

2016
Annual Report
of
the Commission Against Corruption of Macao

Commission Against Corruption
Macao Special Administrative Region

Contents

| | |
|---|-----------|
| FOREWORD..... | 5 |
| PART I CASE PROCESSING SUMMARY..... | 9 |
| PART II ANTI-CORRUPTION..... | 15 |
| I. Introduction..... | 17 |
| II. Criminal reports and cases filed for investigation..... | 19 |
| III. Summaries of some of the cases concluded..... | 19 |
| IV. Mutual case assistance in cross-border investigation..... | 25 |
| V. Court verdicts..... | 27 |
| VI. Declaration of assets and interests..... | 33 |
| PART III OMBUDSMAN..... | 37 |
| I. Introduction..... | 39 |
| II. Investigations..... | 41 |
| III. Summaries of cases..... | 45 |
| IV. Statistics..... | 58 |
| PART IV PROMOTION & EDUCATION..... | 63 |
| I. Integrity education..... | 65 |
| II. Promotion in the community..... | 79 |
| III. Integrity Volunteer Team..... | 81 |

PART V EXCHANGE & TRAINING.....83

I. Receiving visitors.....85

II. Visits and regional and international meetings.....86

III. Meetings on the review of implementation of the United Nations Convention
Against Corruption.....87

IV. Personnel training.....88

PART VI APPENDIX.....89

Appendix I The CCAC’s Complaint Handling Procedure.....91

Appendix II Organisation Structure of the Commission Against Corruption.....93



The Commissioner Against Corruption, Cheong Weng Chon, submitting the *2016 Annual Report of the CCAC of Macao* to the Chief Executive, Chui Sai On

FOREWORD

In 2016, the Commission Against Corruption (CCAC) upheld the principle of acting in accordance with the law, spared no efforts in combating corruption in both public and private sectors and exerted its function as an ombudsman with determination.

On the front of anti-corruption, the CCAC cracked the corruption case involving the former leader of the Public Prosecutions Office and referred the suspects to judicial agencies, fulfilling the mission of zero tolerance to all kinds of corruption cases regardless of the suspects' positions and upholding the principle of "all equal before the law". In the criminal cases that the CCAC cracked last year, the suspects made use of the loopholes in the legal regimes or monitoring mechanisms and colluded with people outside the government in order to gain illicit advantages from the awarding of the contracts of public works and procurement of goods and services. Such situations deserved the attention of the Macao SAR Government and the public departments.

On the front of ombudsman, the CCAC carried out an investigation of the land exchange case involving the site of the Iec Long Firecracker Factory. Following an in-depth analysis, the CCAC came to the conclusion that the agreement of land exchange related to the Iec Long site was null and the Macao SAR Government did not owe any "land debts". Meanwhile, in the investigation of administrative complaints, the most prominent issue the CCAC found was that some public departments "split" a constant service into several contracts when acquiring the service in order to evade the statutory requirements for open tendering or signing of notarial contracts, or simply awarded the contract directly to a supplier with an ambiguous reason without going through the procedures of price consultation in accordance with the law.

The CCAC believes that although the purpose for most of the public departments' direct adjudication of the contracts of services acquisition is to save time, violation of the "principle of legality" shall not be the cost for boosting administrative efficiency. Weakening the openness and transparency of procurement procedures not only makes it difficult for the Public Administration to select the best service at a reasonable price but also brings about more risks of corruption and power abuse. The current regime of goods and services acquisition is seriously obsolete. Therefore, the Public Administration shall make adjustments to Decree Law no. 122/84/M and other related regulations according to the reality and social development as soon as possible in order to simplify public procurement procedures as well as strengthen the relevant monitoring and rectification systems.

The CCAC also found in the investigation of administrative complaints that in the open recruitment processes, the examination panels of some of the public departments neither had a clear understanding of the relevant laws nor strictly stuck to the requirements and standards, causing defects in the processes and affecting the fairness. Currently, the public departments recruit personnel through the standardised management of examinations. The CCAC hopes that the public departments that organise the professional skills examinations to select new recruits will abide by the law in order to carry out the recruitment in a transparent, fair and just manner.

In 2016, the CCAC attended the meetings of evaluation on the implementation of the United Nations Convention Against Corruption (UNCAC) together with the delegation of China in Vienna, Austria. The experts team of the United Nations gave positive comments on the implementation of the UNCAC in Macao. At the same time, they also pointed out that the Macao SAR has to adopt a series of measures in order to further enhance and consolidate the effectiveness of the operation of anti-corruption mechanism, for example, to adopt a data collection system which may allow lifting of bank secrecy in some cases and to establish a specific legal regime to

protect victims and witnesses. The CCAC will analyse the suggestions and take them as reference of perfecting the legal regime of anti-corruption of the Macao SAR.

In 2016, the CCAC proactively took part in the revision of the *Electoral Law of the Legislative Assembly* made by the Macao SAR Government. Based on the experience in combating electoral corruption, the CCAC raised some suggestions. On 16th December 2016, the bill of the revision of the *Electoral Law of the Legislative Assembly* was thoroughly examined and passed by the Legislative Assembly. It serves as a more effective legal basis and tool for the CCAC to fulfil its duties to prevent, suppress and combat electoral corruption and other illegal acts related to the elections.

According to the *Organic Law of the CCAC*, it is the CCAC's duty to carry out acts of investigation and inquiry with regard to crimes of corruption and related fraud crimes committed in relation to the Legislative Assembly Elections. For the Legislative Assembly Elections 2017, the CCAC will fully exert its powers conferred by the law to fight all electoral corruption crimes and related illicit acts without partiality and tolerance in order to safeguard the fairness, justice and integrity of the elections.

30th March 2017

The Commissioner Against Corruption
Cheong Weng Chon

PART I
CASE PROCESSING SUMMARY



PART I

CASE PROCESSING SUMMARY

In 2016, the CCAC received a total of 910 complaints and reports, of which 252 were of criminal nature and 658 were about administrative impropriety.

Statistics on caseload (2012-2016)

| Year | 2012 | 2013 | 2014 | 2015 | 2016 |
|----------|------|------|------|------|------|
| Caseload | 852 | 896 | 865 | 793 | 910 |

Among the cases received in 2016, 29 were uncovered by the CCAC through proactive approaches, 19 were investigated at the request of overseas authorities, 23 were referred by other public bodies and the remaining came from citizens' complaints and reports, of which 428 cases were lodged by identified complainants or those willing to provide personal data and 411 complaints were anonymous or requested anonymity.

Statistics on cases recorded from 2014 to 2016 (classified by source of case)

| Source of case | | 2014 | | 2015 | | 2016 | |
|---|--|------------|-------------|------------|-------------|------------|-------------|
| | | Number | Percentage | Number | Percentage | Number | Percentage |
| Complaints or reports received from citizens | Complaints lodged by identified complainants or those willing to provide personal data | 453 | 52.4% | 407 | 51.3% | 428 | 47.0% |
| | Anonymous complaints or those requesting anonymity | 379 | 43.8% | 357 | 45% | 411 | 45.2% |
| Cases uncovered by CCAC through proactive approaches | | 19 | 2.2% | 10 | 1.3% | 29 | 3.2% |
| Cases investigated at the request of overseas authorities | | 6 | 0.7% | 4 | 0.5% | 19 | 2.1% |
| Cases referred by other public bodies | | 8 | 0.9% | 15 | 1.9% | 23 | 2.5% |
| Total | | 865 | 100% | 793 | 100% | 910 | 100% |

The complaints and reports received in 2016 were mainly by mail, in person and online. There were 260 cases received by mail, representing 28.6% of the total number of the cases received in the year, while the cases received in person and online were 176 respectively, each making up 19.3%. The cases and reports lodged by telephone and e-mail reached 142 and 127 respectively, representing 15.6% and 14% of all cases received throughout the year.

