before establishing or adding business relationships; (2) taking reasonable measures to understand customer wealth and fund sources. Fund sources refer to the actual sources generating the funds; (3) implementing enhanced ongoing monitoring of business relationships.

The Financial Supervisory Commission periodically forwards sanctions lists issued by international organizations or countries to financial institutions for reference, such as recent U.S. sanctions lists related to Russia and Iranian vessel sanctions lists, UN sanctions lists for ISIS and

Al-Qaeda, and Iran sanctions lists.

Article 52, paragraph 3

3. In the context of paragraph 2 (a) of this article, each State Party shall implement measures to ensure that its financial institutions maintain adequate records, over an appropriate period of time, of accounts and transactions involving the persons mentioned in paragraph 1 of this article, which should, as a minimum, contain information relating to the identity of the customer as well as, as far as possible, of the beneficial owner.

1. **Is your country in compliance with this provision?**

Yes

2. **Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.**

According to Article 8, Paragraph 2 and Article 10, Paragraphs 1 and 2 of the “Money Laundering Control Act,” financial institutions and designated non-financial businesses or persons shall retain data obtained from customer identification procedures and necessary transaction records for domestic and foreign transactions; these shall be kept for at least 5 years, with detailed regulations specified in Articles 12, 13, and 15 of the “Regulations Governing Anti-Money Laundering of Financial Institutions”:

(1) Maintaining records and certificates of customer transactions in paper or electronic form (Article 12):

A. All necessary records of domestic and foreign transactions shall be kept for at least 5 years.

B. The following data shall be kept for at least 5 years after the end of the business relationship with customers or completion of occasional transactions:

- All records obtained through CDD measure, such as copies or records of passports, ID cards, driver’s licenses, or similar official identification documents.
- Account, electronic payment account or card holder files, or contract document files.
- Business relationship information, including background or purpose information and analysis data obtained from inquiries about complex or unusual transactions.

(2) For cash transactions above certain amounts, customer identity shall be verified and relevant records retained (Article 13), recording information such as name, date of birth, address, phone number, transaction account number, transaction amount, and identification document number based on identification documents or passports provided by customers or agents.

(3) Records of cash transactions above certain amounts, suspicious money laundering or terrorist financing transaction reports to the Investigation Bureau, and related records shall be kept for at least 5 years according to Article 12.

“Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for the Third-Party Payment Enterprises”

Third-party payment service providers shall maintain records of customer transactions and services according to the following regulations (Article 13):

- A. All necessary service records shall be kept for at least 5 years. However, if laws stipulate a longer retention period, such laws shall prevail.
- B. The following data shall be kept for at least 5 years after the end of business relationship with customers. However, if laws stipulate a longer retention period, such laws shall prevail:
- All records obtained for customer identification, such as copies or records of passports, ID cards, driver's licenses, health insurance cards, or similar official identification documents.
 - Bank account information, payment proof, contract document files, etc.
 - Business relationship information, including background or purpose information and analysis data obtained from inquiries about complex or unusual
 - transactions.
- C. Maintained service records shall be sufficient to reconstruct individual transactions to serve as evidence for identifying illegal activities.
- D. When authorized authorities request payment agency records and customer identification-related information, providers shall ensure prompt provision.
3. **Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.**

In the 2019 APG Mutual Evaluation Report, our nation achieved a “Largely Compliant” rating in technical compliance for FATF Recommendation 11 (record keeping).

The Financial Supervisory Commission has included anti-money laundering and counter-terrorist financing implementation in financial inspection items. From 2020 to 2023, a total of 1,081 inspections were conducted, with 189 cases of deficiencies in retaining customer identity-related materials. For inspection numbers, refer to Article 52, Paragraph 1.

The MODA initiated anti-money laundering inspections of third-party payment service providers in August 2023 according to the “Regulations Governing Anti-Money Laundering and Countering the Financing of Terrorism for the Third-Party Payment Enterprises.” As of July 18th, 2024, 30 providers have been inspected, with plans to inspect 30 providers annually. The ministry cooperates with law enforcement agencies to implement joint inspections, particularly targeting providers suspected of money laundering concerns. Providers are required to improve deficiencies within a specified period, and those who fail to comply with regulations, refuse to cooperate with improvements or evade inspection shall be penalized according to relevant provisions of the “Money Laundering Control Act.”

Article 52, paragraph 4

4. With the aim of preventing and detecting transfers of proceeds of offences established in accordance with this Convention, each State Party shall implement appropriate and effective measures to prevent, with the help of its regulatory and oversight bodies, the establishment of banks that have no physical presence and that are not affiliated with a regulated financial group. Moreover, States Parties may consider requiring their financial institutions to refuse to enter into or continue a correspondent banking relationship with such institutions and to guard against establishing relations with foreign financial institutions that permit their accounts to be used by banks that have no physical presence and that are not affiliated with a regulated financial group.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 52 of “The Banking Act of The Republic of China” stipulates that banks or financial institutions shall be established with approval from the competent authority. Article 29 also stipulates that non-banks shall not conduct the business of accepting deposits, managing trust funds or public property under entrustment or handle domestic or foreign remittances. The competent authority or the competent authority in charge of the particular enterprise, together with the juridical police authority, shall ban the violator and refer the case to justice. If the person concerned is a juridical person, the responsible person shall be jointly and severally liable for repaying the relevant obligations.

Article 3, Subparagraph 6 of the “Regulations Governing Internal Audit and Internal Control System of Anti-Money Laundering and Countering Terrorism Financing of Banking Business and Other Financial Institutions Designated by the Financial Supervisory Commission” explicitly prohibits establishing correspondent relationships with shell banks or institutions that allow shell banks to use their accounts.

According to Point 5 of “Chunghwa Post Co., Ltd. RMA Bank Due Diligence Operating Procedures,” if a bank is on the “financing of terrorism sanctions list” or “comprehensive sanctions list” or is a shell bank, establishment of Relationship Management Application (RMA) relationship shall be refused.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

In the 2019 APG Mutual Evaluation Report, Taiwan achieved a “Compliant” rating in technical compliance for FATF Recommendation 13 (Correspondent banking). For example, Standard 13.3 - Internal control points require that correspondent banks and other similar relationships have policies and procedures that (i) prohibit establishing correspondent relationships with shell banks and (ii) prohibit establishing correspondent relationships with respondent institutions that allow shell banks to use their accounts.

Article 52, paragraph 5

5. Each State Party shall consider establishing, in accordance with its domestic law, effective property-declaration systems for appropriate public officials and shall provide for appropriate sanctions for non-compliance. Each State Party shall also consider taking such measures as may be necessary to permit its competent authorities to share that information with the competent authorities in other States Parties when necessary to investigate, claim and recover proceeds of offences established in accordance with this Convention.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

“Act on Property-Declaration by Public Servants”

Our nation has established the “Act on Property-Declaration by Public servants,” requiring public servants with specific identities or positions, including the president, vice president, heads and deputy heads of the 5 branches, political appointees, heads of government agencies at all levels, elected representatives at all levels, judges, prosecutors, and other public servants, to declare their property status to agencies in charge of property declarations .

Considering the flourishing development of virtual assets with considerable property value and our nation’s money laundering risks, the MOJ has included “virtual currency platform and trading business operators” in the anti-money laundering scope under the “Money Laundering Control Act.” It became necessary to consider including virtual assets in property declaration items. The MOJ amended Point 17 of Part II-Individual Matters of the “Public servant Property Declaration Form Filling Instructions” in 2023, explicitly including virtual assets as “other valuable properties above certain values .” According to Point 19 of Part II-Individual Matters of the “Instructions for Filling out the Public Servant Property Declaration Form,” if the total value of various virtual assets separately owned by the declarer, their spouse, and underage offspring equals or exceeds NT\$200,000 or its equivalent in other currencies on the declaration date, such virtual assets must be declared. However, virtual assets with transaction values below NT\$1,000 need not be declared.

For other explanations of public servant property declaration content, please refer to Article 8, Paragraph 5 of this self-assessment checklist.

Declaration Data Disclosure

Article 6 of the “Act on Property-Declaration by Public Servants” stipulates that declarations made by the President, Vice President, Premier, and Vice Premier, the Presidents and Vice Presidents of the Executive Yuan, Legislative Yuan, Judicial Yuan, Examination Yuan, and Control Yuan; Officers of political affairs; the legislators and mayors of special municipalities; and the governors of counties (cities), shall, in addition to being subject to the prescriptions of the preceding paragraph, be published regularly on government gazettes and on

the Internet until one year after such person steps down from the position that requires such declaration.

Application Information Review

The review of declaration data is authorized by Article 6, Section 4 of the “Act on Property-Declaration by Public Servants,” which entrusts the Executive Yuan to establish review procedures in conjunction with the Examination Yuan and the Control Yuan. These procedures specify the format for reviewing property declaration data, methods for verification, and application processes, allowing the public to access property declaration data to understand the financial status of public servants. This serves to determine whether public servants misuse their authority for personal gain and, in turn, to increase trust in government policies and the integrity and ethics of public servants.

