

ROC's Third Report under the
United Nations Convention
against Corruption

Parallel Report

Reported by:

Taiwan Bar Association

Lin, Ruey-Bin, Attorney

Liu, Ying-Hsueh, Attorney

April 2026

Taiwan Bar Association

ROC's Third Report under the United Nations Convention against Corruption

- Parallel Report

Table of Contents

I.	Foreword	4
II.	Executive Summary	6
III.	Observations and Recommendations	
(I)	Overall strengthening of anti-corruption regulations in the private sector	
1.	Current status of anti-corruption legal system in Taiwan's private sector	8
2.	The gap between corporate responsibility and preventive mechanisms	9
3.	Inadequate regulations on commercial bribery and practical difficulties	9
4.	Constructing an anti-corruption system with self-discipline and external regulations	10
(II)	Enhancement of the public-sector anti-corruption platform and governance in high-risk sectors	
1.	Operation and functions of Taiwan's anti-corruption platform	15

2.	Scope of application of and restrictions on professional participation in the anti-corruption platform system	16
3.	Anti-corruption challenges in high-risk sectors	16
4.	Strengthening the applicability of the anti-corruption platform, institutionalizing the participation of external professionals, and constructing high-risk governance mechanisms	17
IV.	Conclusion	20
V.	Acknowledgments	22

I. Foreword

The rapid development of global trade and cross-border business activities has led to increasingly diverse and covert acts of corruption. Such acts have gradually expanded from traditional public sector corruption involving power-money transactions to commercial bribery and improper transfer of benefits between private sectors, with complex structures involving transnational money laundering to obstruct investigation.

Numerous international cases of corruption demonstrate that corruption in both the public and private sectors often has far-reaching and destructive consequences. It not only erodes the integrity and credibility of governments and the governance and reputation of businesses, but also disrupts market order, impacts socio-economic development, and undermines public trust and rights. This underscores the urgent need for countries to establish comprehensive and robust anti-corruption systems.

The international community has reached a general consensus that we cannot effectively curb corruption by relying solely on the old system of post-event sanctions for criminal actions. Therefore, it emphasizes the importance of prevention as a top priority, and proposes to build a comprehensive system to combat corruption by introducing professionals from different fields and mechanisms for cooperation between the public and private sectors. Against this backdrop, the United Nations Convention against Corruption (UNCAC) was created to establish a comprehensive normative framework covering preventive measures, conviction and enforcement, international cooperation, and asset recovery, and implement anti-corruption policies in all countries.

To align with the global development of anti-corruption systems, Taiwan has enacted the Act to Implement United Nations Convention against Corruption (UNCAC Implementation Act) to implement the spirit of UNCAC. In order to review the effectiveness of implementation, the Act requires the submission of national reports on a regular basis and the invitation of non-governmental organizations to issue parallel reports. Through the cross-examination of multiple perspectives and the observation of practical experience in professional fields such as law and accounting, the Act assists the government to achieve continuous improvements in its anti-corruption work.

II. Executive Summary

In recent years, Taiwan has made continuous efforts to promote the development of the anti-corruption system and has made considerable and commendable progress. For example, in the public sector, we have strengthened the prevention and control of high-risk cases by building an anti-corruption platform and cross-agency cooperation mechanisms. In the private sector, the introduction of corporate criminal liability through legislative amendments will enhance the implementation of enterprise integrity practices.

However, there is still room for improvement in the overall system. First, the involvement of external professionals in anti-corruption prevention measures is still limited. Current policies are mainly implemented by the internal personnel of organizations in the public and private sectors, and they do not fully utilize third-party professionals such as lawyers or incorporate them into the anti-corruption framework. As a result, they cannot contribute their professional expertise in key aspects such as internal control design, risk identification, and investigation procedures, which has created weaknesses in the anti-corruption system.

Secondly, in terms of the private sector, as we gradually take legislative actions on corporate criminal liability, we have not yet established comprehensive supporting measures. For example, while regulations increase corporate corruption liability, we still have insufficient incentives for companies to strengthen internal controls and legal compliance. The restrictions in current criminal law on the application of commercial bribery may result in the inability to punish certain acts of corruption, which affects the integrity of the anti-corruption system.