**Statistics on cases recorded from 2014 to 2016
(classified by reporting method)**

| Reporting method | 2014 | | 2015 | | 2016 | |
|--------------------------------------|------------|-------------|------------|-------------|------------|-------------|
| | Number | Percentage | Number | Percentage | Number | Percentage |
| Letter | 262 | 30.3% | 263 | 33.2% | 260 | 28.6% |
| Phone | 227 | 26.2% | 153 | 19.3% | 142 | 15.6% |
| In person | 209 | 24.2% | 199 | 25.1% | 176 | 19.3% |
| E-mail | 146 | 16.9% | 125 | 15.8% | 127 | 14.0% |
| Online | -- | -- | 41 | 5.2% | 176 | 19.3% |
| Fax | 2 | 0.2% | 2 | 0.2% | 0 | 0% |
| Proactive approaches adopted by CCAC | 19 | 2.2% | 10 | 1.2% | 29 | 3.2% |
| Total | 865 | 100% | 793 | 100% | 910 | 100% |

Up to the end of the year, the CCAC concluded 462 cases, including 182 criminal cases referred to the Public Prosecutions Office or archived upon completion of investigation and 280 administrative complaints archived following complete processing.

In 2016, the CCAC received 1,102 counts of enquiries of different natures, of which 453 counts were about criminal matters and 649 were related to administrative matters.

PART II
ANTI-CORRUPTION



PART II

ANTI-CORRUPTION

I. Introduction

With adherence to the principle of legality, the CCAC spared no effort in combating corruption in 2016. With great importance to accountability, the CCAC kept on fighting corruption in order to safeguard fairness and justice.

At the same time, under more pragmatic anti-corruption policies, the CCAC strived for steady progress, adopted practical and effective strategies and strengthened the staff's sense of duty and capability of law enforcement and the communication with judicial agencies, aiming to fight corruption in a practical, thorough and impartial way regardless of any public praise.

The criminal cases investigated throughout the year were mainly about crimes committed by public servants. Moreover, the CCAC also cracked a corruption case involving the former chief of the Public Prosecutions Office. Compared with the years earlier than 2015, during which there were only a few cases of bribery in the private sector uncovered, there was, in 2016, a slight increase in the number of complaints of criminal nature and in the number of cases concluded.

The features of the criminal cases processed by the CCAC in 2016 included the followings:

Firstly, the cases involved more different public departments. Compared with the previous years during which most of the cases involved disciplinary services, the cases in 2016 involved the departments in different fields, such as the Civic and Municipal Affairs Bureau, the Health Bureau, the Social Welfare Bureau, the Marine and Water Bureau, the Housing Bureau, etc.

Secondly, the cases caused larger sensation in the society and some reports of similar allegations were received subsequently. For example, after the case involving

the Transport Bureau and carpark management companies was cracked, some reports about carpark management were received.

Thirdly, there was an increase of corruption cases in the private sector, which reflected that private companies' awareness of the right to file a complaint over bribery crimes has been strengthened. For instance, there were a few complaints over property owners' committees of residential buildings and building management companies, which reflected the complicated relation between building management companies, property owners and property owners' committees and the conflicts between them were noticeable. Therefore, the legal regime on the building management requires an urgent improvement.

The crimes involved in the cases investigated throughout the year were mainly fraud, document forgery and power abuse. Fraud over government subsidy was the most typical of the cases, such as fraud over Income Subsidy and subsidies from the Environmental Protection and Energy Conservation Fund, Education Development Fund and the Continuing Education Development Plan. To sum up the cases over recent years, it is necessary for the relevant public departments to strengthen the supervision and conduct stricter assessment of the applications for all kinds of subsidies.

The most influential case ever cracked in the year was the corruption case involving the former Prosecutor General. The CCAC discovered in the investigation that the suspect, in collusion with the people in charge of some private companies, awarded most of the contracts of projects and services of the Public Prosecutions Office to certain companies at high prices for a long period of time in order to gain illicit advantages. Despite the difficulties such as tight timeline of the investigation, long time span of the facts and large quantity of related documents, the CCAC managed to crack the case and refer it to the judicial agency for prosecution.

In order to combat electoral corruption and ensure the integrity of the Legislative Assembly Elections 2017, the CCAC commenced the works of research

and preparation in the aspects of allocation of resources and intelligence collection. An anti-electoral corruption task force was established to conduct in-depth research, collect intelligence of possible corrupt acts related to the elections and map out the anti-electoral corruption strategies in order to ensure the integrity, fairness and justice of the Legislative Assembly Elections 2017.

II. Criminal reports and cases filed for investigation

In 2016, the CCAC received a total of 910 complaints and reports, of which 252 criminal cases were qualified for handling. 453 counts of enquiries about criminal matters were received as well. The CCAC completed the investigations of a total of 182 criminal cases and they were archived or referred to the Public Prosecutions Office.

Cases received from 2012 to 2016

| Item | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------------------------------|------|------|------|------|------|
| All cases received | 852 | 896 | 865 | 793 | 910 |
| Criminal cases qualified for handling | 297 | 264 | 266 | 262 | 252 |
| Cases completed | 185 | 236 | 492 | 256 | 182 |

III. Summaries of some of the cases concluded

Case 1

In February 2016, the CCAC uncovered the corruption case involving the former Prosecutor General, Ho Chio Meng. The public servants who were also involved in the case included the former Chief of Office of the Prosecutor General and a former advisor of the Office.

It was found in the investigation that during his tenure of over ten years, Ho and his relatives formed some shell companies, which were awarded the contracts of projects, services and supply of goods by the Public Prosecutions Office at high prices and subsequently sub-contracted them to other companies. These shell companies did not provide any services but simply made profit from the price difference. Although they had neither the ability to provide the relevant services nor the qualifications for winning the contracts and the prices they quoted were more expensive than the market, they were awarded many of the contracts by the Public Prosecutions Office at high prices over the years, involving an amount of more than MOP120 million. The illicit gains amounted to more than MOP40 million.

The CCAC also discovered that Ho allegedly abused his power by using public money to pay for his own as well as his relatives' and friends' entertainment. Ho was also suspected of committing offences of fraud, fraud over considerable value, power abuse, unlawful economic advantage, unexplained wealth and untrue declaration of assets and interests. The case is being heard at the Court of Final Appeal. The former Chief of Office of the Prosecutor General and the former advisor have also been referred to the judicial agencies.

Case 2

In June 2016, the CCAC uncovered a case where two chiefs of the Civic and Municipal Affairs Bureau (IACM), for a long period of time, covered up for two subordinates who were late to work and left early from the workplace without any reason.

