

## **PART III**

# **ANTI-CORRUPTION**





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#### I. Number of reports and cases filed for investigation

In 2013, the CCAC received a total of 481 criminal reports<sup>2</sup>, including 264 cases eligible for preliminary investigation. Together with 92 cases brought forward from the previous year<sup>3</sup>, the CCAC had to handle a total of 356 criminal reports in 2013.

The CCAC filed a total of 194 criminal cases for investigation in 2013, a slight increase when compared to the total in 2012. 98 cases of bribery reports in the private sector were commenced for preliminary investigation.

Investigation of a total of 236 criminal cases was completed (including the cases forwarded from 2012) and the cases were referred to the Public Prosecutions Office or archived accordingly.

NUMBER OF CRIMINAL CASES (2011-2013)

Data	2011	2012	2013
All cases received	804	852	896
Criminal reports	398	477	481 <sup>4</sup>
Pursuable cases	182	297	264
Cases filed for criminal investigation	112	183	194

<sup>2</sup> As some complaints contained allegations of both criminal acts and administrative appropriation, they could be placed on different files for criminal investigation and ombudsman investigation respectively.

<sup>3</sup> These cases were not recorded as those received and handled in 2013 due to the fact that the former involved special investigation measures and the outcomes of handling were quite different. Some of these cases were referred to the ombudsman department after relevant criminal investigation was completed.

<sup>4</sup> Same as Note 2.

## **II. Summaries of part of the cases investigated by CCAC**

### **Case 1:**

Based on the intelligence obtained, the CCAC carried out an operation on 10<sup>th</sup> April 2013 and arrested a prison staff surnamed Sio and found on him a receipt for purchasing mobiles and a mobile-list-to-buy. With other evidence in hand, Sio was suspected to have long received benefits and many times took advantage of his/her position to smuggle contraband into the prison for inmates. The behaviour has allegedly constituted offences of accepting bribes.

It is acquired after investigation that an inmate, who was suspected to be the mastermind of the crime syndicate, had been communicating with other parties through phone calls for a long period and had different people deposit money into designated ball game betting accounts. Later on, the inmate arranged another group of people to withdraw the money from those accounts and the cash would be delivered to Sio through complicated ways eventually.

With the assistance of the Macao Prison, the CCAC conducted an operation, during which a number of crucial evidence was found from the prison cells and inquiry of some inmates were carried out. Evidence showed that the said mastermind, after getting the mobiles from Sio, re-sold the mobile phones to other inmates at prices which were eight to ten times higher than the market price. The crime syndicate had been handling money transactions and phones by highly secreted, organised means for a long time and in circuitous ways.

During the investigation, someone confessed of accepting pecuniary interests for a long time to purchase mobile phones upon the requests of the inmates and smuggled them into the prison by taking advantage of his/her position. Moreover, during a follow-up investigation, the CCAC uncovered that another jailbird, who was believed to be the accomplice of the arrested inmate, resold relevant contraband to other inmates at exorbitant prices as a lucrative business. Information of relevant bank accounts shows that, between 2012 and the time when the case was unveiled, the amount of deposits reached more than HKD2 million, and the involved bribes totalled more than HKD400,000.

With the assistance of the Macao Prison, the CCAC conducted an operation, during which 20 mobiles, accessories and some HKD200,000 were seized. It is believed that the criminal activities have lasted for quite some time.

**Case 2:**

The CCAC revealed a case of alleged document forgery and power abuse by a doctor of the Health Bureau. The suspect, who had not strictly followed the code of practice of prescribing medicine for out-patient service stipulated by the Health Bureau, had allegedly abused his/her position as a doctor in the public hospital to falsely prescribe medicines for patients.

After investigation, the CCAC discovered that during the out-patient service in the Health Centre, the doctor was suspected to have, repeatedly and for a long time, violated the code of practice during the period at least from January 2010 to December 2012. He/She had prescribed the types and dosages of medicines which did not match the actual need of the patients. Such medicines involved diabetes drugs, hypoglycemic agents, hypolipidemic agents, anti-inflammatory drugs, anti-nasal allergy drugs and antibiotics drugs etc. The exceeding dosage prescribed ranged from dozens of to hundreds of tablets. The CCAC also discovered that part of the prescribed drugs was not claimed by the patients and the suspect had even prescribed medicines for other people by using the medical cards of some particular persons.

Moreover, during investigation, the CCAC also discovered that the suspect had not, according to the stipulation of the Bureau, written clear and detailed medical records for patients. He/She had also repeatedly violated the regulations by giving out handwritten medical prescriptions in which part of the contents was incomplete, such as missing the identity information of the patients and the proper ways of taking the prescribed drugs. In addition, the CCAC also found that the suspect had prescribed medicines for Macao patients who had already departed from the region.

The CCAC referred the case to the Public Prosecutions Office and informed the Health Bureau of the case and requested it to take immediate review measures to ensure that the medical resources will not be illicitly used.

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**Case 3:**

The CCAC revealed a case of alleged fraud by a public servant, who made use of his/her medical history, pretended to be very sick during follow-up consultation in hospital and repeatedly defrauded the doctor for sick leave certificates, obtaining 93 sick leave days during the period of January 2013 to April 2013.