Article 13 of the “Regulations Governing Review and Inspection of Materials of Property-Declaration by Public Servants” stipulates that any person applying for public inspection of declared property materials made by the Declaring Person shall make an application to the competent property declaration agency (institution) by filling in an application form. The competent property declaration agency (institution) may not decline the application without justified reason. The person applying for public inspection in the preceding Paragraph shall be a citizen of the Republic of China who has reached the age of majority. Additionally, the reviewed property data must conceal the personal data of the declarant, their spouse, and underage offspring (Article 12).

After the competent property declaration agency (institution) receives the application and is satisfied that the application conforms to the requirements by its review, it shall designate the time and place for the public inspection and notify the applicant to inspect the materials on site. The applicant shall conduct the public inspection on site by him or herself, and is prohibited from authorizing others to do the same (Article 15). Furthermore, the public inspection of materials shall be limited to reading only, and no material is permitted to be taken out of the place, transcribed, photographed or photocopied. (Article 16).

The “Act on Property-Declaration by Public Servants” clearly stipulates appropriate penalties regarding non-compliance with the property declaration system. Please refer to the response content related to the “Act on Property-Declaration by Public Servants” in Article 8, Paragraph 6.

Article 16, Paragraph 1 of the “Act on Property-Declaration by Public servants” further stipulates that for the declared public servants being discharged from the positions obliged for property declarations, such persons’ declared materials shall be preserved for five years and destroyed duly. But for judicial and control agencies notifying to preserve further according to law, it is not applicable. Related regulations are established so that competent authorities can exchange such data with other competent authorities when necessary.

3. **Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.**

According to Article 11, Paragraph 1 of the “Act on Property-Declaration by Public

servants,” all agencies (institutions) accepting property declarations shall conduct inspections on the case by case and proportionate bases for untruthful property declarations or unusual increments and decrements of properties . Please refer to Article 8, Paragraph 6.

Public Servant Property Declaration Statistics (Estimated Numbers)

Receiving Declaration Agency	Total Declarers	Non-regular Declarers	Regular Declarers
Ministry of Justice	55,500	18,000	37,500
Control Yuan	7,500	1,900	5,600
Total	63,000	19,900	43,100

2020-2023 MOJ Public Servant Property Declaration Review Status

Public Servant Property Declaration Review Cases (Under MOJ’s Jurisdiction per Article 14)					
Year	Total Review Cases	Penalty Cases (Violation Types)			
		Total	Late Declaration Cases	Intentional False Declaration	Intentional Property Concealment
2020	162	149	5	144	0
2021	56	52	5	46	1
2022	62	57	10	47	0
2023	44	36	3	33	0

The penalty cases for the 2020-2023 Control Yuan Public Servant Property Declaration Inspections Results Statistics and the Act on Property-Declaration by Public Servants are detailed in the table below.

Control Yuan Public Servant Property Declaration Inspections Results Statistics

Year	Total	Inspections for Untruthful Property Declarations (Cases)						Inspections for Unusual Increments and Decrements of Properties (Cases)				Late Filing Audit (Cases)
		Subtotal	Intentional Property Concealment False Declaration	Intentional False Declaration	Unintentional False Declaration	No False Declaration	Others	Subtotal	Abnormal Property Increase Between Years	No Abnormal Property Changes Between Years	Others	
2020	535	492	-	40	295	153	4	42	4	34	4	1
2021	480	447	4	22	253	167	1	32	1	31	-	1
2022	443	418	2	27	220	168	1	25	-	23	2	-
2023	498	473	3	28	250	191	1	25	-	25	-	-

2020-2023 Act on Property-Declaration by Public Servants Penalty Cases

Year	Number of Penalty cases		Total (Cases)
	Ministry of Justice	Control Yuan	
2020	149	44	193
2021	52	29	81
2022	57	31	88
2023	36	28	64

Control
Yuan Public

Servant Property Declaration Penalty Target Statistics

Year Penalty Target	2020 (Number of People)	2021 (Number of People)	2022 (Number of People)	2023 (Number of People)
Political Affairs Officers	4	-	2	-
Chairs and Vice Chairs of The Headquarters and Branches of State-owned Enterprises	2	1	2	-
Legislators	-	3	4	5
Special Municipality Councilors	4	4	2	6
Heads of Government Agencies at All Levels at 12th Rank and Above or The Equivalent	-	1	1	2
Directors and Supervisors Representing the Government or The State-owned Shares in Private Juristic Entities	6	2	4	5
Presidents of Public Junior Colleges and Above and Heads of Their Affiliated Institutions	-	-	1	-
Military Officers at All Levels Above The rank of Major General	-	1	-	1
Township/City Mayors	3	8	1	2
County/City Councilors	10	4	6	2
Township/City Councilorss	13	2	8	3
Judges with 6th Level and Above Basic Salary	2	2	-	2
Others (Declarer's Spouse as Trust Obligor)	-	1	-	-
Total	44	29	31	28

Article 52, paragraph 6

6. Each State Party shall consider taking such measures as may be necessary, in accordance with its domestic law, to require appropriate public officials having an interest in or signature or other authority over a financial account in a foreign country to report that relationship to appropriate authorities and to maintain appropriate records related to such accounts. Such measures shall also provide for appropriate sanctions for non-compliance.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 5, Paragraph 1 of the “Act on Property-Declaration by Public Servants” stipulates that deposits, securities, other valuable properties above certain values, Rightful claims of creditor, debts and investments to various ventures above certain values are all properties that public servants must declare, without excluding benefits from foreign financial accounts.

Regarding non-compliance with the property declaration system, the “Act on Property-Declaration by Public Servants” has established appropriate penalties. Please refer to Article 8, Paragraph 6 and Article 52, Paragraph 5 for responses regarding the “Act on Property-Declaration by Public Servants.”

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Please refer to Article 8, Paragraph 6 for responses regarding the “Act on Property-Declaration by Public Servants.”

Article 58 : Financial intelligence unit

Article 58

States Parties shall cooperate with one another for the purpose of preventing and combating the transfer of proceeds of offences established in accordance with this Convention and of promoting ways and means of recovering such proceeds and, to that end, shall consider establishing a financial intelligence unit to be responsible for receiving, analysing and disseminating to the competent authorities reports of suspicious financial transactions.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please refer to Article 14, Subparagraph 1(b).

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Website of AMLD

<https://www.mjib.gov.tw/mlpcen>

Annual Report of AMLD

<https://www.mjib.gov.tw/EditPage/?PageID=46098253-f0e9-46e4-9832-b96e17e00c71>

C.Asset recovery (arts. 51, 53-57 and 59)

Article 51: General provision

Article 51

The return of assets pursuant to this chapter is a fundamental principle of this Convention, and States Parties shall afford one another the widest measure of cooperation and assistance in this regard.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention, including identifying both any legal authorities/procedures for accepting requests for asset recovery and assessing that these requests are reasonably substantiated and supplemented as well as any time frame established under domestic laws and procedures for their execution, taking into account requests received from countries with similar or different legal systems and any challenges faced in this context.

Article 38-1 of the “Criminal Code” stipulates that: “(Paragraph 1) Proceeds of the crime that belong to the offender shall be confiscated. If there are special provisions, these special provisions shall be followed.(Paragraph 2) Proceeds of the crime obtained by natural persons, legal persons or an unincorporated body other than the offender under one of the following conditions shall be confiscated: 1. Knowingly obtain the illegal proceeds from the offender.2. Obtain the illegal proceeds from the offender for free or at a cost that is considerably not reciprocal.3. The party benefits from an illegal act committed by the offender for the said party. (Paragraph 3) If the entire or partial confiscation mentioned in the preceding 2 Paragraphs as above was failed or not appropriate, the value thereof shall be collected from the offender. (Paragraph 4) The proceeds of crime specified in paragraph 1 and 2 means any property derived from or obtained directly or indirectly, through the commission of an offense.(Paragraph 5) The proceeds of crime having been legally returned to the victim shall not be confiscated or collected.” Article 40, Paragraph 3 of the same Code stipulates that: “If the offender is not prosecuted or convicted due to facts or legal reasons, the thing specified in paragraphs 2 and 3 of Article 38 and the proceeds of crime specified in paragraphs 1 and 2 of Article 38-1 which may be confiscated independently may be pronounced separately.”

Article 473 of “The Code of Criminal Procedure” stipulates that “If the rights holders file a motion to have confiscated items or force-collected property returned, or if persons, who are allowed to exercise the right to a claim as a result of the defendant’s crime, have obtained the civil compulsory execution and file a motion to be paid, within a year after the judgment is finalized, the prosecutor shall return such items/property or pay such claims, with the exceptions of: items/property that should be destroyed or abandoned....” This provision serves as the legal basis for the return of assets.