According to the investigation, a staff member of the IACM and his immediate supervisor frequently came in late to work and left early between January 2011 and August 2014 and there were clear clock in and clock out records. However, despite the two chiefs of their department had come to know the irregular acts of the two subordinates, they wilfully did not fulfil their duties and obligations as chief to

inform the superior about the problems. Therefore, the leadership of the IACM was not able to realise the facts and initiate disciplinary process against them. As a result, the IACM improperly paid them the remuneration amounting to MOP550,000.

In the course of CCAC's investigation, one of the chiefs, with the intention to conceal the illegal act of covering up for the subordinates for a long period of time, accepted several dozen absence records without proper evidence or explanation as justified absence, albeit with the knowledge that such act would go against the legal procedures. The two chiefs allegedly committed offences of "power abuse" under the *Penal Code* and were referred to the Public Prosecutions Office.

The IACM attached great importance to the case and initiated disciplinary process against the relevant personnel. The workers who came in late to work and left early were sentenced to a 240-day suspension of duty.

Case 3

In November 2016, the CCAC uncovered a case where a division head of the Public Security Police Force used public vehicles for private purposes for a long period of time and instructed his subordinates to repair his private vehicle during working hours.

It was found in the investigation that between September 2015 and June 2016, the division head repeatedly instructed his subordinates to drive his family members in public vehicles to the places other than his working place for private activities, such as taking his son and domestic helper to and from school and taking his family members to the hospital for consultation.

Moreover, in June 2016, the division head, through a police sergeant, instructed two front-line police officers to go to his home during working hours to repair his spouse's car.

The public servant allegedly committed offences of “power abuse” under the *Penal Code* and was referred to the Public Prosecutions Office.

Case 4

In April 2016, the CCAC unveiled a case involving a chief and a functional head of the Marine and Water Bureau (DSAMA) who allegedly committed fraud of allowance for shift work.

The investigation revealed that a functional head of the DSAMA who knew that he needed to work according to normal working hours only without working on shifts but still conspired with his superior to deliberately fabricate reasons for the need for shift work for that position. The functional head made a proposal suggesting the change of normal working hours to the way of rotation, so as to receive a rotation allowance of 17.5%. The proposal was agreed by his supervisor and was subsequently approved by the superior. In fact, the so-called rotation of the work of the functional head involved himself only. There were no other people taking over his duties after he finished the shift and there was indeed no need to work on shifts.

From January to December 2010, the functional head had successfully received a monthly rotation allowance of 17.5% of his salary, a total fraud amount of some MOP50,000. They were suspected of committing the offence of “fraud involving high value” under the *Penal Code* and the case was referred to the Public Prosecutions Office.

Case 5

In November 2016, the CCAC uncovered a suspected case of fraud and document forgery involving a couple of public servants who worked in the Housing Bureau (IH) and the Office of the Prosecutor General respectively.

It was found after the investigation that the couple involved in the case owned

a flat in Zhuhai before their application for economic housing. However, when completing the application form, they did not follow the requirements and declare their property in Zhuhai. During the review process conducted by the IH, they continued to conceal the fact that they owned a property in Zhuhai and grasped the time to sell the property. Subsequently, they submitted a document proving that they did not own any property in Zhuhai, so that they could defraud the IH and continue to keep the acquired economic housing. In addition, when the couple declared their assets and interests in 2013 and 2015 respectively, they did not truthfully fill in the information regarding what they owned in Zhuhai.

They allegedly committed the offences of document forgery and fraud involving relatively high value under the *Penal Code*, as well as the offence of inaccurate data under the *Legal Regime of Declaration of Assets and Interests*. The case was referred to the Public Prosecutions Office.

Case 6

In November 2016, the CCAC unveiled a suspected case of document forgery to obtain financial aids from the Environmental Protection and Energy Conservation Fund (FPACE) by fraudulent means.

After the investigation, it was discovered that a supplier of energy conservation products, in the period between 2012 and 2015, through the process of assisting companies in handling the formalities in applying for the “Funding Programme for the Acquisition of Products and Equipment for Environmental Protection and Energy Conservation” and the actual supply of energy conservation products, exaggerated the prices of the energy conservation products provided, in order to obtain funding from the FPACE through fraudulent means.

Through forging of documents, exaggerating the prices of products and other fraudulent practices, the supplier concerned caused the FPACE to grant a financial support in excess of what it was supposed to grant, causing a loss in terms of public

money. Besides, the energy conservation products supplied by the supplier concerned were not in conformity with the brand, model and quantity of the products stated in the applications. A total amount of some MOP600,000 was involved in the case.

The supplier concerned was suspected of committing the offences of “document forgery”, “fraud” and “fraud involving high value” under the *Penal Code* and was referred to the Public Prosecutions Office.

Case 7

In April and May 2016, the CCAC detected two suspected cases of document forgery involving fraud over the “Income Subsidy” of the Macao SAR Government.

It was found after the investigation that between 2009 and 2014, the owner of the property management and cleaning company, when applying for the “Income Subsidy” on behalf of his employees, submitted false information to the Financial Services Bureau (DSF) by understating the wages and overstating the working hours of the employees and even faked their personal data in an attempt to fraudulently obtain the supplementary allowance amounting to over MOP700,000.

It was discovered after the investigation that the president of a property administration committee concerned, when applying for the income subsidy from the government on behalf of the property administrators, intentionally excluded the allowance and bonus on top of their basic salaries from the total amount of income, so as to obtain more subsidies through fraudulent means. It was calculated that between 2012 and 2015, the president, during the applications for income subsidy to the DSF on behalf of 29 property administrators, made a total of 113 false claims, involving a total amount of MOP250,000.

The company owner and the president mentioned above had allegedly committed the crimes of “fraud” and “document forgery” stipulated in the *Penal Code*. The cases were referred to the Public Prosecutions Office.

Case 8

In November 2016, the CCAC cracked down a private sector bribery case.

After investigation, it was discovered that a real estate agent, while working in the real estate company A, privately set up real estate company B for selling and transaction of real estates. The said agent, knowing well that commissions are one of the main sources of revenue for a real estate company, used pecuniary advantages to entice another agent in real estate company A with the intent to transfer the clients of company A to company B in private.

In the course of the investigation, the real estate agent concerned confessed the practice of the above-mentioned acts and company A also exercised its legal right to take legal actions. The acts of the agent concerned allegedly violated the provisions of “active bribery in the private sector” in Law no. 19/2009 on *Prevention and Suppression of Bribery in the Private Sector* and was referred to the Public Prosecutions Office.

IV. Mutual case assistance in cross-border investigation

(1) Requests for case assistance to CCAC from law enforcement agencies outside the Region

In 2016, the number of requests for case assistance to CCAC from law enforcement agencies outside the Region increased from four cases in 2015 to 19 cases in 2016. Among the cases, 15 cases were from the anti-graft agencies of the Chinese mainland and four cases were from the Independent Commission Against Corruption (ICAC) of Hong Kong. Three of the cases have been completed while the remaining 16 are still being processed.