After investigation, the suspect, who, starting from 2010, consulted the doctor in hospital due to lumbar spine problem and applied to his/her respective department for a transfer to work inside office in both 2011 and 2012, but the review of the Health Examination Committee of Hospital Conde S. Januário showed that the suspect's illness was not serious enough to be exempted from his responsibility of delivery work. In January 2013, the suspect, by making use of his/her medical history of lumbar spine problem, showed the Orthopaedic doctor that his/her lower back was exceptionally in pain. Such act made the doctor believe that his/her illness was so serious that some ten sick leave days were issued for the suspect to take a rest. The suspect returned to the hospital for follow-up consultation upon completion of every sick leave period to defraud sick leave with the same means. From January to April 2013, the suspect only worked for nine days. In fact, during the period of sick leave, the suspect could walk as usual to travel to the Mainland every day. He/She even self-drove in long-distance tour in Mainland and travelled to Southeast Asia with friends.

In the course of investigation, the suspect admitted having defrauding sick leave. The CCAC referred the case to the Public Prosecutions Office and informed the relevant department of the situation for follow-up.

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#### **Case 4:**

The CCAC has detected a case of document forgery and fraud over government subsidies involving the president of board of directors of a local research association (who is also an associate professor of a local tertiary institution). He has allegedly submitted false information in attempt to defraud over government subsidies.

It is discovered in the investigation that the research association applied for subsidies for a seminar on gambling held in the later half of 2012 from some government departments including the Macao Foundation, the Social Welfare Bureau, the Economic Services and the tertiary institution that the suspect is working for and the subsidies were granted finally. Moreover, the suspect also solicited sponsorship from five gaming companies and thus received an amount totaling MOP300,000. The incomes, including registration fees paid by participants, subsidies and sponsorships from government departments and gaming companies, totaled MOP730,000 approximately, while the actual spending only amounted to around MOP470,000. In other words, there was a balance of over MOP260,000.

However, in the report of the activity submitted to the Macao Foundation and the Social Welfare Bureau afterwards under Order no. 54/GM/97 of 9<sup>th</sup> January, the suspect falsely claimed that the association had received only MOP60,000 (instead of MOP300,000) from gaming companies for sponsorship, as a result, a deficit of over MOP4,600 was recorded.

After investigation, the CCAC found that the suspect has embezzled MOP240,000 balance of the sponsorship as well as made false statement to the Macao Foundation and the Social Welfare Bureau in order not to return the subsidies to the government departments, constituting offences of document forgery and fraud. The CCAC referred the case to the Public Prosecutions Office.

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#### **Case 5:**

On 30<sup>th</sup> August 2013, the CCAC arrested a police officer surnamed Lio in active service of the Immigration Service of the Public Security Police Force (CPSP) who allegedly forged the travel records of a visitor from Mainland China on the computer system of the Immigration Service, constituting offences of power abuse and making fraudulent technical record.

It is discovered in the investigation that a visitor from Mainland China surnamed Shen visited Macao in early July 2013 with an Exit-entry Permit for Travelling to and from Hong Kong and Macao which only allowed a single entry with a seven-day duration of stay. In order to extend the stay, Lio input a false departure record to the computer system during Shen's stay. Within one minute, Lio input another entry record in order to extend Shen's stay again. After that, the suspect did the same thing again to further extend the stay.

When Shen left Macao in early August 2013, a police officer on duty noticed that it was impossible for him/her to enter and depart Macao several times since the visa was for a single entry only. Therefore, Shen was stopped for questioning. At that time, Lio attempted to request the officer to let the visitor go by phone and sending SMS.

During the investigation, Lio confessed to have input untrue entry records to the computer system of the Immigration Service and requested another officer to let the visitor go.

After the case was detected, the CCAC also found that the internal inspection procedure of the CPSP has some shortcomings, for example, no statement has been taken from Lio due to his sick leave, failing to identify the criminal offence constituted in the illegal acts committed by the officer in the relevant case file, and the officer was not identified as suspect, etc. The CCAC referred the case to the Public Prosecutions Office.

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#### **Case 6:**

On 11<sup>th</sup> September 2013, the CCAC detected a bribery case in relation to the 5<sup>th</sup> Legislative Assembly Election. Allegedly, Ho, a staff of an association and Wong, a resident, guaranteed to offer advantages to voters in an attempt to influence their voting decisions.

After investigation, the CCAC discovered that the suspect, Ho, had made phone calls to the association members and asked them to vote for a certain candidate group on the election day. Ho promised that the members could enjoy free meals at some restaurant on that day and afterwards free transportation taking them to vote at the polling stations. Moreover, Ho asked the suspect Wong to assist him in making phone calls to the members according to the contact list provided.

It is discovered in the investigation that the suspects have contacted over 100 members by phone in attempt to influence their votes by promising to offer advantage to them, constituting an offence of electoral bribery under the *Legislative Assembly Election Law*. The case has been referred to the Public Prosecutions Office on 13<sup>th</sup> September 2013.

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#### **Case 7:**

At noon of 15<sup>th</sup> September, the news about “An alleged group leader making telephone calls with a list outside a restaurant at Toi San area, the man accompanying holding a stack of five-hundred dollars notes”, together with a few photos of citizens holding a stack of five-hundred dollars notes was circulated on the internet.