To provide the most extensive cooperation and assistance in asset recovery, our nation has adopted relevant legislation and measures/steps as follows:

Establishing International Criminal Mutual Legal Assistance and Anti-Money

Laundering Legal Framework

Taiwan passed the “Act on International Mutual Legal Assistance in Criminal Matters” on April 10th, 2018, which took effect on May 4th of the same year. Our nation now has a more comprehensive statutory law to follow regarding the basis, channels, and scope of criminal mutual legal assistance requests with foreign countries. According to Article 3 of the “Act on International Mutual Legal Assistance in Criminal Matters,” the competent authority of the Act is the Ministry of Justice (MOJ). According to Article 4, Subparagraph 2 of the same Act, criminal mutual legal assistance can be provided to foreign governments, institutions, or international organizations. According to Article 6 of the “Act on International Mutual Legal Assistance in Criminal Matters,” our nation can provide a wide range of judicial assistance, including obtaining evidence, serving documents, conducting searches and seizures, prohibiting property disposition, executing final judgments or orders related to criminal confiscation or recovery, returning proceeds of crime, and other criminal judicial assistance not in violation of our nation’s laws. Additionally, Article 12 of the “Act on International Mutual Legal Assistance in Criminal Matters,” confirms that our nation shall provide judicial assistance in accordance with relevant domestic laws, but may execute requests according to the requesting party’s methods when not in violation of our nation’s laws. Therefore, Taiwan can provide comprehensive and reliable judicial assistance to foreign countries, including investigation and prosecution of money laundering, terrorist financing, and related predicate offenses, as well as tracking, identifying, restricting, or confiscating proceeds of crime. Furthermore, according to Articles 2 and 5 of the “Act on International Mutual Legal Assistance in Criminal Matters,” countries that have not signed mutual legal assistance treaties with our nation may still receive mutual legal assistance if they can provide reciprocity guarantees.

Article 28, Paragraph 2 of the “Money Laundering Control Act” stipulates that for cases where foreign governments, institutions, or international organizations request assistance from our nation, our nation may provide information and investigation results received or reported under Articles 12 to 14 of the Act based on the principle of reciprocity unless otherwise specified in treaties or agreements.

Implementation examples of International Mutual Legal Assistance Treaties/Agreements to Enhance International Judicial Cooperation Efficiency include:

- **Article 15 of the “Agreement on Mutual legal assistance in Criminal Matters between the Taipei Economic and Cultural Representative Office and the American Institute in Taiwan (hereinafter the “Taiwan-US Agreement on Mutual Legal Assistance in Criminal Matters”)** stipulates that both parties can assist with requests for search, seizure, and transfer of evidence according to their territorial laws. Article 17 stipulates that both parties can help with temporarily freezing and executing confiscation of criminal proceeds, victim compensation, and criminal judgment fines according to their territorial laws and may transfer all or part of such property or proceeds from sales to the other party when appropriate.
- **The “Treaty on Mutual Legal Assistance in Criminal Matters Between the Government of the Republic of China (Taiwan) and the Government of Saint Vincent and the Grenadines”** was signed between the governments of Taiwan and Saint Vincent and the Grenadines on August 8th, 2022, and took effect upon presidential

proclamation on August 26th, 2023. Articles 17 and 18 of this treaty stipulate that both parties shall assist each other in procedures regarding the identification, tracking, restriction, seizure, and confiscation of proceeds of crime and criminal tools based on their respective domestic laws and may conduct asset sharing according to Article 19.

- **The “Treaty on Mutual Legal Assistance in Criminal Matters Between the Government of the Republic of China (Taiwan) and the Government of St. Lucia”** was signed between our nation and the Saint Lucia government in August and October 2023 through the remote signing method. The completion of ratification procedures by both countries is currently pending. Once the treaty is in effect, either party may request assistance in seizing illegal criminal assets under Article 14. They may also seek help in freezing, restricting, and confiscating proceeds of crime as outlined in Articles 16 and 17, and can conduct asset sharing according to Article 18.
- Article 1, Paragraph 2 of the **“Agreement on Mutual legal Assistance in Criminal Matters between the Taipei Economic And Cultural Office in The Philippines and the Manila Economic And Cultural Office in Taiwan”** stipulates that assistance includes facilitating search and seizure requests, assisting with asset freezing and confiscation or execution of fines. The specific implementation methods are provided in Article 14 regarding search and seizure, Article 18 regarding property restriction and confiscation, and Article 19 provides provisions regarding asset sharing.
- The **“Memorandum of Understanding on Judicial Mutual Cooperation between the Taipei Mission in Korea and the Korean Mission in Taipei”** was signed between Taiwan and Korea on February 24th, 2023. Article 1, Paragraph 3 of this memorandum stipulates that the scope of cooperation includes promoting the return of confiscated property to the requesting party, returning property to legitimate owners, and cooperating in combating fraud, corruption, and other legal matters involving both parties’ interests. It also establishes the scope of future mutual legal assistance cooperation, including mutual consultation, hosting seminars, forming working-level joint expert teams, and conducting expert exchanges to collaborate in crime fighting and prevention.
- The **“Memorandum of Understanding on Exchange and Cooperation in Legal and Judicial Fields between the Taiwan-Japan Relations Association and the Japan-Taiwan Exchange Association”** was signed between Taiwan and Japan on March 16th, 2023, broadly stipulating cooperative relationships in legal and judicial fields. Legal authorities from both sides will deepen cooperation by exchanging information on legal systems, professional knowledge and opinions, publicly available materials and publications, holding meetings, and conducting research visits.

Improving International Mutual Legal Assistance Request Operating Procedures

According to our nation’s Third Round Money Laundering Mutual Evaluation Report, our nation can generally provide timely assistance. The average time to complete mutual legal assistance requests, including requests under bilateral mutual legal assistance agreements or diplomatic channels, takes approximately 4.5 months. Most members of the Financial Action Task Force (FATF) and the FATF-Style Regional Body (FSRB) indicated that Taiwan could assist promptly. In the past 3 years, we have helped countries with whom we have signed mutual legal assistance agreements complete urgent requests within 3 days or on the same day (specific details

cannot be disclosed due to confidentiality clauses). Additionally, the MOJ has established an “International and Cross-Strait Mutual Legal Assistance Case Registration” system, which filters foreign money laundering and predicate offense Mutual Legal Assistance cases based on factors such as crime severity, potential social impact, urgency of request, severity, and level of attention. This enables supervision of case handling procedures and, through regular follow-ups by the Taiwan High Prosecutors Office on the progress of Mutual Legal Assistance cases handled by district prosecutors offices, ensures priority handling of money laundering, terrorist financing, or major money laundering predicate offense requests. Requests regarding asset seizure are all given priority handling.

As the central competent authority, the MOJ serves as a contact point with domestic and foreign competent authorities, coordinates relevant agencies to jointly complete requests, and actively provides assistance. For example, in cross-border evidence collection or asset recovery, MOJ can coordinate and facilitate cooperation between prosecution authorities and other agencies, such as foreign law enforcement personnel stationed in Taiwan, cross-strait affairs agencies, domestic law enforcement agencies, and tax or customs authorities to jointly provide necessary assistance to the requesting party and track implementation progress. When needed, relevant MOJ case officers may assist in verifying execution details. This may include conducting physical or online meetings with district prosecutors or foreign competent authorities to provide real-time legal consultation, discuss necessary procedures and legal requirements, address potential limitations and challenges, and analyze strategies to overcome them. Furthermore, while prosecution authorities are assisting in executing mutual legal assistance requests, the MOJ can also assign seconded prosecutors to participate in assisting when necessary, such as being present during witness questioning, evidence transfer, or crime scene investigation. When district prosecutors have questions during the implementation request, the MOJ can provide immediate opinions to facilitate timely and effective assistance to the requesting party.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics, etc.

In November 2011, while investigating Latin American drug trafficking syndicates, the U.S. Department of Homeland Security discovered that a Taiwanese woman in the United States was laundering over \$27,000,000 of drug trafficking proceeds by importing and exporting clothing as a cover, transferring the money into her bank accounts in Taiwan. The U.S. continued to maintain close contact with out nation’s competent authorities for information exchange. In September 2014, the U.S. Department of Justice made a mutual legal assistance request to Taiwan under the “Taiwan-US Agreement on Mutual Legal Assistance in Criminal Matters” to help seize the woman’s accounts in Taiwan involved in money laundering. The Taipei District Prosecutors Office successfully seized illegal proceeds amounting to over \$15,000,000.

The first successful Taiwan-US mutual legal assistance asset recovery case: Chen-o, used second financial reform bribery payments to purchase 2 properties in the United States. In July 2010, prosecutors from the U.S. Department of Justice (Criminal Division, Asset Forfeiture and Money Laundering Section) initiated civil forfeiture procedures on these 2 properties on the grounds they were purchased with corrupt bribery proceeds and made 2 mutual legal assistance requests to the MOJ pursuant to the “Taiwan-US Agreement on Mutual Legal Assistance in

Criminal Matters.” The former Supreme Prosecutors Office Special Investigation Division (disbanded on January 1st, 2017) provided relevant evidence to the U.S. The U.S. government auctioned the 2 properties in 2013, obtaining proceeds of \$1,500,000, which were fully returned to Taiwan in 2016.