(2) CCAC's requests for case assistance to law enforcement agencies outside the Region

In 2016, there was a slight increase in the number of requests for assistance to law enforcement agencies outside the Region. The number was increased from seven cases in 2015 to nine in 2016. Among the cases, six cases were requests for assistance to the anti-graft agencies of the Chinese mainland and the remaining three cases were requests for assistance to the ICAC of Hong Kong.

Some of the information obtained from the investigation was very important and became the key evidence to successfully crack down the cases. For example, in November 2016, during the investigation of the case involving public servants who allegedly forged documents to obtain an economic housing flat fraudulently, the CCAC, through the mechanism of co-operation and case assistance with the law enforcement agencies in the Chinese mainland, managed to get hold of the information on the purchase and sale of property in the Chinese mainland by the suspects and unveiled that they were allocated by the Housing Bureau an economical housing flat through previously concealing the ownership of real estate in Zhuhai.

(3) The 12th Seminar on Mutual Case Assistance of Guangdong, Hong Kong and Macao

In December 2016, the “12th Seminar on Mutual Case Assistance of Guangdong, Hong Kong and Macao” was hosted by the ICAC of Hong Kong. Representatives of the CCAC participated in the event. Representatives from the Hong Kong and Macao Affairs Office of the State Council and the Supreme People's Procuratorate also attended the seminar and delivered speeches respectively and gave full affirmation of the good foundation laid down by the anti-corruption agencies of the three places in the area of mutual case assistance over the past decade and more. At the same time, guiding opinions for future case assistance work were also put forward. At the meeting, the representatives of the People's Procuratorate of Guangdong Province, the ICAC of Hong Kong and the CCAC reviewed the problems encountered in the

work of case assistance in the past year and exchanged views on this.

Given the different legal systems in Guangdong, Hong Kong and Macao, during the investigation of mutual assistance cases, it will inevitably encounter the conflict of law applicable arising from the differences in the criminal systems. As the legal framework of mutual judicial assistance between the three places has not yet been established, the seminar on mutual case assistance will be held regularly in rotation so that the three places can fully exchange opinions and seek common ground while reserving differences, so as to jointly solve specific problems. It will facilitate the building of a stronger and mutually trusted and beneficial anti-corruption mechanism, so that cross-border corruption cases can be handled in a timely manner.

V. Court verdicts

In 2016, 12 cases investigated by the CCAC were tried and sentenced by the court, including the corruption case detected in 2015 about a former chief of the Transport Bureau that the public is more concerned. A total of 32 persons were involved in the cases.

The summaries of relevant verdicts are as follows:

| No. | Court | Suspect | Charge | Result of adjudication |
|-----|-------------------------|-------------------|------------------|---|
| 1 | Court of First Instance | Lei XX Wong XX | Document forgery | Lei XX was sentenced to a 120-day fine at MOP300 per day, totalling MOP36,000. Wong XX was sentenced to a 120-day fine at MOP50 per day, totalling MOP6,000. |

| | | | | |
|---|--|--|-----------------------------|--|
| 2 | <p>Court of First Instance</p> <p>Court of Second Instance</p> | <p>Ho XX</p> <p>Wong XX</p> | <p>Electoral corruption</p> | <p>The Court of First Instance sentenced Ho XX to imprisonment of 1 year and 6 months.</p> <p>The Court of First Instance sentenced Wong XX to imprisonment of 1 year and 3 months.</p> <p>The two persons were also sentenced the accessory penalty of suspension of political rights for 2 years.</p> <p>The Court of Second Instance rejected their appeals and upheld the original judgments.</p> |
| 3 | <p>Court of First Instance</p> <p>Court of Second Instance</p> | <p>Leong XX</p> <p>Kou XX</p> <p>Lok XX</p> <p>Hong XX</p> <p>Lam XX</p> | <p>Fraud</p> | <p>The Court of First Instance sentenced Leong XX and Kou XX to imprisonment of 2 years respectively.</p> <p>The Court of First Instance sentenced Lok XX to imprisonment of 6 months without suspension.</p> <p>The Court of First Instance sentenced Hong XX to imprisonment of 1 year and 6 months, with the execution of the sentence suspended for 2 years.</p> <p>The Court of First Instance sentenced Lam XX to imprisonment of 1 year, with the execution of the sentence suspended for 2 years.</p> <p>The Court of Second Instance upheld the original judgments.</p> |

| | | | | |
|---|---|-------------------------------|---|---|
| 4 | Court of First Instance | Kou XX Leong XX Choi XX | Fraud | <p>Kou XX was found guilty of 10 counts of aggravated fraud and was sentenced to 3-year and 9-month imprisonment for each count. He was subject to a concurrent sentence of 10-year imprisonment for the 10 offences committed.</p> <p>Leong XX was found guilty of 10 counts of aggravated fraud and was sentenced to 3-year imprisonment for each count. He was subject to a concurrent sentence of imprisonment of 8 years and 6 months for the 10 offences committed.</p> <p>Choi XX was acquitted.</p> |
| 5 | Court of First Instance | Chan XX Lei XX | Power abuse Breach of confidentiality Unexplained wealth Inaccurate data | <p>Chan XX was guilty of 2 counts of inaccurate data, with a 120-day fine for each count. The concurrent sentence was a fine of 210 days at MOP2,000 per day for the 2 offences committed, totalling MOP420,000. He was acquitted of power abuse, breach of confidentiality and unexplained wealth.</p> <p>Lei XX was acquitted of power abuse and breach of confidentiality.</p> <p>The case was heard by the Court of Second Instance on appeal.</p> |
| 6 | Court of First Instance Court of Second Instance | Kong XX | Active corruption | <p>The Court of First Instance handed down a sentence of 7-month imprisonment, with the execution of the sentence suspended for 1 year and 6 months.</p> <p>The Court of Second Instance upheld the original judgment.</p> |
| 7 | Court of First Instance | Cheong XX | Active corruption | <p>He was sentenced to a fine of 60 days at MOP120 per day, totalling MOP7,200.</p> |

| | | | | |
|----|---|--|---|---|
| 8 | Court of First Instance | Wong XX | Document forgery | He was sentenced to 9-month imprisonment, with the execution of the sentence suspended for 1 year and 6 months. |
| 9 | Court of First Instance | Wong X | Active corruption | He was sentenced to 6-month imprisonment, with the execution of the sentence suspended for 1 year and 6 months. |
| 10 | Court of First Instance Court of Second Instance | Chan XX Wong XX Chio XX Chu XX Ao Ieong XX Cheong XX Ng XX | Passive corruption Active corruption | <p>Verdicts by the Court of First Instance are as follows:</p> <p>Chan XX was sentenced for 3 counts of passive corruption for performing illicit acts. He was subject to a concurrent sentence of 2-year imprisonment for the 3 offences committed.</p> <p>Wong XX was sentenced for 3 counts of active corruption for performing illicit acts. He was subject to a concurrent sentence of 2-year imprisonment for the 3 offences committed.</p> <p>Chio XX was sentenced for 2 counts of active corruption for performing illicit acts. He was subject to a concurrent sentence of 1-year imprisonment for the 2 offences committed, with the execution of the sentence suspended for 3 years.</p> <p>Chu XX was sentenced for 2 counts of active corruption for performing illicit acts. He was subject to a concurrent sentence of 1-year imprisonment for the 2 offences committed, with the execution of the sentence suspended for 3 years.</p> <p>Ao Ieong XX was sentenced for 2 counts of active corruption for performing illicit acts. He was subject to a concurrent sentence of 1-year imprisonment for the 2 offences committed, with the execution of the sentence suspended for 4 years.</p> |