Furthermore, in the public sector, we still need to strengthen the scope and regulatory strength of anti-corruption platforms for high-risk cases. Moreover, high-risk institutions lack systematic risk assessment mechanisms and monitoring tools, making it difficult to cope with increasingly complex and covert acts of corruption that are evolving alongside technological advancements, thus affecting the prevention of corruption.

The Taiwan National Bar Association has long been concerned with anti-corruption issues and has therefore submitted a parallel report on the "ROC's Third Report under the United Nations Convention against Corruption" (hereinafter referred to as the Third National Report). The report analyzes the current system from the professional perspective of attorneys, and observes specific practices to make recommendations on the implementation of UNCAC in Taiwan, with the aim of improving the effectiveness of anti-corruption governance in Taiwan.

III. Observations and Recommendations

(I) Overall strengthening of anti-corruption regulations in the private sector

1. Current status of anti-corruption legal system in Taiwan's private sector

As global anti-corruption governance gradually expands from the public sector to the private sector, Article 12 of the UNCAC explicitly requires State Parties to implement anti-corruption measures in the private sector, including establishing appropriate standards and procedures to maintain enterprise integrity, strengthening internal audit control systems, and preventing conflicts of interest and falsified records. In international practice, these requirements are usually incorporated into companies' internal control, integrity management principles, and legal compliance systems. Article 21 encourages State Parties to consider including bribery in the private sector in criminal regulations, demonstrating significant international support toward the issue of improper transfer of benefits between companies. The aforementioned regulatory framework shows that anti-corruption governance in the private sector has transitioned from a traditional supplementary role into an indispensable core component.

In recent years, Taiwan has modified its legal system to align with international trends, and has made significant progress in the amendment of laws to strengthen corporate criminal liability. For example, the Money Laundering Control Act has been amended to introduce a corporate liability system, punishing the legal entities behind the natural persons who

offer bribes, and includes clauses for mitigation or exemption of liability under certain conditions. This shows that legislators now recognize that enterprises, as organizations, must be held responsible for illegal acts caused by the failure of their internal controls. The draft amendment to the Anti-Corruption Act also proposes to introduce corporate liability regulations and impose significant monetary penalties on corporations. This development aims to encourage companies to strengthen internal governance through the corporate liability system in order to prevent corruption.

2. The gap between corporate responsibility and preventive mechanisms

The aforementioned amendments demonstrate a growing concern in Taiwan regarding corporate legal responsibility, and the new emphasis is commendable. However, it must be pointed out that incentives sufficient to encourage companies to strengthen their implementation of preventive mechanisms have yet to be designed. For example, although the amendments to the Money Laundering Control Act and the draft amendments to the Anti-Corruption Act contain provisions for mitigation of liability, their scope of application and judgment standards still require additional clarification and institutionalization. Current amendments place more emphasis on post-event accountability rather than encouraging companies to proactively establish effective internal control and legal compliance mechanisms through direct internal compliance systems and criminal penalties.

3. Inadequate regulations on commercial bribery and practical difficulties

The existing traditional criminal laws for combating corruption in the private sector are also clearly inadequate. In practice, Taiwan does not set a specific crime for commercial bribery, such as improper transfer of benefits between enterprises, which poses significant risks, with the aim of protecting the social legal interests of free and fair competition in economic activities. Instead, such crimes are mostly processed as the crime of breach of trust in the Criminal Code, which aims to protect the individual legal interests of overall property and is a crime of actual harm. However, "causing property damage" is required to consider specific acts a crime, which is difficult to prove and has a limited scope of application. This makes it impossible to punish some private sector corruption under existing criminal laws, indicating that Taiwan has not yet established a comprehensive criminal law framework for corruption in the private sector.

4. Constructing an anti-corruption system with self-discipline and external regulations

To improve the anti-corruption system in Taiwan's private sector and meet the requirements of UNCAC, the Taiwan Bar Association recommends strengthening the system with both "self-discipline" and "external regulations."