Here is a case exemplifying the universal basic legal principle that “no one shall retain proceeds of crime”: Regarding the La Fayette-class frigate illegal commission case involving defendants Wang-○ and others, the investigation of criminal proceeds has continued for over 15 years. Through prosecutors’ persistent efforts, criminal proceeds have been frozen in Switzerland, Liechtenstein, and other countries. After Taiwan’s Criminal Code provisions on confiscation were amended on July 1st, 2016, a petition was filed with the Taipei District Court for independent confiscation of the defendant Wang-○ and others’s criminal proceeds principal and estimated interest totaling US\$969,751,764.31. On July 21st, 2017, the Taipei District Court ruled to confiscate criminal proceeds principal and interest totaling US\$900,146,887.18 plus interest accrued until execution completion from defendants Wang-○ and 4 others as well as third parties Euromax Company, Sableman Company, and Luxmore Company. Under MOJ’s continued coordination and liaison, our nation’s prosecutors formally requested Liechtenstein and Switzerland to return the frozen Wang family assets. With initial support and assistance from Liechtenstein, on February 2nd, 2023, approximately US\$11,000,000 in overseas illegal proceeds from the La Fayette-class frigate procurement scandal involving the late arms dealer Wang-○’s family were remitted back to our nation. After assisting with the asset freeze, the Swiss Federal Office of Justice decided on February 3rd, 2021, to agree to return the frozen assets to our nation and remitted US\$138,040,000 back to our nation on July 11th, 2023. Our nation is currently still cooperating with other relevant countries to continue pursuing illegal proceeds in this case.

The MOJ has continued to strengthen participation in the Asset Recovery Interagency Network-Asia Pacific (ARIN-AP), including:

- From November 22nd to 25th, 2023, the MOJ delegation shared our nation’s confiscation legal system and classic cases of illegal proceeds recovery, including the Lafayette case, at the annual meeting in New Zealand.
- On May 30th and 31st, 2023, the MOJ deployed personnel to participate in the 8th ARIN-AP Asset Seizure and Return Training.
- From November 28th to December 1st, 2023, the MOJ delegation shared our nation’s legal system evolution and practical achievements in virtual currency-related cases and asset confiscation at the annual meeting in Bangkok, Thailand.

On October 31st and November 1st, 2023, the MOJ held the “2023 International Seminar on Combating Cross-Border Fraud—Improving International Cooperation.” The event invited judicial personnel engaged in mutual legal assistance with our nation from the U.S., Canadian, and Polish Departments of Justice, Swiss Federal Office of Justice, Thai Office of the Attorney General, and U.S. Department of Homeland Security Investigations Taiwan Liaison Officer, to participate and conduct professional exchanges with domestic judges and law enforcement personnel from prosecution, police, and investigation bureaus specializing in combating fraud. On November 1st, 2023, the third session on “Mechanisms and Practice of Tracking Illegal Proceeds” was chaired by Prosecutor General Hsing, Tai-Chao of the Supreme Prosecutors Office, with presentations by the Head Prosecutor of the Supreme Prosecutors Office, Presiding Judge of Taiwan Taipei District

Court, U.S. Department of Justice Liaison Officer at U.S. Embassy Bangkok, Thai Prosecutor, and Section Chief of International Mutual Legal Assistance Division Seizure and Delivery Section of Swiss Federal Office of Justice to share and compare illegal proceeds tracking and return mechanisms of our nation and various countries.

Article 53: Measures for direct recovery of property

Article 53, subparagraph (a)

Each State Party shall, in accordance with its domestic law:

(a) Take such measures as may be necessary to permit another State Party to initiate civil action in its courts to establish title to or ownership of property acquired through the commission of an offence established in accordance with this Convention;

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 6 of our nation's current Act on International Mutual Legal Assistance in Criminal Matters stipulates that our nation may request or provide assistance in the following matters under this law:

- Obtaining evidence.
- Service of documents.
- Search.
- Seizure.
- Restraining disposition of property.
- Executing final judgments or orders related to crime confiscation or recovery.
- Return of criminal proceeds.
- Other criminal judicial assistance that does not violate our nation's laws.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Article 53, subparagraph (b)

(b)Take such measures as may be necessary to permit its courts to order those who have committed offences established in accordance with this Convention to pay compensation or damages to another State Party that has been harmed by such offences;

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please refer to the response content regarding “provisions on measures/steps taken (or planned) to ensure full compliance with this convention” in Article 53, Subparagraph a.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

There have been no such cases among the mutual legal assistance cases received by the MOJ.

Article 53, subparagraph (c)

(c)Take such measures as may be necessary to permit its courts or competent authorities, when having to decide on confiscation, to recognize another State Party's claim as a legitimate owner of property acquired through the commission of an offence established in accordance with this Convention.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please refer to the response content regarding “provisions on measures/steps taken (or planned) to ensure full compliance with this convention” in Article 51.

Please refer to the response content regarding “provisions on measures/steps taken (or planned) to ensure full compliance with this convention” in Article 53, Subparagraph a.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

There have been no such cases among the mutual legal assistance cases received by the MOJ.

Article 54 : Mechanisms for recovery of property through international cooperation in confiscation

Article 54, subparagraph 1 (a)

1. Each State Party, in order to provide mutual legal assistance pursuant to article 55 of this Convention with respect to property acquired through or involved in the commission of an offence established in accordance with this Convention, shall, in accordance with its domestic law:

(a) Take such measures as may be necessary to permit its competent authorities to give effect to an order of confiscation issued by a court of another State Party;

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

“Act on International Mutual Assistance in Criminal Matters”

Article 6, Subparagraph 6 of the “Act on International Mutual Legal Assistance in Criminal Matters” stipulates the assistance that may be requested or provided to include executing final judgments or orders related to crime confiscation or recovery. In the context of foreign mutual legal assistance requests related to identification, seizure, or confiscation, our nation’s competent authorities may act swiftly to address such requests when they are founded on treaties or agreements focused on money laundering prevention or the principle of reciprocity. This is applicable provided that the criminal conduct in question constitutes a specified offense under Article 3 of the “Money Laundering Control Act.” Notably, these actions may be undertaken even in the absence of a domestic investigation or trial pertaining to the case. The authorities are empowered to respond effectively to requests concerning the identification, freezing, seizure, or confiscation of property linked to money laundering, the sources of criminal proceeds, criminal tools, or equivalent property, in accordance with domestic legal provisions governing seizure, restraining disposition, or confiscation. Furthermore, our nation’s current definition of money laundering crimes already complies with the provisions of the “Vienna Convention” and “Palermo Convention,” and the scope of money laundering predicate offenses is also included.

“Agreement on Criminal Mutual Legal Assistance between the Taipei Representative Office in Germany and the German Institute in Taipei”

The “Agreement on Criminal Mutual Legal Assistance between the Taipei Representative Office in Germany and the German Institute in Taipei” was signed between Taiwan and Germany on March 23rd, 2023, and is currently awaiting Legislative Yuan review. Article 6 of this agreement regarding types of assistance includes asset freezing and executing final judgments or orders related to property confiscation or recovery of crime. Therefore, our nation’s MOJ can execute final judgments or orders related to property confiscation or recovery issued by German courts under this agreement.

3. Please provide examples of the implementation of those measures, including related court or other

cases, statistics etc.

Previously, the U.S. requested our nation's assistance in seizing illegal assets in Taiwanese bank accounts based on the "Taiwan-US Agreement on Mutual Legal Assistance in Criminal Matters" while investigating money laundering-related cases. Our nation then assisted the U.S. in seizing the illegal assets in those accounts. Subsequently, after the U.S. obtained a final confiscation order for the case and requested Taiwan's assistance with confiscation, assistance for this case is still ongoing.

Article 54, subparagraph 1 (b)

(b)Take such measures as may be necessary to permit its competent authorities, where they have jurisdiction, to order the confiscation of such property of foreign origin by adjudication of an offence of money- laundering or such other offence as may be within its jurisdiction or by other procedures authorized under its domestic law;

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Articles 38 and 38-1 of our nation's "Criminal Code" contain provisions on confiscation. Moreover, according to Articles 9, 10, 12, and Article 21, Paragraph 2 of the "Money Laundering Control Act," for cases where foreign governments, institutions, or international organizations request Taiwan's assistance, information and investigation results from reports or notifications received under Articles 9, 10, and 12 may be provided based on the principle of reciprocity except where treaties or agreements provide otherwise.

Please refer to the response content regarding "provisions on measures/steps taken (or planned) to ensure full compliance with this convention" in Article 53, Subparagraph a.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Currently, there are cases where domestic judicial authorities have made requests to foreign countries to seize illegal criminal proceeds to handle money laundering crime cases. However, they have not yet reached the confiscation stage.

Article 54, subparagraph 1 (c)

(c) Consider taking such measures as may be necessary to allow confiscation of such property without a criminal conviction in cases in which the offender cannot be prosecuted by reason of death, flight or absence or in other appropriate cases.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

“Criminal Code”

Our nation’s new confiscation system, implemented since July 1st, 2016, is based on the universal basic legal principle that “no one shall retain proceeds of crime” and references the German Criminal Code, adopting a “non-conviction based” confiscation system. It characterizes confiscation as a “quasi-unjust enrichment equitable measure,” making it an independent legal effect separate from criminal punishment and security measures, not a criminal penalty (accessory punishment). Thus, confiscation should apply the law at the time of judgment. Article 40, Paragraph 3 of the Criminal Code, amended and implemented on July 1st, 2016, stipulates that “If the offender is not prosecuted or convicted due to facts or legal reasons, the thing specified in paragraphs 2 and 3 of Article 38 and the proceeds of crime specified in paragraphs 1 and 2 of Article 38-1 which may be confiscated independently may be pronounced separately.”