The CCAC places great importance on this situation and immediately sent staff to the said restaurant but no traces or clues of electoral corruption was found. In



order to timely curb alleged electoral irregularities, the CCAC investigators have successfully contacted the person who took the series of photos. After inquiry, it was found that the photos were taken by a media worker and the CCAC invited that particular person to the CCAC to assist the investigation and obtain more specific information.

The said media worker expressed that he/she did not eyewitness any occurrence of settlement of money. He/She only took photos of that middle-aged man when he was counting the money. Subsequently, the media worker did not report to the competence authorities, but uploaded the series of photos to the websites of the relevant media.

In order to further discover the truth, the CCAC has also invited two of the persons who were gathering together in the related photographs to the CCAC to assist with the investigation. It is verified that those people who gathered together were members of the volunteer team sent by a particular association in Macao and they were assigned with different tasks, including making telephone calls to members of the association and remind them to fulfill their civic obligation of voting. There were other volunteers with the list of volunteer staff on hand and were responsible for arranging meals and dividing the staff in groups and took turns to vote.

In addition, the CCAC has also invited another media worker who witnessed the incident to take statement at the CCAC.

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#### **Case 8:**

When investigating a case of bribery in the private sector, the CCAC found that a hotel had allegedly provided false data to the government when applying for importation of non-resident workers, involving two executives of the hotel. The acts have constituted offence of document forgery.

In the investigation of a case of conspiracy between the hotel and a manpower agency soliciting money from non-resident employees, the CCAC discovered that the hotel had submitted several applications for importation of non-resident workers to fill the lower-paid positions such as service attendants and waiters, but not all of them were approved. Thus the hotel applied for importation for higher-paid positions and used the granted quota for higher-paid positions to fill the lower-paid positions.

Since there were differences in amount of salary between the posts, the hotel deposited the salaries equal to the amounts stated in the employment contracts of the higher-paid posts into their bank accounts in accordance with the law. Subsequently, the hotel colluded with a manpower agency to force the non-resident employees to repay the differences to the hotel every month. The differences in amount ranged from several hundreds to over MOP5,000 per month.

After investigation, it was discovered that between 2011 and April 2013, when applying for importation of non-resident workers and renewing relevant applications with the Human Resources Office, the two suspects falsely reported the positions and salaries of the non-resident workers to be hired or already hired by them for as many as eight times, in order to obtain or maintain the quota for the employment of higher-paid foreign workers. Allegedly, the duo even overstated the annual salaries received by their non-resident employees from 2010 to 2012 to the Finance Services Bureau in an attempt to conceal their illegal employment of lower-paid workers using the granted quota for higher-paid positions. The relevant act has constituted the offence of document forgery.

Another executive of the hotel was accused of committing the offence of disobedience by his/her very uncooperative gesture towards CCAC's enquiry. The acts included evading CCAC's contact and failing to visit the CCAC and provide information for several times without justifiable reasons. The case was referred to the Public Prosecutions Office.

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### **Case 9:**

The CCAC has detected a case of alleged power abuse involving a functionary supervisor of the Transport Bureau (DSAT), who was suspected to have solicited and received illicit advantages from a driving school in performance of his/her duties, constituting an offence of power abuse.

Following investigation, the CCAC found that when a staff of a driving school went to the DSAT for some application procedures during Chinese New Year, a public servant of the DSAT hinted a request for red packets and sweets. On the next day, the driving school offered 14 red packets and a box of chocolate to the suspect through the staff. Each of the red packets contained MOP100. The suspect kept two of them and distributed the remaining to the colleagues under the same department.

The public servant involved is responsible for coordinating affairs in areas of driving licence and vehicle. He/She will also handle matters concerning the applications of driving school directly; hence, he/she possesses legal authority in the exercise of duty. The suspect, in the course of carrying out his/her functions, solicited red packets and gifts from personnel of driving school when going through some application procedures, such behaviour is suspected of committing the crime of power abuse.

The CCAC has already referred the case to the Public Prosecutions Office and at the same time informed the DSAT, so that the respective department could commence disciplinary proceedings against the said public servant and other staff who also received the benefits. The CCAC has also requested the DSAT to take proper and effective measures to strengthen internal management and to enhance the professional ethics and conduct of the staff, so as to prevent similar incidents from happening again.

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#### **Case 10:**

The CCAC detected a case involving power abuse and document forgery by a senior management officer of a public department, who allegedly allowed his/her family member to appropriate a parking space of the government for quite some time and even forged a parking label for such purpose. The case has been referred to the Public Prosecutions Office.

The suspect, who has taken up senior management positions for over a decade, was responsible for finance and property management in his/her department. His/her duties included allocating and managing about 100 parking spaces of the department that were located in different districts of Macao. Coming to know one of the spaces in the downtown area remained unoccupied after reverting to the department in the beginning of 2012, the suspect should have reported the situation to his/her superior and reallocated the freed-up space according to the designated procedure. However, by taking advantage of his/her authority, the suspect kept the parking space for the use of his/her family member so that the latter could always park a private car and a motorcycle there. Furthermore, to facilitate the illegal appropriation, the suspect even forged a parking label for the car. The acts were believed to constitute the offences of “power abuse” and “document forgery”.