- (1) First, in terms of "self-discipline," we recommend the establishment of clear conditions for corporate liability reduction or exemption in criminal and commercial laws on the basis of "effective legal compliance systems and internal controls." If a company proves that it has taken reasonable and effective measures to prevent corruption, such as implementing risk assessment and risk detection

mechanisms, conducting education and training, establishing whistleblowing channels and witness protection systems, these can serve as grounds for reducing or exempting corporate criminal liability. This would increase the incentive for companies to implement legal compliance and internal controls, and help shift the focus of anti-corruption governance from post-event punishment to pre-event prevention.

- a. In terms of legal compliance, we recommend that companies appoint a dedicated legal compliance officer, who should be a lawyer, to ensure that the officer has professional legal knowledge and practical skills and is able to effectively identify regulatory risks and plan compliance systems. The legal compliance officer must be adequately independent and free from interference from other business departments within the company to ensure that the law is the highest guiding principle in the performance of their duties and avoid conflicts of interest from affecting their judgment. In addition, the legal compliance officer has an obligation to proactively disclose and recommend improvements for any non-compliance with laws or regulations by the company, and to report to the board of directors or supervisory authorities when necessary to urge the company to promptly correct any illegal behavior and implement enterprise integrity governance.
- b. In terms of effective internal control, it is not only important to establish the appearance of the system, but also to strengthen the professional competence of internal control personnel. In terms of internal control implementation, it is necessary to conduct a comprehensive and effective review of contract terms,

and to have the ability to conduct risk assessments and propose specific risk mitigation plans in a timely manner for high-risk cases. These are all important aspects of the current internal control system of publicly listed companies in Taiwan that urgently require improvements. Only by continuously improving the professionalism and practical operational capabilities of personnel can we ensure the substantive effectiveness of the internal control mechanism and achieve the goal of preventing corruption.

Furthermore, the Association recommends that anti-corruption mechanisms be explicitly incorporated into the ESG assessment indicators (the corporate governance assessment has been changed to ESG assessment this year, but the original corporate governance assessment items have remained largely the same, with only adjustments of the key points in the assessment to reflect the growing importance of corporate sustainability and social responsibility). As the international market imposes more demand for corporate sustainability and integrity governance, the inclusion of anti-corruption measures in corporate performance evaluation through the assessment mechanism will enhance companies' intrinsic motivation to prevent corruption and continuously encourage companies to improve their legal compliance and internal control mechanisms through market mechanisms.

In order to enhance credibility during the implementation of the above, the Association recommends and encourages enterprises to establish dedicated units such as anti-corruption committees, appoint external lawyers,

accountants, and other expert consultants, and enhance their participation in the establishment of anti-corruption systems. This ensures that the system design complies with regulatory requirements and enhances the fairness and professionalism of corruption risk management, internal investigations, and decision-making opinions.

- (2) Secondly, due to the inadequacy of the current regulations on commercial bribery, the Association recommends a phased strengthening strategy.

In the short term, corporate compliance with laws such as the Trade Secrets Act, the Money Laundering Control Act, and the Anti-Infiltration Act must be uniformly managed or supervised by the company's anti-corruption mechanism and included in ESG assessments. This not only strengthens the integration and implementation of laws and regulations within the enterprise, but also ensures that potential corruption resulting from violations of the aforementioned laws can be effectively prevented and controlled, thereby safeguarding the enterprise's integrity governance and legitimate operations.

However, in the medium to long term, we still recommend careful evaluations for the establishment of a special law on commercial bribery to comply with requirements in the UNCAC. Such legislation should take into account the actual business environment and corporate operation model in Taiwan, and balance clarity and enforceability in the design of the constituent elements. Therefore, we recommend the enactment of a special law to incorporate the aforementioned "self-regulation" mechanism. It would

require companies of a certain size to establish anti-corruption mechanisms, and imposes certain corporate responsibilities on legal entities that fail to establish effective anti-corruption mechanisms and lead to commercial bribery. This is the only way to effectively reduce the occurrence of corporate corruption.