The amendment rationale for Article 40, Paragraph 3 of the Criminal Code states:

As confiscation has been amended to be an independent legal effect, its pronouncement does not necessarily have to accompany a judgment. Criminal offenders who receive not to prosecute dispositions or decisions of rejection, exemption from prosecution, or acquittal due to death, previous final judgment, Criminal Code Article 19, or other reasons; or those who have suspended trials due to Criminal Code Article 19, illness preventing court appearance, and those receiving exemption from punishment judgments, can all have confiscation pronounced independently.

Additionally, according to the Fugitive Disentitlement principle, when criminal offenders evade criminal prosecution and become wanted, regardless of whether they are domestic or abroad, the court may make confiscation decisions without waiting for their court appearance. Therefore, referring to German Criminal Code Articles 73 and 76a, Japanese Criminal Code amendment draft Articles 76 and 78, U.S. Federal Code Title 28 Section 2466, U.N. Convention against Corruption Article 54(1)(c), and UNODC 2005 Model Law on Money Laundering and Financing of Terrorism, Paragraph 3 was added to stipulate that confiscation may be pronounced independently when criminal offenders cannot be prosecuted or convicted due to factual or legal reasons.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

La Fayette-class Frigate Procurement Scandal

Regarding domestic procedures in the La Fayette case, in September 2006, prosecutors indicted defendants Wang-○-Pu; Guo-○-Heng; Ye-○-Zhen and 3 others for violating the Anti-Corruption Act by jointly accepting kickbacks; defendants Wang-○-Xing; Wang-○-Yong; Wang-○-Ming; Wang-○-Ling for allegedly assisting in accepting kickbacks; and defendant Guo-○-Tian for violating the “Money Laundering Control Act” and other crimes. Among them, defendants Guo-○-Heng and Guo-○-Tian were found guilty in final judgments in April 2014. In April 2015, the Taipei District Prosecutors Office Enforcement Division completed the execution of about US\$35,000,000 (approximately NT\$1,100,000,000) in seized criminal proceeds that Switzerland had previously returned to our nation, which was paid into the national treasury. Defendant Wang-○-Pu died in January 2015, while the remaining defendants Ye-○-Zhen; Wang-○-Xing; Wang-○-Yong; Wang-○-Ming; and Wang-○-Ling have been fugitives overseas and remain wanted by the Taipei District Court of Taiwan since May 2009. The Supreme Prosecutors Office (hereinafter SPO) established a special investigation team in 2000 to investigate the La Fayette-class Frigate procurement scandal. Since 2001, it has successively requested mutual legal assistance from Switzerland and other countries to obtain numerous bank account documents and successively froze the bank assets of Wang-○-Pu and others in Switzerland, Liechtenstein, and other countries. After transferring the case to the Taipei District Prosecutors Office on January 1st 2017, dedicated prosecutors and prosecution affairs officers were assigned to handle the case. The Taipei District Court of Taiwan ruled on July 21st, 2017, to confiscate criminal proceeds principal and interest totaling US\$900,146,887.18 (approximately NT\$27,000,000,000) plus interest accrued until execution completion. Subsequently, after appeals from both sides, the Taiwan High Court ruled on November 28th, 2018, to declare confiscation of US\$953,324,920.60 (approximately NT\$28,600,000,000) plus interest accrued until execution completion. After both the prosecution and defense filed re-appeals, the Supreme Court recently made a ruling on October 31st, 2019, in Case 2019 Tai-Kang-Zi No. 458, finalizing the prosecution’s request to confiscate criminal proceeds, including principal of US\$312,539,913.44 (approximately NT\$9,400,000,000).

Example of independent confiscation pronouncement of criminal proceeds: Red Fire case Chen-Jun-Che (Supreme Court 2020 Tai-Kang-Zi No. 1203)

The Taiwanese defendant and other related co-perpetrators jointly embezzled assets (property) of CTBC Financial Holding Co., Ltd. in Taiwan, engaged in illegal money laundering and illegal unsecured lending, violating the “Financial Holding Company Act,” “Securities Exchange Act,” “Money Laundering Control Act,” and “The Banking Act of The Republic of China,” and obtained criminal proceeds. Subsequently, after fleeing abroad for over 10 years and becoming wanted without a final court judgment, Taiwan prosecutors applied for independent confiscation pronouncement of the defendant’s criminal proceeds according to Article 38-1, Paragraph 1 of our “Criminal Code,” which the court ruled to approve.

Examples of Independent Confiscation Pronouncement for Items Used in Crimes

When a defendant carries a knife to commit theft, prosecutors can apply for independent confiscation of the knife according to Article 38, Paragraph 2 of our “Criminal Code.” Article 38, Paragraph 2 of the “Criminal Code” provides that “If a thing specified in the preceding paragraph is provided or obtained by natural persons, legal persons or an unincorporated body other than

the offender without proper reasons, it may be confiscated.”

Article 54, subparagraph 2 (a)

2. Each State Party, in order to provide mutual legal assistance upon a request made pursuant to paragraph 2 of article 55 of this Convention, shall, in accordance with its domestic law:

(a) Take such measures as may be necessary to permit its competent authorities to freeze or seize property upon a freezing or seizure order issued by a court or competent authority of a requesting State Party that provides a reasonable basis for the requested State Party to believe that there are sufficient grounds for taking such actions and that the property would eventually be subject to an order of confiscation for purposes of paragraph 1 (a) of this article;

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Our nation's law enforcement agencies freeze or seize property without notifying criminal offenders based on the following provisions:

- Article 18 of the “Money Laundering Control Act” stipulates that for transactions involving money laundering, prosecutors during the investigation may petition the court to freeze specific transactions, and in urgent situations, prosecutors may directly order execution and petition the court for supplementary orders within 3 days, which can also ensure future confiscation of criminal proceeds. For cases where foreign governments, institutions, or international organizations request Taiwan’s assistance in preventing money laundering based on treaties or agreements signed under the principle of reciprocity or based on the principle of reciprocity, if the criminal conduct involved constitutes a predicate offense listed in Article 3 of our “Money Laundering Control Act,” even without domestic investigation or trial, the above provisions may be applied mutatis mutandis.
- Article 133-1 of “The Code of Criminal Procedure” covers matters regarding petitioning the court for seizure rulings to preserve criminal proceeds.
- Article 38-1, Paragraph 3 of the “Criminal Code” explicitly stipulates that confiscation of criminal proceeds may be executed by pursuing their value. Article 133, Paragraph 2 of “The Code of Criminal Procedure” stipulates that to preserve the pursuit of value, the property of criminal suspects, defendants, or third parties may be seized as necessary.

Article 6 of the “Act on International Mutual Legal Assistance in Criminal Matters” stipulates that the scope of judicial assistance that our nation may provide is quite broad, including obtaining evidence, service of documents, search, seizure, restraining disposition of property, executing final judgments or orders related to crime confiscation or recovery, return of proceeds of crime and other criminal judicial assistance not violating our nation’s laws. Articles 23, 24, 30, and 31 of the same Act respectively stipulate procedural regulations for foreign

governments, institutions, or international organizations requesting assistance from our nation, and our nation requesting criminal mutual legal assistance from foreign governments, institutions, or international organizations. Additionally, Article 228 of “The Code of Criminal Procedure” stipulates relevant provisions for initiating investigations.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

In the Wei Chuan oil adulteration case, defendant Wei, Ying-Chun and others jointly intended to illegally obtain property for Wei Chuan Foods Corporation by using Wei Chuan vegetable oil mixed with Tatung copper chlorophyllin oil and “Formula 98” blended oil, mainly composed of palm oil to defraud consumers. As a result, Wei Chuan Foods Corporation fraudulently obtained over NT\$80,000,000. Certain properties of Wei, Ying-Chun were preventively seized during the investigation.

Previously, while investigating money laundering and smuggling crimes, the U.S. urgently requested our assistance in September 2014 under the “Taiwan-US Agreement on Mutual Legal Assistance in Criminal Matters” to freeze and seize illegal assets in bank accounts in our nation. We then assisted the U.S. in seizing the illegal assets in those accounts and returned US\$15,768,805 in illicit proceeds to the account designated by the U.S. in March 2022.

In 2023, while investigating fraud, theft, and other cases, the U.S. requested our assistance under the “Taiwan-US Agreement on Mutual Legal Assistance in Criminal Matters” to seize illegal assets in virtual currency platform wallets in 2 cases, which we continue to assist with.

Statistics on Mutual Legal Assistance cases involving corruption crimes requested between our nation (our side) and other countries (their side) in the past 3 years are shown in the table below:

Mutual legal assistance cases involving corruption crimes requested between our nation (our side) and other countries (their side)

	Americas		Europe		Asia		Oceania		Africa	
	Our requests	Their requests								
2021	0	0	3	0	0	0	0	0	0	0
2022	0	1	5	0	1	0	0	0	0	0
2023	2	3	0	0	0	0	0	0	0	0

Article 54, subparagraph 2 (b)

(b)Take such measures as may be necessary to permit its competent authorities to freeze or seize property upon a request that provides a reasonable basis for the requested State Party to believe that there are sufficient grounds for taking such actions and that the property would eventually be subject to an order of confiscation for purposes of paragraph 1 (a) of this article; and

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please refer to the response content regarding “provisions on measures/steps taken (or planned) to ensure full compliance with this convention” in Article 54, Subparagraph 2(a).