After the case came to light, the suspect attempted to hide his/her illicit acts by covering up the facts about the concerned parking space in a reply letter to CCAC's enquiry. Considering the acts were not only of criminal nature but also went against the fundamental obligations of public servants, the CCAC has already notified the relevant department of the situation so that necessary disciplinary actions can be taken.

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### **Case 11:**

During an investigation into alleged bribery acceptance committed by a public servant, the CCAC uncovered that a person, who was a shareholder of two property management companies, was suspected of committing offences of document forgery and fraud. Allegedly, the suspect made false statements on the incomes of his/her employees in an attempt to cheat the government out of income subsidies.

In order to ease the financial stress of its permanent residents who received low incomes, in January 2008, the Macao government started to adopt an interim measure by granting income subsidies to those people. Eligible applicants should be those who received a quarterly income of MOP12,000 or less or a monthly salary of no higher than MOP4,000 based on a designated number of hours they should work per month. The government would pay the subsidy recipients the difference between the amount of their quarterly income and MOP12,000. In 2013, the government increased the upper limits of quarterly income and monthly income required for applicants to MOP141,00 and MOP4,700 respectively.

After the investigation, the CCAC discovered that the suspect has started to apply for the income subsidies for 15 security guards and cleaning staff who work in the two property management companies under his/her name from January 2012. However, the salaries of those staff in the particular months that the applications were filed significantly exceeded the standard of work income set by the government; some of the employees' salaries were around MOP2,000 more than the standard. The suspect filled in an amount of salary for the staff that is lower than the amount required for the subsidy, so that the employees' applications could be approved and the respective subsidies could be released.

According to the investigation of the CCAC, between January 2012 and May 2013, the suspect has submitted five counts of applications to the Financial Services

Bureau for the income subsidies of the staff. The suspect forged the income of the staff in the 42 application forms submitted and the amount of subsidies defrauded from the government exceeded MOP110,000. In addition, the suspect also falsely declared the annual income of the respective staff in 2012 during the registration of salaries tax with the Financial Services Bureau, with the objective to conceal the actual income of the staff. The behaviour is suspected of constituting the crimes of “document forgery” and “fraud”.

The CCAC has referred the case to the Public Prosecutions Office and informed the Financial Services Bureau about the case, requesting the relevant department to strengthen its scrutiny and supervision functions.

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#### **Case 12:**

The CCAC has detected a case of document forgery and fraud involving three public servants of Land, Public Works and Transport Bureau (DSSOPT), including a functionary supervisor surnamed Lei. The evidence shows that Lei and a public servant surnamed Ng were suspected of falsifying the clock in/out records of another public servant surnamed Vong for a long time in order to assist him/her in covering up his/her unjustified absence during working hours and evading relevant responsibilities. The salary received by the said fraudulent means involved more than MOP50,000.

Following investigation, the CCAC found that starting from 2010, Vong frequently went to Mainland China during working hours on over 140 days. Fake clock in/out records were allegedly made on 96 days among them. The other suspects confessed fabricating the records of presence for him.

The CCAC also discovered that a lot of personal belongings were stored in the office of the DSSOPT, including some 40 birdcages and over 10 birds. The CCAC has referred the case to the Public Prosecutions Office and has reported the situation to the DSSOPT and urged it to strengthen internal management.

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### Case 13:

The CCAC has uncovered a case of bribery in the private sector and arrested six suspects, including two chefs of a restaurant and four members of food ingredient suppliers. Since late 2012, the head chef and one of the chefs of a restaurant have received bribes from three suppliers many times in the process of purchasing food ingredients and accepted low-quality and substandard ingredients in return, involving an amount of over MOP200,000 for the purchases. The behaviours have constituted violation of the law *Prevention and Suppression of Bribery in the Private Sector*.

It is discovered that a foreign-funded restaurant in the shopping mall of a large hotel in Cotai hired a local man as the head chef responsible for selection of suppliers of ingredients. The head chef solicited pecuniary advantage from the suppliers as reward for acceptance of their supplies.

In the end of 2012, three companies that supplied fresh meat, frozen meat and vegetables to the restaurant started to offer advantage to the head chef, who returned the favour by accepting some low-quality or substandard food ingredients from them. There were once other chefs complaining about the quality of the purchases. However, the head chef had a hand in it so the concerned items were not returned for refund. Part of the substandard food ingredients were simply consumed by the staff or dumped. As a result, the restaurant suffered from a loss. The purchase of the concerned ingredients amounted to more than MOP200,000.

The head chef of the restaurant allegedly received illicit advantage from the suppliers and was therefore believed to have breached his/her duty and violated the provision of passive bribery defined by the law *Prevention and Suppression of Bribery in the Private Sector*. One of the chefs was found to be the accomplice of the head chef in the acceptance of bribes. Three men and a woman, who were people in charge and staff of the three suppliers, were suspected of committing active bribery. The case was referred to the Public Prosecutions Office.