| | | | | |
|----|-------------------------|---------|------------------|---|
| | | | | <p>Cheong XX was sentenced to imprisonment of 9 months for 1 count of active corruption for performing illicit acts, with the execution of the sentence suspended for 3 years.</p> <p>Ng XX was sentenced to imprisonment of 6 months for 1 count of active corruption for performing illicit acts (accomplice), with the execution of the sentence suspended for 2 years.</p> <p>Verdicts by the Court of Second Instance are as follows:</p> <p>Of the above individuals, only Chan XX filed an appeal. The Court of Second Instance sentenced Chan XX to a combined sentence of imprisonment of 2 years for 3 counts of passive corruption for performing illicit acts, with the execution of the sentence suspended for 4 years under the condition of fulfilling the obligation of donating MOP30,000 to the Macao SAR within 6 months by the applicant.</p> |
| 11 | Court of First Instance | Chan XX | Document forgery | <p>He committed 5 counts of document forgery and was sentenced to imprisonment of 7 months for each count. The concurrent sentence was 1 year and 3 months' imprisonment, with the execution of the sentence suspended for 2 years, on the condition that a monthly payment of not less than MOP5,000 would be made to the Financial Services Bureau (DSF) until the full payment totalling MOP111,600 was fulfilled.</p> |

| | | | | |
|----|-------------------------|---------|---|---|
| 12 | Court of First Instance | Lou XX | <p>Passive corruption</p> <p>Breach of confidentiality</p> <p>Illicit financial participation in legal acts</p> <p>Money laundering</p> <p>Power abuse</p> <p>False declaration in declaration of assets and interest</p> <p>Unexplained wealth</p> | <p>He was guilty of 42 counts of passive corruption and was sentenced to imprisonment of 4 years for each count.</p> <p>He was guilty of 10 counts of breach of confidentiality and was sentenced to imprisonment of 9 months for each count.</p> <p>He was guilty of 12 counts of illicit financial participation in legal acts and was sentenced to imprisonment of 1 year and 6 months for each count.</p> <p>He was guilty of 1 count of money laundering and was sentenced to imprisonment of 3 years and 6 months.</p> <p>He was guilty of 2 counts of power abuse, 2 counts of false declaration in declaration of assets and interests and 1 count of unexplained wealth.</p> <p>He was subject to a concurrent sentence of 12 years and 6 months and a fine of MOP36,000 for the offences committed.</p> |
| | | Pun X | <p>Passive corruption</p> <p>Breach of confidentiality</p> <p>Illicit financial participation in legal acts</p> | <p>He was guilty of 42 counts of passive corruption and was sentenced to imprisonment for 3 years for each count.</p> <p>He was guilty of 10 counts of breach of confidentiality and 12 counts of illicit financial participation in legal acts.</p> <p>He was sentenced to imprisonment of 7 years and 9 months for a total of 64 counts of crimes.</p> |
| | | Chan XX | <p>Active corruption</p> <p>Illicit financial participation in legal acts</p> | <p>He was guilty of 28 counts of active corruption and 12 counts of illicit financial participation in legal acts and was sentenced to imprisonment of 6 years and 3 months.</p> |

| | | | | |
|--|--|----------|---|---|
| | | Chan XX | Active corruption | He was guilty of 28 counts of active corruption and was sentenced to imprisonment of 4 years and 6 months. |
| | | Leong XX | Illicit financial participation in legal acts | He was guilty of 12 counts of illicit financial participation in legal acts and was sentenced to imprisonment of 4 years. |
| | | Ian XX | Active corruption | He was guilty of 14 counts of active corruption and was sentenced to imprisonment of 4 years and 3 months. |

VI. Declaration of assets and interests

In order to promote the culture of probity and to be in line with the government's policy of transparency, the CCAC has scrupulously carried out the legal regime of declaration of assets and interests of public servants in accordance with the law. Since its implementation in 1998, the regime of declaration of assets and interests has been effective for 18 years. During this period, the regime has been revised twice with a view for better improvement. The mechanism of the moderate disclosure of assets and interests was introduced in the *Legal Regime of Declaration of Assets and Interests* that entered into force in 2013, which plays an important role in establishing an image of integrity and transparency of the government.

The legal regime of declaration of assets and interests is not only an important measure to ensure the integrity of public servants, but also an effective instrument for combating corruption. Public servants are required to truthfully declare their assets. Failure to do so may cause violation of the criminal provisions in the *Legal Regime of Declaration of Assets and Interests*.

In the past two years, the CCAC cracked down several cases of the offences of "inaccurate data" and "unexplained wealth" stipulated in the *Legal Regime of Declaration of Assets and Interests*. The cases were referred to the Public Prosecutions Office and the defendants of some of the cases were convicted by the

court. These cases show that declaration of assets has become an important part of the construction of a clean government in the Macao SAR.

In terms of external promotion, the CCAC published the main contents of the *Legal Regime of Declaration of Assets and Interests* through various means such as the publication of information on the internet and the distribution of brochures, as well as the production and distribution of the guidelines to fill in the declaration forms. The CCAC continued to hold “briefing sessions on declaration of assets and interests” and answer questions for departments that had greater number of new recruits, which enabled the new staff to better understand the relevant legislation and to be aware of the notes in filling out the declaration forms.

In line with the overall planning of the e-government of the Macao SAR Government, the CCAC continues to use the “notification processing system of declaration of assets and interests” as a channel for delivery and receipt of notifications. The system was first launched in early 2013 and has been adopted by 53 public departments and entities by 2016. The adoption of the system has reduced the manpower and financial resources in the delivery of the notifications and enhanced work efficiency. It also achieved a significant effect in the process of implementing the legal regime of declaration of assets and interests.

In 2016, the work concerning declaration of assets and interests was carried out smoothly. The CCAC collected the declaration forms from a total of 13,450 public servants. Details are listed below:

Statistics of declaration of assets and interests in 2016

| Reasons for submitting declaration | Total |
|------------------------------------|---------------|
| Appointment | 2,863 |
| Alternation of position | 4,382 |
| Termination of position | 2,005 |
| 5-year renewal | 2,084 |
| Renewal with that of spouse | 551 |
| Pursuit of data-provision duty | 1,395 |
| Voluntary renewal | 170 |
| Total | 13,450 |

PART III
OMBUDSMAN



PART III

OMBUDSMAN

I. Introduction

In 2016, the CCAC, as always, carried out its ombudsman duties in strict accordance with the *Organic Law of the Commission Against Corruption* and other legislations. Upon receipt of reports from the citizens or information of illegalities through other channels, investigation will be conducted based on the established procedures. When facts of administrative malpractice or illegality are found, the department involved or its supervisory body will be notified of the problems and relevant suggestions for improvement or recommendation will be issued.