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Please refer to the response content regarding “examples of the implementation of those measures” in Article 54, Subparagraph 2(a).

Article 54, subparagraph 2 (c)

(c) Consider taking additional measures to permit its competent authorities to preserve property for confiscation, such as on the basis of a foreign arrest or criminal charge related to the acquisition of such property.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 133 of “The Code of Criminal Procedure” stipulates the relevant regulations on the seizure of items that may serve as evidence or be confiscated. Articles 140 and 141 stipulate the relevant regulations on post-seizure disposition. Additionally, Article 3 of the “Important Notice to Prosecution Entities on the Change in the Value of Objects Seized from the Pursuit of Criminal Investigation” stipulates that for seized items subject to confiscation that may be lost, destroyed, or damaged, or where custody, care or possession is excessively costly or difficult, prosecutors are allowed to conduct sales and auctions during the investigation of seized items subject to confiscation.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

In 2023, while investigating a robbery case, the U.S. requested our assistance under the “Taiwan-US Agreement on Mutual Legal Assistance in Criminal Matters” to return previously seized virtual currency cold wallets and keys, which we are continuing to assist with.

Article 55 : International cooperation for purposes of confiscation

Article 55, subparagraph 1 (a)

1. A State Party that has received a request from another State Party having jurisdiction over an offence established in accordance with this Convention for confiscation of proceeds of crime, property, equipment or other instrumentalities referred to in article 31, paragraph 1, of this Convention situated in its territory shall, to the greatest extent possible within its domestic legal system:

(a) Submit the request to its competent authorities for the purpose of obtaining an order of confiscation and, if such an order is granted, give effect to it; or

(b) Submit to its competent authorities, with a view to giving effect to it to the extent requested, an order of confiscation issued by a court in the territory of the requesting State Party in accordance with articles 31, paragraph 1, and 54, paragraph 1 (a), of this Convention insofar as it relates to proceeds of crime, property, equipment or other instrumentalities referred to in article 31, paragraph 1, situated in the territory of the requested State Party.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 6 of the “Act on International Mutual legal assistance in Criminal Matters” stipulates that the scope of judicial assistance that our nation may provide is quite broad, including obtaining evidence, service of documents, search, seizure, restraining disposition of property, executing final judgments or orders related to crime confiscation or recovery, return of proceeds of crime and other criminal judicial assistance not violating our nation’s laws. Articles 23 and 24 of the same Act also stipulate relevant procedural regulations for foreign governments, institutions, or international organizations requesting criminal Mutual legal assistance from Taiwan, providing sufficient legal basis to execute final judgments or orders related to confiscation or recovery made by the requesting party.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Articles 23 to 28 of the “Act on International Mutual Legal assistance in Criminal Matters” stipulate provisions for assisting foreign execution of confiscation.

Apart from the information specified in Article 46, Paragraph 15 of the UNCAC regarding Mutual legal assistance requests, the additional matters that should be included according to Article 55, Paragraph 3 of the UNCAC are similar to those provided by Articles 23 to 28 and Article 34 of the “Act on International Mutual Assistance in Criminal Matters.”

Regarding our country’s national practice cases, please refer to the case progress update in

Article 54, Paragraph 1(a).

Article 55, paragraph 2

2. Following a request made by another State Party having jurisdiction over an offence established in accordance with this Convention, the requested State Party shall take measures to identify, trace and freeze or seize proceeds of crime, property, equipment or other instrumentalities referred to in article 31, paragraph 1, of this Convention for the purpose of eventual confiscation to be ordered either by the requesting State Party or, pursuant to a request under paragraph 1 of this article, by the requested State Party.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please refer to the response content regarding “provisions on measures/steps taken (or planned) to ensure full compliance with this convention” in Article 51.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Please refer to the response content regarding “examples of the implementation of those measures” in Article 54, Subparagraph 1(a) and Subparagraph 2(a).

Article 55, paragraph 3

3. The provisions of article 46 of this Convention are applicable, mutatis mutandis, to this article. In addition to the information specified in article 46, paragraph 15, requests made pursuant to this article shall contain:

(a) In the case of a request pertaining to paragraph 1 (a) of this article, a description of the property to be confiscated, including, to the extent possible, the location and, where relevant, the estimated value of the property and a statement of the facts relied upon by the requesting State Party sufficient to enable the requested State Party to seek the order under its domestic law;

(b) In the case of a request pertaining to paragraph 1 (b) of this article, a legally admissible copy of an order of confiscation upon which the request is based issued by the requesting State Party, a statement of the facts and information as to the extent to which execution of the order is requested, a statement specifying the measures taken by the requesting State Party to provide adequate notification to bona fide third parties and to ensure due process and a statement that the confiscation order is final;

(c) In the case of a request pertaining to paragraph 2 of this article, a statement of the facts relied upon by the requesting State Party and a description of the actions requested and, where available, a legally admissible copy of an order on which the request is based.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 455-12 of “The Code of Criminal Procedure” stipulates that a third person, whose property may be confiscated, can apply to the court to participate in the confiscation procedure, before the end of oral argument in the fact-finding trial of the case. If a third person does not apply to the court to participate in the confiscation procedure for the property that may be confiscated, the court should adjudicate ex officio such a third person to participate in the confiscation process where the court deems it necessary. Article 455-13 of the same Code stipulates that if the prosecutor has sufficient reason to believe that a third person’s property should be confiscated, the prosecutor should notify such a third person before initiating the public prosecution, giving such a person the opportunity to state his/her case. If the prosecutor deems that a third person’s property should be confiscated when initiating a public prosecution, such intention should be stated in the indictment, and such a third person should be notified immediately. Article 455-29 of the same Code stipulates that a third party, whose property is adjudicated to be confiscated by the court, and who, due to no fault of his/her own, did not participate in the confiscation procedure, may file a revocation motion to the court that adjudicated the said judgment within 30 days from the date of his/her learning of the final and binding confiscation judgment.

Additionally, regarding measures to notify requesting State Parties of subsequent procedures, Article 8, Paragraph 4 of the “Act on International Mutual Legal assistance in Criminal Matters” provided that “In the case a request cannot be implemented due to insufficient information given, the Ministry of Foreign Affairs or the Ministry of Justice may ask for further explanation or supplement from the Requesting Party.”

3. **Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.**

Regarding our nation’s national practice cases, please refer to the cases in Article 54, Subparagraph 1(a), where the MOJ has timely notified requesting parties of subsequent case progress.

Article 55, paragraph 4

4. The decisions or actions provided for in paragraphs 1 and 2 of this article shall be taken by the requested State Party in accordance with and subject to the provisions of its domestic law and its procedural rules or any bilateral or multilateral agreement or arrangement to which it may be bound in relation to the requesting State Party.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please refer to the response content regarding “provisions on measures/steps taken (or planned) to ensure full compliance with this convention” in Article 51.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Regarding confiscation or recovery related to crime, Articles 6, 23, 24, etc., of the “Act on International Mutual Legal Assistance in Criminal Matters” not only explicitly stipulate that requesting parties meeting certain requirements may request our nation’s assistance in seizing property and executing their final criminal judgments or orders, but Article 27 also provides procedural protection for third parties to state their opinions. According to Article 33, Paragraph 1 of the same Act, after deducting expenses and returning property to legitimate rights holders from confiscated or recovered property, our nation may negotiate to share certain proportions with the requesting parties.

Article 55, subparagraph 6

6.If a State Party elects to make the taking of the measures referred to in paragraphs 1 and 2 of this article conditional on the existence of a relevant treaty, that State Party shall consider this Convention the necessary and sufficient treaty basis.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 2 of the “Act on International Mutual Legal assistance in Criminal Matters” stipulates that “To the issues concerning international mutual legal assistance in criminal matters, treaties apply; where there are no such treaties or no applicable provisions in such treaties, this Act shall apply. For the issues to which no provisions of this Act are applicable, The Code of Criminal Procedure and other laws apply.” According to the preceding article, when our nation conducts international cooperation on related confiscation matters, it may also apply the Act to Implement United Nations Convention against Corruption based on specific case circumstances.

Therefore, the “Act on International Mutual Legal Assistance in Criminal Matters” explicitly stipulates that if certain requirements are met, our nation may recognize and execute requesting countries’ final judgments or orders related to crime confiscation or recovery. However, the “Act on International Mutual Legal Assistance in Criminal Matters” adopts the principle of treaty priority. So when treaties and the law regulate the same matters, the treaties shall take priority in application. When our nation signs related mutual legal assistance treaties and agreements with other countries, we strive to refer to relevant UNCAC provisions and provide the broadest judicial cooperation and assistance measures.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

There have been no such cases among the mutual legal assistance cases received by the MOJ.

Article 55, paragraph 7

7.Cooperation under this article may also be refused or provisional measures lifted if the requested State Party does not receive sufficient and timely evidence or if the property is of a de minimis value.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 7; Article 8; Article 10, Paragraph 2, Subparagraph 1 and Paragraph 3; and Article 13 of the “Act on International Mutual Assistance in Criminal Matters” provide regulations regarding the procedures for foreign governments, institutions, or international organizations requesting assistance from our nation.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Article 55, paragraph 8

8. Before lifting any provisional measure taken pursuant to this article, the requested State Party shall, wherever possible, give the requesting State Party an opportunity to present its reasons in favour of continuing the measure.