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### Case 14:

According to a complaint received by the CCAC, a staff of the Financial Services Bureau (DSF) who was responsible for dispatching documents frequently

went out for breakfast after clock-in every morning. He/She also drove his/her car near the exit of the car-park of DSF in advance before going off duty at 1:00pm and then returned to office for clock-out in order to save time for queue-up at the car-park. The CCAC followed the case on request.

After investigation, it came to light that the staff, after clock-in every morning, would take his/her breakfast in a coffee shop near DSF for around an hour. Such act lasted for at least three years. Moreover, the said staff also confessed that every time when it came his/her turn to park his/her car in the internal car-park of DSF, he would drive his/her car near the exit of the car-park fifteen minutes prior to going off duty at 1:00pm and then returned to the office for clock-out. Such behaviour lasted for two to three years. The alleged acts contravened the obligation of “diligence” of the *Statute of Personnel of the Public Administration of Macao*.

Finding no corrupt acts involved in the case, the CCAC archived it and notified the DSF of the situation so that relevant disciplinary action could be taken.

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### **Case 15:**

The CCAC received a report from estate agent A, claiming that staff B, who contacted a Hong Kong buyer for acquiring a pre-sale property unit, lied that the business transaction was actually acquired through Property Company C. Based on the “rules of the industry”, estate agent A should pay Property Company C a commission of 3% of the property price. However, Property Company C was owned by staff B’s father and that staff B served as the member of the administrative management body in the company, suspecting that staff B might involve in corruption and other illicit acts.

After investigation, it was discovered that the said Hong Kong buyer, who contacted another shareholder of Property Company C on its own motion to acquire the pre-sale property, was later introduced to staff B of estate agent A. According to the “rules of the industry”, estate agent A should enter into agreement of cooperation with Property Company C against commission allocation between the two parties and staff B had not defrauded estate agent A to cause it a loss of property. Therefore, staff B had not violated the provisions of fraud and passive bribery defined by the law *Prevention and Suppression of Bribery in the Private Sector*.

Due to the concerned property is under lawsuit and there is a dispute among the developer and the commissioned estate agent A and other estate agents in relation to the commission, estate agent A has not yet paid Property Company C a commission of 3% accorded with the agreement entered into. However, such problems involve civil recovery which does not fall into the terms of reference of the CCAC. Therefore, the case was archived.

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#### **Case 16:**

The CCAC received a report, claiming that social worker A of a Macao association allegedly forged declaration information in an attempt to cheat the Social Welfare Bureau (IAS) out of subsidies.

After investigation, it was discovered that the concerned association was a social institution subsidised by IAS, which subsidised the said association to organise activities for caring of elderly living alone in the community. The association would then present reports and ask for expense reimbursement. Allegedly, A claimed to have organised activities for the elderly living alone and presented IAS with forged expense receipts for reimbursement.

In the course of investigation, A confessed forging expense receipts and cheated IAS of subsidies. The alleged acts constituted document forgery and fraud. On 18<sup>th</sup> October 2012, upon the request of the CCAC and according to the stipulations of *Penal Code*, the Director of IAS charged A in writing. The case was referred to the Public Prosecutions.

However, on 22<sup>nd</sup> October 2013, IAS revoked the charge because the suspect, showing regret to the bureau and confessing his/her mistakes, repaid the cheated subsidy amount to the bureau. The court approved the revocation and the case was archived.

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#### **Case 17:**

The CCAC received a complaint, claiming that staff A of a certain government department violated the principle of “not engaging in incompatible activity”. The said staff, who ran the business of an online company in 2010, purchased goods from



different regions for resale. During 2010 to 2011, not only did A use the department's computer to handle his/her personal business during office hours over a long period of time, he/she also repeatedly took the goods to the office for packaging and posted the packages in the post office during office hours. Moreover, it was reported that A served as a sleeping shareholder to operate a beauty salon with his/her friend.

After investigation, it was proved that A did engage in a limited company owned by his/her brother-in-law X and conducted the business activities by means of an online shop through social network sites (including the sale of skincare in-store and online). It was verified that A engaged in personal business operation without approval of his/her department. The alleged acts violated the principle of "no concurrent duty". In addition, if A had indeed handled his/personal business and went to the post office for posting packages during office hours from 2010 to 2011, the alleged acts would have violated the principle of "diligence".

Finding no corrupt acts involved in the case, the CCAC archived it and notified A's department of A engaging in part time job so that relevant disciplinary action could be taken. The department replied that there was no evidence to show that A dealt with his/her personal business operation during office hours from 2010 and 2011. In addition, even though A admitted that he/she had once assisted his/her brother-in-law to look after the shop, this occasional act, did not constitute a violation of the principle of exclusivity of duty. Therefore, the CCAC archived the case.

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#### **Case 18:**

The CCAC received a complaint, claiming that the staff of Estoril Swimming Pool of Macao privately collected admission tickets of bathers to resell for profits.

After investigation, the CCAC found that the said staff basically sold wholly new tickets to bathers, who would then enter the swimming pool with the on-site tickets (in exception for monthly-pass holders). In the course of investigation, finding no signs and evidence involving power abuse of the said staff who privately collected admission tickets to resell for profits as reported, the CCAC archived the case.