Last year, the CCAC placed 658 administrative cases on file and handled 649 requests for help and consultation. In view of the longer time span, the increased complexity and concealment of the circumstances in the cases in recent years, the CCAC has made adjustments at the levels of human resources and internal operations to enable staff to be more focused on handling cases and to adopt more diversified investigative measures, so as to better carry out the work of ombudsman.

When it comes to targeted investigations, the CCAC completed two investigation reports, namely the “Investigation report on the land exchange case related to the site of Iec Long Firecracker Factory” and the “Investigation report on the granting of public car park management service by the Transport Bureau”. On the basis of the findings after investigating the land exchange event of the Iec Long Firecracker Factory and the event of granting of public car park management service, the CCAC made in-depth analyses from the legal point of view and pointed out the illegalities of the administrative procedures and administrative acts, and put forward the suggestions for improvement.

Although the background and contents of the two cases mentioned above vary and the legal provisions applicable to the relevant procedures are not the same, the two incidents have something in common, that is, the public servants who were in

charge of the relevant procedures ignored the legal provisions and seriously violated the “principle of legality”, the most basic bottom line that shall be observed by public servants in the course of performing their duties. As a result, the checks and balances established by law and the supervisory mechanism were totally ignored and they will give rise to the occurrence of criminal offences such as corruption.

Same as last year, the CCAC selected and summarised some cases that are considered representative to allow the public and the public departments to better understand the ombudsman cases followed up by the CCAC in the past year, so that public departments and the supervisory bodies can reflect upon the similar situations that they came across, and adopt and implement the corresponding improvement measures to avoid the occurrence of the same mistakes.

From the summaries, it can be seen that the cases are related to various issues such as the recruitment of personnel, the appointment of chiefs and leadership, public procurement and illegal outside employment; certain cases reflect the lack of accurate understanding of the administrative procedures and legislations that are applicable to public departments concerning their own duties and the laziness to carry out their duties; some other cases even revealed that certain departments, even though they clearly knew that such acts or procedures were with flaws, turned a blind eye to the existence of the illegal situation by justifying with plausible reasons. They were compelled to take corrective measures only when the CCAC rendered recommendations.

Over the past year, the CCAC has taken part in the revision of the *Electoral Law of the Legislative Assembly*. On the basis of summing up the past experience in law enforcement, the CCAC made a number of proposed amendments to the law and followed up the entire drafting process. The bill was scrutinised and passed by the Legislative Assembly at the end of 2016. The revision of the *Electoral Law of the Legislative Assembly* will provide the CCAC with more effective legal means and basis for the implementation of the duties of preventing, curbing and combating electoral corruption and other electoral illegalities.

II. Investigations

(1) “Investigation report on the land exchange case related to the site of Iec Long Firecracker Factory”

The CCAC pointed out in the report that the Iec Long Firecracker Factory covering an area of 28,340 m², of which 21,668 m² was granted by way of lease to the two operators of the then Iec Long Firecracker Factory by the Portuguese Macao Government in 1950s, so that the two operators could utilise the land together with the 1,655 m² private land they owned and other land for the operation of the firecracker business.

Since the firecracker factory was basically in a state of shutdown, in 1986, the Portuguese Macao Government declared the termination of validity of the concession of the aforementioned 21,668 m² of land. The Portuguese Macao Government had continually received applications from the right holders of the Iec Long Firecracker Factory site for construction of commercial and residential buildings or exchange for another plot of land in that site. However, no agreement was reached.

In addition, there was also a dispute between the relevant right holders and the Government over the premium of concession of the BT27 parcel in Taipa. In 2000, the public works department decided to solve the said dispute of premium together with the land exchange case. After a number of negotiations, the public works department reached an agreement regarding the land exchange with the right holders.

On 10th January 2001, the Macao SAR Government, represented by the Director of the Land, Public Works and Transport Bureau, and the Baía da Nossa Senhora da Esperança Company signed a *Commitment* of land exchange, under which the government promised to grant a plot of land measuring 152,073 m² located at Baía de Nossa Senhora da Esperança in Taipa to the company. At the same time, the Baía da Nossa Senhora da Esperança Company promised that all the parcels composing the Iec Long Firecracker Factory site would be transferred to the Macao SAR

Government free of burden.

In March 2002, the Baía da Nossa Senhora da Esperança Company obtained approval to divide the land of Baía de Nossa Senhora da Esperança into two parcels with respective areas of 99,000 m² and 53,073 m² and the company transferred the first parcel to the Shun Tak Recreational Service Limited (Shun Tak Limited) under the price of HKD500 million. In 2006, the Shun Tak Limited declared to abandon a portion of land covering an area of 18,344 m² in the above parcel in order to exchange for a concession by lease of a parcel of land covering an equivalent area located at Outer Harbour New Land Reclamation Area.

After analysis, the CCAC believed that the signing process of the *Commitment* is in violation of the provisions of the *Land Law* concerning the requirements of competence, necessary forms and necessary procedures for disposition of land. Besides, since the Portuguese Macao Government declared the termination of validity of the concession of the 21,668 m² of land in the Iec Long site in 1986, the Baía da Nossa Senhora da Esperança Company did not have the right to make decisions for that parcel, let alone the right to promise to transfer all the parcels composing the entire Iec Long site to the Macao SAR Government. It was not necessary and not possible that the Macao SAR Government had to obtain from the Baía da Nossa Senhora da Esperança Company the other parcels within the Iec Long site that were State property in the first place.

The report pointed out that the value of the Iec Long site confirmed in the *Commitment* included not only that of the private land and the land on long-term leasehold but also that of the land on leasehold which has already declared invalid and the land without registered ownership. Moreover, the deduction of the value of the State-owned land from the amount of the premium paid for the land exchange is obviously in contradiction with the principle of “equal benefits” provided by the *Land Law*, which jeopardises public interest.

The report also pointed out that in the process of the land exchange deal, the

DSSOPT stated neither the criteria nor the reasons for making decisions with regard to matters including adjusting the amount of the premium to be returned to the concessionaire of the BT27 parcel, modifying the method of calculating the value of the Iec Long site and increasing the usable plot ratio of the residence to be built at Baía de Nossa Senhora da Esperança. Therefore, the “duty to state reasons” that is stipulated in the *Code of Administrative Procedure* was clearly violated.

The CCAC considered that the *Commitment* concerning the land exchange of the Iec Long site is null and it is not necessary for the Macao SAR Government to bear any “land debts”. The CCAC suggested the relevant departments of the Macao SAR Government should study seriously and handle properly the subsequent questions arising from the nullity of the *Commitment*, as well as the dispute on premium payment for the BT27 parcel in Taipa and the issues concerning the land concession to the Shun Tak Limited.

(2) “Investigation report on the granting of public car park management service by the Transport Bureau”

In April 2015, the CCAC cracked down a case in which the chief and his subordinates of the Transportation Management Division of the Transport Bureau (DSAT) colluded with the management companies and took advantages of their positions to manipulate the granting of service contracts of public car park management and from which illicit advantages were received. The sum involved totalled nearly MOP67 million and the illicit profit was about MOP19 million.

During the process of the criminal investigation, the CCAC found that in addition to the subjective criminal intent of the persons involved, the DSAT had serious defects in the outsourcing process and internal supervision mechanism of public car park management services, resulting in the failure of timely detection and curbing of the illegal acts, thus objectively served a pampering and facilitating effect on the occurrence of the case. Thus, the CCAC commenced investigation on this issue.