1. **Is your country in compliance with this provision?**

Yes

2. **Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.**

International crimes vary in nature, and required assistance differs case by case. To avoid omissions, Article 6, Subparagraph 8 of the “Act on International Mutual Assistance in Criminal Matters” stipulates that assistance that can be requested or provided under this Act includes other criminal judicial assistance not violating our nation’s laws, providing a broad legal foundation for the scope of the aid our country can provide. According to current practical operations, when our nation’s prosecuting agencies executing mutual legal assistance requests intend to lift any preservation measures, they will communicate with the requesting country through the MOJ first to confirm whether the requesting country can provide supplementary materials to maintain relevant preservation measures.

In addition to Article 6, Subparagraph 8 of the “Act on International Mutual Assistance in Criminal Matters,” Article 13 of the same Act provides, “The Assisting Body is empowered to review all the requirements of the request as set out in this Act and relevant laws. It may, via the Ministry of Justice, ask the Requesting Party to give additional information or inform the Requesting Party of its denial of the request.”

3. **Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.**

Although the MOJ has no relevant practical cases to provide, according to current practical operations, all efforts are made to assist mutual legal assistance requests from other countries based on the purpose of jointly combating transnational crime.

Article 55, paragraph 9

9. The provisions of this article shall not be construed as prejudicing the rights of bona fide third parties.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The “Act on International Mutual Assistance in Criminal Matters” stipulates that our nation may recognize and execute final judgments or orders related to confiscation or recovery from requesting countries if certain requirements are met. However, Article 23, Paragraph 1, Subparagraph 6 of the Act stipulates that regarding confiscation orders from requesting countries involving third-party rights, the requesting country can only request our nation’s assistance in execution if the third party has been given sufficient opportunity to assert their rights. This provision demonstrates our nation’s comprehensive protection of third-party interests.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Article 56 : Special cooperation

Article 56

Without prejudice to its domestic law, each State Party shall endeavour to take measures to permit it to forward, without prejudice to its own investigations, prosecutions or judicial proceedings, information on proceeds of offences established in accordance with this Convention to another State Party without prior request, when it considers that the disclosure of such information might assist the receiving State Party in initiating or carrying out investigations, prosecutions or judicial proceedings or might lead to a request by that State Party under this chapter of the Convention.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 28, Paragraph 2 of the “Money Laundering Control Act” stipulates that for cases where foreign governments, institutions, or international organizations request our nation’s assistance, data received from reports or notifications under Articles 12 to 14 of the same Act and their investigation results may be provided based on the principle of reciprocity except where treaties or agreements provide otherwise.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

The MOJ serves as the contact window for the Asia-Pacific Economic Cooperation (APEC) Anti-Corruption and Law Enforcement Agencies Network (ACT-NET). In February 2023, the MOJ attended the 10th Anti-Corruption and Law Enforcement Agencies Network meeting in Palm Springs, California, where it was invited to serve as a workshop session group discussion coordinator. During group discussions on various countries’ legal systems and mechanisms for confiscating criminal proceeds, it coordinated group opinions and reported them back to the workshop meeting. During this meeting, the conference also advocated enhancing the effectiveness of information transmission through the ACT-NET, encouraging member economies to utilize various information exchange channels.

In September 2023, the MOJ deployed representatives to attend that year’s International Association of Prosecutors annual conference hosted by the U.K. Crown Prosecution Service. One day of the conference focused on illegal asset recovery, inviting representatives from various countries to present and exchange ideas and setting up workshops for prosecutors to deepen discussions on emerging confiscation and illegal asset recovery legal systems and practices. Our nation’s representatives actively established contact points with prosecutors from various countries during this conference to facilitate informal information exchange and formal mutual legal assistance operations.

In September 2023, the MOJ visited the International Anti-Corruption Coordination Center (IACCC) headquartered in London, UK, to establish and deepen information exchange channels

between our nation's prosecution agencies and IACCC regarding major corruption cases.

In November 2023, the MOJ visited the Egmont Group Secretariat in Ottawa, Canada, deepening exchanges with Secretary General Jérôme Beaumont and ECOFEL representatives to understand information transmission effectiveness. Through this visit, they gained an understanding of cooperation between the Egmont Group, the International Association of Prosecutors, and the International Anti-Corruption Coordination Center to actively take relevant measures to accelerate the depth and breadth of information exchange.

In December 2023, the MOJ visited the U.S. Department of Justice, Homeland Security Investigations, and Drug Enforcement Administration to exchange views on information exchange mechanisms, including corruption cases. Both sides agreed that informal information exchange and formal mutual legal assistance should complement each other to enhance investigation effectiveness and quickly achieve prosecution objectives.

Throughout 2023, the MOJ repeatedly accepted U.S. invitations to select prosecutors and prosecution officers to participate in U.S. International Law Enforcement Academy courses, including topics such as seizure and confiscation of illegal assets in financial crimes and virtual currency seizure and confiscation. Our nation's prosecutors actively used these course opportunities to establish informal cooperation and information exchange channels with foreign prosecutors and law enforcement personnel, continuing general or case-specific communication after course completion.

Our nation consistently engages in various meetings and workshops organized by international organizations. We have appointed dedicated personnel as contact points for each organization to facilitate the rapid and effective exchange of information. This approach not only enhances our cooperative relationships with diverse organizations and countries but also ensures our active participation in significant international forums. Such efforts aim to fortify communication channels between our nation and law enforcement agencies of other nations.

Article 57 : Return and disposal of assets

Article 57, paragraph 1

1. Property confiscated by a State Party pursuant to article 31 or 55 of this Convention shall be disposed of, including by return to its prior legitimate owners, pursuant to paragraph 3 of this article, by that State Party in accordance with the provisions of this Convention and its domestic law.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Please refer to the response content regarding “provisions on measures/steps taken (or planned) to ensure full compliance with this convention” in Article 51.

Please also refer to Article 473, Paragraph 1 of “The Code of Criminal Procedure” regarding regulations on rightful owners requesting the return of confiscated items or recovered property within one year after final judgment. Article 34, Paragraph 1 of the “Act on International Mutual Assistance in Criminal Matters,” and Articles 35 and 36 of the same Act regarding criminal mutual legal assistance requests between Taiwan and mainland China, Hong Kong, and Macau regions apply mutatis mutandis to the provisions of the “Act on International Mutual Assistance in Criminal Matters.”

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

In a 2019 fraud case involving Korean victims in South Korea, a money mule was caught at the airport returning to Taiwan carrying KRW45,109,000. Following mutual legal assistance requests between Taiwan and South Korea, the New Taipei District Prosecutors Office in Taiwan issued a not to prosecution disposition for the apprehended money mule. This decision was based on the available evidence, which only substantiated burglary charges, while also recognizing that Taiwan lacks jurisdiction over offenses committed in South Korea. In a collaborative effort, representatives from both nations facilitated the signing of a memorandum of understanding on judicial mutual cooperation between the Taipei Mission in Korea and the Korean Mission in Taipei on February 24th, 2023. Under active coordination between Korea’s MOJ, Taiwan’s MOJ, and the New Taipei District Prosecutors Office, the money mule renounced ownership of the fraudulent funds, and the Korean victims authorized prosecution officers and case investigators appointed by Korea’s MOJ to come to Taiwan. On June 15th, 2023, at Taiwan’s New Taipei District Prosecutors Office, the officials collected the seized fraudulent funds of KRW45,109,000 (equivalent to about NT\$1,000,000) on behalf of the Korean victims and returned it to Korea for delivery to the victims. The legal basis for this return was Article 142, Paragraph 1 of “The Code of Criminal Procedure” and Article 6, Subparagraph 7 of the “Act on International Mutual Assistance in Criminal Matters.”

Article 57, subparagraph 3 (a)

3. In accordance with articles 46 and 55 of this Convention and paragraphs 1 and 2 of this article, the requested State Party shall:

(a) In the case of embezzlement of public funds or of laundering of embezzled public funds as referred to in articles 17 and 23 of this Convention, when confiscation was executed in accordance with article 55 and on the basis of a final judgment in the requesting State Party, a requirement that can be waived by the requested State Party, return the confiscated property to the requesting State Party;

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 12 of the “Act on International Mutual Assistance in Criminal Matters” stipulates that when our nation executes requests, it may follow the requesting party’s requested methods as long as they do not violate our nation’s laws. Article 34 of the same Act establishes that when sufficient evidence indicates that the individual requesting the return or payment is a foreign national, and when adherence to the procedures outlined in The Code of Criminal Procedure renders the return or payment challenging or unfeasible, the MOJ may engage in negotiations on a case-by-case basis upon the request of the foreign government. This negotiation may involve the transfer of all or a portion of the seized items, confiscated items, and recovered property to the respective foreign government.

Please refer to the response content regarding “provisions on measures/steps taken (or planned) to ensure full compliance with this convention” in Article 51.