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### Case 19:

The CCAC received a complaint, claiming that the principal of a school awarded the contract of the public tender concerning the school expansion project in 2011, which was subsidised by Education and Youth Affairs Bureau (DSEJ), to the bidding construction company he/she was familiar with. The alleged acts offended the law *Prevention and Suppression of Bribery in the Private Sector*.

In the course of investigation, there was no sign showing that the principal or other staff of the school intended to award the concerned project to the particular bidder. However, the CCAC discovered that there were quite many defects in the open tender procedure concerning the above construction project, e.g. the bid opening committee had not signed on the documents submitted by the bidders for verification and failed to announce the bid price and construction period of every bidder in the bid meeting. Such defects would facilitate bidders to conspire for the bid price, causing unfairness and impairing the interests of the school.

The CCAC archived the case concerning the part of bribery in the private sector. In addition, upon the completion of the analysis report regarding the inadequacy in the approval and supervision on school subsidy project, along with deficiency of code of practice concerning tender invitation, the DSEJ was required to follow up the concerned issues.

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### Case 20:

The CCAC received a complaint, claiming that two unit owners, who served as the president and member of the owner's committee, awarded most of the projects of the edifice to a construction company without the consent of other owners. There was suspicion of the owner of the construction company offering advantages to the duo.

After investigation, no evidence of violation of the law *Prevention and Suppression of Bribery in the Private Sector* was found in the acts of the president, some others of the owner's committee and the owner of the construction company. Along with the complainant giving up the right of complaint, the CCAC archived the case.

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**Case 21:**

The CCAC received a complaint, claiming that a flower shop in Macao smuggled orchids in bulk into the region on a regular basis for resale at exorbitant prices to hotels and other florists for gain. The complainant suspected that the act involved offering bribes to the public servant of the department responsible for supervision of importation of orchids.

Orchids are controlled plants of Macao which are subject to plant imported license issued by the Macao Economic Services (MES). After investigation, it was discovered that the shopkeeper of the flower shop, without declaration, smuggled orchids into Macao once or twice a week from 2011 to 2013. Thousands of orchids were smuggled for resale to some hotels for gain each year, with the sum of profits amounted to over MOP400,000. Following investigation, the case excluded the involvement of public servants.

Finding no corrupt acts involved in the case, the CCAC archived it and notified the competent bodies (MES and Macao Customs Service) of the situation so as to follow up the case concerning relevant administrative impropriety. In September 2013, the MES completed the investigative procedure and imposed a fine of MOP80,000 on the shopkeeper of the flower shop.

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**Case 22:**

The CCAC received a report, claiming that there were irregularities involving quotation invitation of “fresh noodles and dim sum” by the procurement department of Hotel H in 2013 due to the quotation sheets differed from the previous ones, so the complainant suspected that bidder X offering bribes to the procurement department. The complainant also pointed out that corrupted acts were serious in hotels and restaurants of Macao that involved a number of renowned hotels and megastores.

Following investigation, it was found that the procurement department of Hotel H had not violated the internal procurement guidelines. Due to the procurement department started to reform the compilation of quotation sheets in 2012, together with the staff who was responsible for the quotation sheet of “fresh noodles and dim sum” lacked practical procurement experience because he/she just served as

purchaser for six months, it was very likely that the reform and the alteration of purchaser led to different opinions on the issue.

Concerning the report over abnormal relationship between the procurement department and the restaurant staff or suppliers, since the complainant was unable to provide physical time and substantial evidence and that he/she did not know about the internal reform of the compilation of the quotation sheets of the procurement department, such situation would make the complainant misunderstand that there existed impropriety. As to the claim of corrupt acts concerning hotels and restaurants, since the complainant knew about the acts through rumour; or the hotels, which already knew about the concerned issues and had imposed internal penalty, chose not to exercise their right of complaint, the CCAC archived the case.

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### **Case 23:**

The CCAC received a report, claiming that a staff of TDM setting up a production company under his/her name or his/her family member's name in order to bid for commercial or programme production of government or private departments. The said staff also hired colleagues of TDM by means of temporary contract and, without authorisation of TDM, took its photographic equipments for private use in his/her company.

Following investigation, the photographic equipments used by the private company were the company's own ones, without involvement of taking TDM's. With regards to the complaint of allegedly establishing a production company on a part-time basis or under his/her name, it involved disciplinary problems and violation of non-competition obligation of the staff and TDM owned the competency to handle the issue. The CCAC had no jurisdiction over the matter.

Regarding the complaint of disciplinary problems and violation of non-competition obligation of the staff, the CCAC referred the case to the relevant television station for appropriate handling. The television station later replied that it had conducted internal investigation and gave warning to the concerned staff and required the staff to declare that he/she had not participated in any business involving private companies or engaged in inappropriate competition with the television station. For those staff who had established their private companies, they had to

declare that relevant companies were closed (or in the course of canceling business registration).

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#### **Case 24:**

The CCAC received a report, claiming that the owner of a garment factory in Macao allegedly made a false statement of his/her staff's salaries in an attempt to help them escape from paying income tax over the past some ten years. The complainant also said that the factory owner had once told the staff that he/she could make false report of the staff's salary so that they could escape from paying income tax, but the saved tax amount had to be shared between the staff and the factory.