(II) Enhancement of the public-sector anti-corruption platform and governance in high-risk sectors

1. Operation and functions of Taiwan's anti-corruption platform

In terms of anti-corruption measures in the public sector, Article 5 of the UNCAC requires States Parties to develop and implement coordinated anti-corruption policies to promote the rule of law, good governance, and integrity in public affairs. Article 9 requires States Parties to establish appropriate public procurement systems to ensure transparency, competition, and objective standards, thereby reducing the risk of corruption. Article 13 emphasizes public participation, including enhancing information transparency, encouraging public oversight, and promoting public-private partnerships to strengthen the effectiveness of anti-corruption measures. These provisions reveal the UNCAC's shift in regulatory requirements from post-incident investigation to pre-incident prevention, enhanced pre-screening mechanisms for major and high-risk cases, and emphasis on the importance of interagency collaboration and involvement of external professionals.

Under this framework, the diverse anti-corruption platform mechanisms currently being promoted in Taiwan, such as the "Government Procurement Integrity Platform," "Integrity Platform for Enterprise Services," and "Liaison Platform for Combating Crimes against Green Energy Industry Development," have gradually developed operational models involving cross-departmental, cross-agency, and cross-sectoral cooperation and preventive intervention. They possess several important functions, including promoting cross-agency

information integration and collaboration, reducing information asymmetry between agencies, identifying potential corruption risks in advance and providing preventive advice, and establishing communication mechanisms between government agencies and private enterprises to reduce the risk of corruption arising from opaque interactions.

The operation of the aforementioned system is in line with the emphasis on preventive governance and public-private partnerships in the UNCAC, and Taiwan's government has achieved significant results, which is commendable.

2. Scope of application of and restrictions on professional participation in the anti-corruption platform system

However, most existing anti-corruption platforms are set up for administrative guidance or implementation of policies. Their operation is primarily based on the internal operating procedures of administrative agencies and the coordination mechanisms of the anti-corruption system. They do not impose mandatory participation by law. In practice, each agency assesses whether to join based on their respective needs, which means it is a voluntary and discretionary operating model. While this retains administrative flexibility, it also lowers the applicability of the system, making it difficult to ensure that all high-risk corruption cases are included in the oversight mechanisms.

3. Anti-corruption challenges in high-risk sectors

Technological development has increased the complexity of public governance. Sectors with high corruption risks, such as

major public works procurement, defense and military procurement, energy and infrastructure investment, or projects that attract a high level of public attention, often involve immense financial flows and multiple stakeholders, making them areas with high concentrations of corruption risks. The forms of corruption are also constantly evolving, and the methods of improper transfer of benefits are becoming more covert, which increases the difficulty of supervision and verification. High levels of professional expertise are needed to assist in risk assessment, prevention, and management.

In response to the immense challenges above, the governance of anti-corruption efforts in the public sector must focus on keeping pace with the times, the use of high-tech tools and professional analytical capabilities, and the effective establishment of a systematic and continuous monitoring and prevention mechanism for high-risk areas of corruption.

4. Strengthening the applicability of the anti-corruption platform, institutionalizing the participation of external professionals, and constructing high-risk governance mechanisms

In view of the above observations, firstly, the Association recommends that in order to further enhance the coverage and effectiveness of the anti-corruption platform system, all major projects such as public works, urban planning, and government investment exceeding a certain amount must be included by law in the operations of the anti-corruption platform. This ensures the supervision and preventive control over high-risk cases. At the very least, we must establish a semi-mandatory management mechanism. It means that, in principle, they should be controlled by the anti-corruption platform, and exceptions

should be made by the competent authority with a specific explanation of the reasons for not including them in the platform. We must establish a transparent accountability mechanism in the process, and achieve a balance between administrative discretion and risk management to ensure that high-risk cases are not omitted due to individual judgment oversights.

Secondly, in response to the potential shortage of human resources in some agencies, and to enhance the professionalism and credibility of the anti-corruption platform, the Association recommends the systematic inclusion of public participation by external professionals. A small portion of the relevant procurement or project execution funds could be allocated to professional associations to assign lawyers, accountants, and professional engineers with the relevant expertise to assist in the operations of the platform. This would involve them in matters such as professional document review, compliance assessment of disputed cases, fact-finding, and risk assessment. The goal is to provide supplementary professional capabilities, improve the system's execution and professional review standards, promote public-private partnerships, and jointly safeguard public interests and integrity governance. For example, lawyers can provide professional opinions on the legality of contract terms, the allocation of rights and obligations, and potential legal risks in major procurement projects, and accountants can conduct professional analysis of financial data, cost structures, and abnormal transactions. This enables us to improve the quality and consistency of decision-making through interdisciplinary collaboration. In addition, we can set the standards for the qualifications, selection mechanisms, and scope of authority

and responsibility for the participating experts to enhance the stability and reliability of the system.