The report pointed out that according to the stipulations of the *Regulations of Public Car Park Services*, the Public Administration shall, through open tendering for the “operation contract”, outsource the management of a public car park to a private entity. Under an “operation contract”, the management company that operates the car park shall be self-financing and bear all the costs for running the car park, including the expenses on purchasing equipment. All the revenue shall go to the management company after an amount of it is paid to the Public Administration as “pecuniary returns”.

However, the CCAC found that the DSAT did not adopt the “operation contract” without providing sufficient justifications but repeatedly signed the “short-term management services contracts” with management companies instead through splitting the management services contracts of the car parks and outsourced them to the companies. From 2003 to 2016, among the 46 public car parks in Macao, the DSAT signed 341 “short-term management services contracts” for 39 car parks.

The CCAC considered that such practice of the DSAT obviously evaded the provisions of the *Regulations of Public Car Park Services* and Decree Law no. 122/84/M concerning open tendering and signing of notarial contract. As a result, the existing statutory systems and procedures were totally ignored and finally they were used by criminals as means of manipulating the grant of car park management service contracts for the purpose of gaining illicit advantages.

The report also pointed out that when the DSAT purchased the equipment or repair services of car parks, it always “passed the buck” to the management companies to submit quotations from other professional companies. The DSAT exempted the procedure of price inquiries without stating the reasons and directly granted the projects to the management companies which did not have the conditions of providing relevant equipment or works.

Moreover, the DSAT failed to effectively supervise the parking income that the car park management companies should pay to the government and the truthfulness

and accuracy of the amounts of the payments it had received. For some of the companies which always delayed the payments of parking income, the DSAT did not take effective measures to dun for the payments. It even paid those companies the management service fees promptly and granted the new contracts to them.

The CCAC believed that the problems found in the investigation including not acting in accordance with the law strictly and even deliberately evading the law or statutory procedures, as well as lax or formalistic internal supervision, were not exceptional among public departments. If these issues are not redressed promptly, they will give rise to corruption crimes.

The CCAC pointed out that violation of the “principle of legality” shall not be the cost for boosting administrative efficiency. Weakening the openness and transparency of procurement procedure not only makes it difficult for the Public Administration to choose the service of the best quality at reasonable price but also increases the risk of occurrence of corruption and power abuse. The Public Administration shall make adjustments to Decree Law no. 122/84/M and other related regulations according to the reality and social development in order to strengthen the relevant monitoring and rectification systems as well as simplify the public procurement procedures.

III. Summaries of cases

Case 1

A complainant told the CCAC that a stall in the Taipa Market was closed for over one year and the license holder did not show up at the stall ever again. The stall was just used for keeping stock. Since the Civic and Municipal Affairs Bureau (IACM) has not made any prosecution over a long period of time, the complainant suspected that the Bureau’s supervision was inadequate.

During investigation, the CCAC found that there were indeed circumstances that a vendor did not do any business as normal and the stall was used for keeping

stock. The IACM stated in a reply letter to the CCAC regarding the mentioned circumstances that since there was not any law supervising the close-down of business for no reason in the markets in Taipa or Coloane, the IACM could only advise the vendor of the stall to keep his business open.

Before the handover of Macao to China, the former Macao Municipal Council and the former Municipal Council of the Islands managed the markets in Macao and in the Islands respectively. In order to handle the circumstances that some vendors of the stalls who did not do any business for a long time, the Executive Board of the former Macao Municipal Council made a resolution on 4th June 1999 that permission should be obtained if stall tenants of the markets would not do their business for a period of more than three consecutive days. If, without permission, the stall tenants of the markets did not do their business for 15 days, they had to give their explanation within seven days. Otherwise, their tenancy would be terminated. However, the former Municipal Council of the Islands did not set up any regulation governing the circumstance in which the stall tenant of the market closed down the business for no reason.

After Macao was returned to China, be it the former provisional Municipal Councils or the IACM which was established afterwards, the department has not unified the regulations that govern the management of the markets in Macao and in the Islands, resulting that the markets in Macao and Taipa have long adopted different criteria in management. Taking into account the current area of Macao and the number of markets in the region, it is totally unnecessary to preserve different management systems. Not only will such act bring difficulties to the management, it will also make the citizens feel that the enforcement is unfair and partial.

Currently, the IACM manages the markets in the Islands according to the *Code of Municipal Ordinances of the Islands* which was formulated in 1974. There is no doubt that the problems of outdated law and inadequate supervision appear. Moreover, even the markets in the Macao peninsula are managed according to the

Regulations of Municipal Markets of the Macao Municipal Council which was promulgated in 1960. Most of the content is seriously outdated and contradicts the reality. In 2015, the CCAC pointed out in the “Investigation Report on Municipal Ordinances and Municipal Regulations” that a considerable number of municipal ordinances and municipal regulations were outdated and needed to be revised as soon as possible in order to meet the demand of municipal management.

Taking into account the stalls of the markets in the Islands have been vacant for a long time, the CCAC believed that the resources of public services are not utilised properly. The supervision department is also helpless because there is a lack of means of law enforcement. Outdated laws which are related to livelihood affairs will finally affect the daily life of citizens. Therefore, the CCAC urged the IACM to complete the revision of relevant municipal ordinances and municipal regulations without delay. The IACM stated it agreed that the current provisions of municipal markets and the modes of supervision were imperfect. The Bureau promised to further improve the management of markets through revision of the laws and introduction of other technical means in response to the development needs of the society.

Case 2

A complainant told the CCAC that someone, who was employed by the Cultural Affairs Bureau (IC) through the open recruitment of an officer in 2012, did not possess the academic qualification as required in the recruitment notice before the deadline of the application period of the recruitment. The complainant suspected that the IC violated the law of recruitment.

According to the investigation of the CCAC, before the deadline of the application period of the recruitment dated 16th April 2012, the applicant just submitted an “enrollment certificate” of a bachelor’s degree programme issued by a university to the IC instead of the copy of an academic qualification certificate as required in the recruitment notice. Only until the IC announced the provisional list

of candidates of the recruitment did the applicant submit the university's graduation certificate to the IC on 30th May 2012.

The CCAC believed that the law governing the public servants of Macao stipulates that academic qualification is a general requirement of taking up the post of a public servant. The applicant should possess the required document before the deadline of the application period as stipulated in the recruitment notice. Otherwise, the relevant appointment should be invalid. The applicant, who only possessed the academic qualification of the bachelor's degree after the deadline of the application period, did not meet the statutory requirement of academic qualification of holding the post of an officer. The IC's appointment of the applicant was therefore invalid due to breach of law.

During the investigation, the IC admitted that the jury had a misunderstanding about the applicant's possessing of the required document during application and believed that the applicant would be eligible for an examination when the academic certificate could be acquired in a short period of time. Therefore, the IC already revised the workflow and guidelines of the open recruitment and promised to improve the procedures of the open recruitment to ensure the legality of the recruitment procedures and avoid similar incidents from happening again. The applicant has already left the IC.

Case 3

The CCAC found during its work that the appointment of two chiefs of the Cultural Affairs Bureau (IC) allegedly breached the law and thus commenced an investigation.