After communicating with the staff who had left office, they had never heard that the company could help reporting less income and requested them to share the saved tax amount between the staff and the company. Upon checking the tax information of the Financial Services Bureau, the staff had frankly reported and paid the income tax. It was also verified that the declared income and the income actually received by the staff was basically the same and thus there was no circumstance of false report.

In the course of investigation, it was found that the garment factory experienced its downturn when the business environment of Macao garment industry turned poor. By the end of 2008, the factory sacked some ten local employees without giving justifiable compensation and the relevant case was judged by the court, with verdict given already. Since the factory did not have any assets for the court to enforce the judgment, no progress was made on the compensation issue and the employees who were sacked have still not been compensated. In fact, the garment factory, which had sold all its factories and assets to pay its debt, still owed banks some debts. The owner, who was one of the complainees, passed away in 2010, and thus the garment factory did not have any capital to pay for salaries or compensation.

Finding no person-in-charge or staff of the garment factory committing criminal acts, the CCAC archived the case.

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### **Case 25:**

The CCAC received a complaint from a unit owner of a building, claiming that the accounts of the management committee of his building were messy, without listing how the unpaid management fee, being recovered, was used. The complainant suspected that someone kept the money for himself/herself. The complainant also doubted over the extra administration fee collected annually by the committee and suspected that someone might have privately shared the sum.

After investigation, it was found that expense detail sheets regarding the management fees collected were stuck at the lobby of each building of the relevant housing estate and household members could have a glimpse of the monthly income and expenditure of the management fees. The management fees in default over the past years, which part of income belonged to the management fees recovered and the total were clearly shown in the sheets. Moreover, independent auditor was hired for auditing and computer accounts were also created. It was not as messy as what the complainant described. Regarding the administration fund of the owner's committee, following investigation, the committee, at that time, did not take into consideration that the household members had the right to know the use of the money such that it failed to stick the expense detail sheet concerning the administration fee of the committee in the lobby for the knowledge of the household members. If the committee did so timely, it would eliminate the worries of the household members. In the course of investigation, there was not such a circumstance of repeated calculation and embezzlement of the administration fee by the owner's committee as suspected by the complainant.

Finding no illegality or bribery in the private sector involved in the case, the CCAC archived it.

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### **Case 26:**

The CCAC received a report, claiming that A, who served as a driver of heavy-duty vehicle in a government department, allegedly worked as a part-time taxi driver in his/her spare time without the authorisation of his/her superior.

After investigation, the CCAC found that A did drive a black taxi. Despite the fact that A failed to apply to his/her department that he/she worked as a part-time taxi

driver when he/she was off duty, A was employed under temporary contact, in which the nature was not the same as public servants and staff of the public administration, and hence the act was not subject to the disciplinary system of the *Statute of Personnel of the Public Administration of Macao*. However, due to the duty of A was to drive vehicles and that serving as a part-time driver reduced his/her time to take rest and thus impaired his/her mental state and concentration during his/her daytime work. The two activities were not compatible, thus the CCAC informed the relevant department of the case. Later, the department replied that it had conducted a simple investigation procedure and decided to discharge the contract with A.

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#### **Case 27:**

The CCAC received a report, claiming that W, a staff of a subunit of a government department, who took advantage of his/her position of handling staff's attendance records, intentionally did not clock in and remarked in his/her attendance records that he/she forgot to clock in so as to avoid the records of late for work. The complainant suspected that the said staff was harboured by his/her superior.

After investigation, it was discovered that the circumstances of W being late for work and failing to clock in did happen, with an average of once or twice a month and records with a remark of "*Forgetting to bring intelligence card. Have already filled out the attendance sheet.*" After checking the records of the CCTV over the past year, it was found that instead of escaping from disciplinary obligation, W did forget to bring his/her work permit for work such that he/she could not clock in. Moreover, W honestly wrote down the minutes late for work such that his/her act did not involve in criminal matter.

However, if the staff always fails to clock in, the attendance supervision system is just nominal. After reflecting the situation to the relevant department, it replied that it has ordered the responsible functionary supervisor to raise the staff's awareness concerning attendance records.

Since the relevant department has appropriate handling of the issue, the CCAC archived the case.

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### **Case 28:**

The CCAC received a report, claiming that staff B of a bureau bought a flat with his/her spouse many years ago, but still successfully cheated the government of economical housing flat because almost all owners of the building, including B, had not made purchase agreements such that there was no information disclosing the owners of the flat in the Real Estate Registry.

After referring to the public notice of the Housing Bureau about noticing Macao residents including B to select economical housing flats dated 14<sup>th</sup> December 2012, the content was the same as provided by the informer. The CCAC sent an official to the Housing Bureau to request for relevant information, the bureau replied that there was no information showing B and his/her spouse applying to acquire economical housing flat, or had already bought economical housing flat or being members in another family which had already signed the purchase appointment contract of economical housing flat. Judging from the above information, the name of B, as shown in the public notice, was just the same as B's and it was very likely that the informer misunderstood that they were the same person.

Finding the report did not accord with the facts and there was no public servant involving in criminal or discipline violation, the CCAC archived the case.