Furthermore, the Association recommends establishing internal, institutionalized governance mechanisms for important agencies or cases with high corruption risks. For example, we should adopt a systematic corruption risk assessment model. By compiling and reviewing the characteristics of operations, transaction patterns, and historical cases of high-risk agencies, we can identify areas prone to corruption risks. The results can be used to allocate supervisory resources and technological tools for monitoring. Data analysis techniques can be used to identify suspicious activities such as abnormal transactions, duplicate bidding, or unreasonable changes in cost and expenditure, thereby improving the timeliness and accuracy of corruption risk detection. In addition to manual investigation procedures, auxiliary verification measures that comply with the rule of law should be developed. For example, under the premise of full compliance with the principles of proportionality and procedural justice, we should conduct evidence collection, intelligence analysis, and witness interviews with the assistance of professionals to enhance our ability to combat corruption.

IV. Conclusion

In recent years, Taiwan has laid a solid foundation for its anti-corruption system and largely aligned with the normative requirements in UNCAC. It has gradually shifted from a traditional model that mainly focuses on post-event investigation and punishment to one that emphasizes preventive governance and institutionalized management. However, as corruption becomes increasingly complex and covert, the existing system still needs to be reviewed, enhanced, and improved to ensure the effective operation of the anti-corruption system.

In the development of anti-corruption systems in the private sector, we must adopt the principle of imposing both "self-discipline" and "external regulations." On the one hand, the development of relevant laws and regulations has shifted to strengthening corporate anti-corruption responsibilities. However, in terms of system design, it is still necessary to strengthen the incentives for compliance by enterprises. The law should be amended to study and design specific corporate liability reduction and exemption mechanisms to encourage enterprises to consolidate the opinions of external experts, implement internal control, compliance, and integrity management mechanisms, and proactively prevent corruption. On the other hand, we can use short-, medium- and long-term legislative plans to gradually improve the criminal justice system and fill the gaps in the current commercial bribery laws to enhance the deterrence against corruption in the private sector.

In terms of the progress of anti-corruption policies in the public sector, the existing anti-corruption platform embodies the

functions of cross-departmental cooperation and preventive intervention. However, due to the voluntary nature of its operations and insufficient external professional participation, it has not achieved the optimal overall benefits. In the future, the scope of application and the intensity of supervision should be expanded, and the public participation of professionals should be introduced to enhance the credibility of decision-making. In the face of challenges to the governance of high corruption risks, we should gradually adopt intelligent risk assessment, high-tech monitoring tools, and institutionalized verification mechanisms to improve the effectiveness of corruption prevention in the public sector.

In conclusion, the future development of Taiwan's anti-corruption system should focus on preventive legislation, inter-departmental cooperation, and public participation enshrined in the UNCAC. We must also strengthen the collaborative relationship between the public and private sectors through legislation and system design. In this process, lawyers, as the core entities of the legal profession, can play a crucial role. If their professional assistance can be appropriately harnessed and a stable and long-term participation mechanism can be established, they can provide multiple functions such as designing systems to prevent corruption, managing risks, and ensuring compliance with procedures. They can help improve the overall governance capacity of the anti-corruption system and promote ethical corporate management practices.

V. Acknowledgments

We thank the Agency Against Corruption of the Ministry of Justice for its long-term efforts to improve Taiwan's anti-corruption system and for providing the Association with the opportunity to participate in drafting a parallel report.

The completion of this report is made possible by the assistance of the Money Laundering and Terrorism Financing Control Committee, the Criminal Law Committee, and the Judicial Reform Committee of the Taiwan Bar Association. They provided valuable practical experience and insightful observations and suggestions during the drafting process, which made the arguments in this report more comprehensive and complete. We would like to extend our sincere appreciation for their invaluable contributions.