Regarding the need for clear legal regulations for current “case-by-case” negotiation models, the MOJ shall conduct “case-by-case” negotiations based on the “International and Criminal Mutual Legal Assistance Act” and relevant mutual legal assistance treaties and agreements.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

There have been no such cases among the mutual legal assistance cases received by the MOJ.

Article 57, subparagraph 3 (b)

(b)In the case of proceeds of any other offence covered by this Convention, when the confiscation was executed in accordance with article 55 of this Convention and on the basis of a final judgement in the requesting State Party, a requirement that can be waived by the requested State Party, return the confiscated property to the requesting State Party, when the requesting State Party reasonably establishes its prior ownership of such confiscated property to the requested State Party or when the requested State Party recognizes damage to the requesting State Party as a basis for returning the confiscated property;

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 12 of the “Act on International Mutual Assistance in Criminal Matters” stipulates that when our nation executes requests, it may follow the requesting party’s requested methods as long as they do not violate our nation’s laws. Article 34 of the same Act establishes that when sufficient evidence indicates that the individual requesting the return or payment is a foreign national, and when adherence to the procedures outlined in The Code of Criminal Procedure renders the return or payment challenging or unfeasible, the MOJ may engage in negotiations on a case-by-case basis upon the request of the foreign government. This negotiation may involve the transfer of all or a portion of the seized items, confiscated items, and recovered property to the respective foreign government.

Please refer to the response content regarding “provisions on measures/steps taken (or planned) to ensure full compliance with this convention” in Article 57, Subparagraph 3(a).

Please refer to the response content regarding “provisions on measures/steps taken (or planned) to ensure full compliance with this convention” in Article 51.

Regarding the need for clear legal regulations for current “case-by-case” negotiation models, please refer to the explanation in Article 57, Subparagraph 3(a).

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

There have been no such cases among the mutual legal assistance cases received by the MOJ.

Article 57, subparagraph 3 (c)

(c)In all other cases, give priority consideration to returning confiscated property to the requesting State Party, returning such property to its prior legitimate owners or compensating the victims of the crime.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

To prioritize protecting victims' right to compensation arising from crimes, Article 38-1, Subparagraph 5 of our nation's "Criminal Code" stipulates that criminal proceeds actually legally returned to victims shall not be declared confiscated or recovered. Additionally, if victims file a claim for return after final judgment, they can also apply for revocation of confiscation Final and binding court decisions according to Article 455-29 of The Code of Criminal Procedure.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Please refer to the response content regarding "examples of the implementation of those measures" in Article 57, Paragraph 1.

Article 57, paragraph 2

2. Each State Party shall adopt such legislative and other measures, in accordance with the fundamental principles of its domestic law, as may be necessary to enable its competent authorities to return confiscated property, when acting on the request made by another State Party, in accordance with this Convention, taking into account the rights of bona fide third parties.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 473 of “The Code of Criminal Procedure” stipulates that if the rights holders file a motion to have confiscated items or force-collected property returned, or if persons, who are allowed to exercise the right to a claim as a result of the defendant’s crime, have obtained the civil compulsory execution and file a motion to be paid, within a year after the judgment is finalized, the prosecutor shall return such items/property or pay such claims, with the exceptions of: items/property that should be destroyed or abandoned. Additionally, Article 34 of the “Act on International Mutual Assistance in Criminal Matters” stipulates that where there are substantial grounds for believing that a foreign right-holder is entitled to the restitution or transfer of the assets seized, or confiscated, or the proceeds value collected, yet difficult to be restituted or transferred after relevant criminal proceeding had been instituted according to The Code of Criminal Procedure, the Ministry of Justice may, upon the request of foreign right-holder’s government, negotiate with it case by case and transfer all or part of the assets or value to the said foreign government for a further restitution or transfer, based on reciprocity as well as the treaties, agreements or arrangements that were concluded between the foreign government and ROC (Taiwan).

For comprehensive protection of bona fide third parties, the prerequisite for applying Article 34 of the “Act on International Mutual Assistance in Criminal Matters” is that it must be proven that it is difficult or impossible to return or pay despite following the procedures outlined in “The Code of Criminal Procedure.” Additionally, Part VII-2 of the Code establishes special procedures for confiscation, which includes regulations for third-party participation in these confiscation procedures. Therefore, our nation already has relevant legal provisions in place to protect the rights of bona fide third parties.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

There have been no such cases among the mutual legal assistance cases received by the MOJ.

Article 57, paragraph 4

4. Where appropriate, unless States Parties decide otherwise, the requested State Party may deduct reasonable expenses incurred in investigations, prosecutions or judicial proceedings leading to the return or disposition of confiscated property pursuant to this article.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 33, Paragraph 2 of the “Act on International Mutual Assistance in Criminal Matters” provides that prior to the restitution of assets or value to a foreign government, foreign institution or international organization, the costs and expenses incurred in the implementation of the assistance extend to the foreign government, foreign institution or international organization shall be deducted by ROC (Taiwan) from the sum of the said assets; however the interest of legitimate right-holders and victims shall be properly considered in advance.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Article 57, paragraph 5

5. Where appropriate, States Parties may also give special consideration to concluding agreements or mutually acceptable arrangements, on a case-by-case basis, for the final disposal of confiscated property.

1. **Is your country in compliance with this provision?**

Yes

2. **Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.**

According to Articles 2 and 5 of the “Act on International Mutual Assistance in Criminal Matters,” regarding international criminal mutual legal assistance matters, countries that have not signed mutual legal assistance treaties with our nation can be considered for mutual legal assistance as long as they can provide reciprocity guarantees. Currently, our nation has signed criminal mutual legal assistance treaties (agreements) with the United States, Philippines, South Africa, Poland, Nauru, Belize, Saint Vincent and the Grenadines, and Palau, and a criminal and civil/commercial judicial cooperation agreement with Slovakia. Taiwan has also signed the “Cross-Strait Joint Crime-Fighting and Judicial Mutual Assistance Agreement” with mainland China, allowing cooperation in investigation assistance, personnel repatriation, document service, evidence collection, proceeds transfer, judgment recognition, criminal return, and humanitarian visits. When necessary, Taiwan continues to work on signing mutual legal assistance initiatives based on equality and reciprocity principles for countries that have not signed treaties/agreements with Taiwan. It provides appropriate, constructive, timely, and broad judicial assistance to countries that have not signed mutual legal assistance treaties or agreements with Taiwan for joint investigation or criminal pursuit.

Please refer to the response content regarding “provisions on measures/steps taken (or planned) to ensure full compliance with this convention” in Article 51.

3. **Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.**

In the La Fayette case, our nation’s prosecutors formally requested Liechtenstein and Switzerland to return frozen assets of the Wang-o’s family, receiving support and assistance from these countries. On February 2nd, 2023, approximately US\$11,000,000 in overseas illegal proceeds related to the La Fayette-class Frigate procurement scandal from the late arms dealer Wang family was returned to our nation. After assisting with the asset freeze, the Swiss Federal Office of Justice decided on February 3rd, 2021, to agree to return the frozen assets to our nation and remitted US\$138,040,000 back to our nation on July 11th, 2023. Our nation is currently still cooperating with other relevant countries to recover illegal proceeds from this case.

In August 2024, the MOJ received a 50% share, approximately US\$7,000,000 in confiscated funds, from Country A’s Department of Justice for assisting in returning illegal assets related to money laundering crimes in their investigated case. This was the first instance of international sharing by Country A to Taiwan after Taiwan assisted in seizing illegal assets and returning them

to Country A according to bilateral agreements and the Act on International Mutual Assistance in Criminal Matters. The MOJ previously executed its first case of returning criminal illegal proceeds according to the Act on International Mutual Assistance in Criminal Matters in 2022, returning nearly US\$16,000,000 to Country A. Country A subsequently expressed gratitude for our nation's assistance and actively processed their international sharing procedures domestically. After more than 2 years and multiple bilateral negotiations, Country A shared 50% of the criminally confiscated illegal assets of approximately US\$7,000,000 in August 2024 with our nation after deducting handling fees, related costs, and victim compensation.

Article 59 : Bilateral and multilateral agreements and arrangements

Article 59

States Parties shall consider concluding bilateral or multilateral agreements or arrangements to enhance the effectiveness of international cooperation undertaken pursuant to this chapter of the Convention.

1. Is your country in compliance with this provision?

Yes

2. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Our nation has actively signed mutual legal assistance treaties or agreements with various countries to effectively combat transnational crime and trace money flows. currently, our nation has signed criminal mutual legal assistance treaties (agreements) with the United States, the Philippines, South Africa, Poland, Nauru, Belize, Saint Vincent and the Grenadines, and Palau, and a criminal and civil/commercial judicial cooperation agreement with Slovakia. We have also signed the “Cross-Strait Joint Crime-Fighting and Judicial Mutual Assistance Agreement” with mainland China, allowing cooperation in investigation assistance, personnel repatriation, document service, evidence collection, proceeds transfer, judgment recognition, criminal return, and humanitarian visits. When necessary, Taiwan continues to work on signing mutual legal assistance initiatives based on equality and reciprocity principles for countries that have not signed treaties/agreements with Taiwan. It provides appropriate, constructive, timely, and broad judicial assistance to countries that have not signed mutual legal assistance treaties or agreements with Taiwan for joint investigation or criminal pursuit.

3. Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.