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### **Case 29:**

The CCAC received a report, claiming that the manager of floral department of hotel A had not requested flower supplier B to return or replace problem flowers, instead he/she asked supplier B to supply flowers which were originally supplied by supplier C, suspecting that it might involve offering of advantages.

After investigation, it was discovered that out of five flower suppliers, supplier B and supplier C had been the designated flower suppliers of hotel A since 2008. In around early 2010, due to supplier C was dissatisfied with hotel A regarding its procedure of examining flowers being too strict, it suspended supplying flowers to hotel A and therefore, supplier B replaced supplier C. The CCAC also noticed that the manager of floral department had no right to designate which supplier to supply flowers, it was subject to the approval of the Floral Director and Vice-President of Operation Department.



As a matter of fact, the floral department of hotel A had always applied the same strict examination procedure to all suppliers; even supplier B had been repeatedly requested to return the flowers due to quality problems. Finding the report did not accord with the facts, the CCAC archived the case.

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### **Case 30:**

The CCAC received a report from the owner of restaurant A, claiming that the chef of restaurant A accepting commission from supplier B as a reward to allow supplier B to supply food to restaurant A not according to the quantities ordered. The informer also complained that the chef collected introduction fee from the Mainland labour when they were introduced to work in the restaurant.

After investigation, it was found that the food supplied by supplier B was not exclusively examined and received by the chef; the chef would also authorise other staff to examine the food. Therefore, it was impossible for the chef to ask other staff to receive the food if he/she did receive advantage from supplier B in exchange for allowing supplier B to supply food to restaurant A not based on the quantity ordered.

Regarding restaurant A losing its food, there was no proof that the food was missing during receipt or after receipt. If it was the latter, it did not involve the chef receiving advantage to carry out bribery acts, instead it involved a theft which did not fall within the function of the CCAC.

Due to restaurant A had already been closed during investigation and the CCAC had no condition to further investigate into the case. The complainant just heard from the restaurant staff that the food was missing without justified reason and therefore made the above guess. Upon investigation, the CCAC had not found any evidence to prove that the chef had received commission. Moreover, when the chef was working in restaurant A, the restaurant did not employ any Mainland labour and thus there was not such a case of the chef receiving introduction fee as referred by the complainant. Therefore, the CCAC archived the case.

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### Case 31:

The CCAC received a report from the owner of a unit of a building and the reference from the Housing Bureau, claiming that president A of the management committee of the housing estate involved in unclear accounts, inconsistent construction price, construction price different from the money collected from the unit owners in relation to the tender procedure concerning the maintenance of elevators.

After investigation, it was discovered that the elevator problems of the said housing estate were serious and comprehensive maintenance or replacement had to be conducted as soon as possible. Therefore, A established the management committee in early 2013 and convened the General Assembly of the owners, with the consent of a majority of the owners, the members of the committee were selected. Under the witness of the staff of the Housing Bureau, bid opening and voting in relation to the renewal of the elevators of the housing estate were conducted; and Company B won the bid with the price of MOP5 million. Due to the elevator project involved many items, the management committee and Company B made an adjustment in the installment in relation to the parts of the elevators in order to enhance their safety and the final price increased by MOP40,000 compared to the original price. The CCAC made analysis on the tender document, meeting minutes and accounts in relation to the elevator project of the housing estate, the accounts were thoroughly recorded and no suspicion was found and over 85% of the owners supported the replacement of elevators.

Finding the report did not accord with the investigation results and no illegal acts were involved in the case, the CCAC archived it.

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### Case 32:

The CCAC received a report, claiming that Director A of a property management company, in the course of tender invitation in relation to the internal refurbishment of a shopping mall, leaked the quotation prices of other bidders to a winning bidder. The complainant suspected Director A of offending the law *Prevention and Suppression of Bribery in the Private Sector*.

Due to the fact that Director A was the top boss of the company's branch office in Macao, the CCAC requested its parent company, a Hong Kong shareholder, for relevant tender invitation and tender document. Following analysis and interview, it was discovered that Director A had not participated in the relevant tender evaluation and contract awarding and it was subject to the shareholders of the parent company to make decision after discussion. Therefore, the situation described by the informer did not exist. In addition, the shareholders of the company placed great trust on their subordinates, stating that they would not execute the right of complaint even if they found their subordinates allegedly offending the law *Prevention and Suppression of Bribery in the Private Sector*. Thus, the CCAC archived the case.

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### **III. Joint investigation into cross-boundary cases and judiciary assistance**

#### **(1) Requests for CCAC's assistance from law enforcement agencies abroad**

In 2013, the CCAC received requests to provide assistance in the investigations of six cases from law enforcement agencies abroad, including five cases from the Hong Kong anti-graft agency and one case from Thailand's anti-graft agency. The CCAC has completed investigations of five of the cases, while one case is still under investigation. The requests involve assistance in evidence search and contact of relevant people.

#### **(2) Requests for assistance of law enforcement agencies abroad from CCAC**

In 2013, the CCAC requested law enforcement agencies abroad for assistance in the investigations of a total of five cases, of which four have been completed and one is still under investigation. The CCAC mainly sought assistance from the Mainland and Hong Kong anti-graft agencies.