Suggested by the Director of the IC and approved by the Secretary for Social Affairs and Culture, the two staff members were appointed the Chief of Division of Human Resources and Administration and the Chief of Division for Research and Planning of the IC. Their appointment orders were published on the *Official*

Gazette of the Macao SAR on 6th January 2016. However, the CCAC found during the investigation that the two chiefs did not meet the statutory requirement of having at least five years' experience in relevant fields.

According to the investigation of the CCAC, the staff who was appointed the Chief of Division of Human Resources and Administration used to work as a secretary in the former Macao Municipal Council and the Civic and Municipal Affairs Bureau (IACM) from 1994 to 2010. After starting his services in the IC in 2010, he also carried out secretarial duties, which meant that he was not responsible for or participated in any public administrative work before taking up the post of the Chief. Thus, the CCAC believed that the staff did not meet the requirement of having work experience in human resources and administration for at least five years as required by the law.

Moreover, the staff who was appointed the Chief of Division for Research and Planning had worked in private companies previously. In July 2010, he was employed by the IC through acquisition of services and was later hired by the IC under short-term contracts in October of the next year. The CCAC believed that the “work experience in relevant fields” as stipulated by the law refers to the work experience gained in public work only. Experience in private departments or in public departments where the employee was hired through acquisition of services was not included. Thus, the work experience of public work of the staff should only be calculated from October 2011, meaning that he did not fulfil the statutory requirement of having at least five years' experience in holding the post of a Chief.

According to Law no. 15/2009 which stipulates the fundamental provisions of leadership and management of public departments, Article 4 provides that the employment of leadership and management “shall meet the criteria of legality, transparency and objectivity”. However, the employment procedure of the two chiefs of the IC was against the “principle of legality”. Therefore, the CCAC issued a recommendation to the IC, urging the Bureau to adopt appropriate measures to

handle the problem of which the appointment of the two chiefs violated the law. The IC accepted the recommendation of the CCAC and sought approval from the superior about the appointment of the two chiefs according to Administrative Regulation no. 26/2009.

Case 4

In 2015, the CCAC found that the Macao Government Tourism Office (MGTO) from 2013 hired a former chief that had retired according to the Provident Fund Scheme for Workers in the Public Services as an officer (with 600 salary points), under the contract for personnel outside the establishment. As the former chief did not hold a higher education degree or a bachelor's degree, the employment did not comply with the academic qualification requirements laid down in the legal systems governing public servants of Macao. Therefore, the CCAC issued recommendations and requested the Bureau to address the problem. The MGTO stated in a letter to the CCAC that it had terminated the said contract with the former chief.

Later on, however, the CCAC came to know that this former chief still remained in the MGTO after the said contract was terminated on 31st October 2015, and he continued to work there from 1st November 2015 under the services acquisition contract with a monthly remuneration of MOP65,000. The term of the services acquisition contract entered into between the MGTO and this former chief was two months and the contract was later renewed for the same term.

With the entry into force of Law no. 12/2015, which regulates public departments' employment of workers under labour contracts, the MGTO proposed to the Secretary for Social Affairs and Culture on 28th January 2016 that the said former chief be hired as a consultant under the labour contract with a monthly salary equaling to 660 points of the pay scale for public servants. The proposal was approved by the Secretary for Social Affairs and Culture on 11th February 2016.

During the investigation, the CCAC found that, judging from the content and

nature, be it under the services acquisition contract or the labour contract, the work performed by the former chief was not significantly different from his previous work at the MGTO. Therefore, it is evident that in spite of the CCAC's recommendations regarding its illegal employment with the contract for personnel outside the establishment, the MGTO still attempted to evade the statutory employment procedures, ignored the academic qualification requirements laid down in the relevant regulations and continued to employ the said person with a similar or an even higher salary.

According to the CCAC's investigation, although the MGTO suggested that the former chief be employed due to his expertise and experience in both engineering and tourism management, he never received any higher education or professional training on engineering and was incapable of solving the related technical problems independently. His usual job duties were to accompany the leaders to meetings or conferences, recheck and proofread meeting minutes, contact the subunits of the Bureau, attend meetings on behalf of the Bureau, brief and give opinions to the leaders on issues related to the meetings and so on.

According to Law no. 12/2015, only when professionals are in shortage or those to be employed are with special talents may the persons be hired as consultants or to perform professional skills under the labour contract. The CCAC believes that the said former chief did not have "special talents" as required by the law and his job duties were not significantly different from those of an ordinary officer or senior officer (i.e. he was not employed to perform duties of a "consultant" or "professional duties"). Therefore, the employment did not meet the conditions laid down in Law no. 12/2015.

Given the above analysis, the CCAC issued recommendations to the MGTO once again and requested the latter to address the said problems in relation to illegal employment. The MGTO replied in a letter that it agreed with the opinions of the CCAC and would, starting from 1st October 2016, hire the former chief as an assistant officer under the administrative appointment contract (with 480 salary points).

Case 5

The CCAC received a report claiming that the University of Macau (UM) directly outsourced a few technical support services to a civil association successively in 2015. The report raised doubt over whether the UM had followed the procurement procedures in accordance with the law.

According to the CCAC’s investigation, the Centre for Engineering Research and Testing (CERT) of the UM once directly outsourced to a civil association its quality assuring and testing services for public works for four times in a row. Each of the contracts entered into between the two parties was with a three-month term. However, according to information, when outsourcing the said services the UM already anticipated that the relevant public works would take a few years to complete, which means the actual period of execution of the contract would definitely be more than six months.

The CCAC found that, if the UM had determined the term of the contract for the outsourced services to be one year or even longer, the contractual price would have exceeded MOP750,000. In that case, public procurement procedures must be followed and a written outsourcing contract must be signed in accordance with the law. As there were no sufficient grounds to justify the establishment of short-term contracts, the practice of the UM to split the services to be procured into several parts was allegedly an attempt to evade the public procurement procedures and the signing of written contracts.

Moreover, the UM did not get price quotes from at least three entities on the grounds that technical cooperation agreements had been signed, the projects granted to it involved too much work and there had been a lack of personnel in the relevant fields. Instead, it outsourced the services to the said civil association directly. In the CCAC’s opinion, there was no sufficient justification for the UM to have directly outsourced the relevant projects to be procured. Therefore, it was a violation of the law.

The UM agreed with the opinions of the CCAC and guaranteed that it would follow the procurement procedures in accordance with the relevant legislation in the future. In addition to planning to enhance its personnel's understanding of the relevant legislation, it would also provide more professional and technical training for its technical workers so that fewer of its technical support services would be outsourced.

Case 6

In 2016, the CCAC received a few complaints over public servants who allegedly violated the law by engaging in private businesses. The CCAC carried out investigations according to the law.

A report was lodged to the CCAC in November 2015. It was found after investigation that an assistant officer of the Public Security Forces Affairs Bureau, who also held a license to practice Chinese medicine, applied to the then Secretary for Security in 2009 for approving his concurrent position as a licensed operator in a clinic. The application was approved and the assistant officer was permitted to hold the concurrent position for one year. However, after one year's time, the assistant officer continued to operate the clinic without renewing the application for the department's permission.

Another report was lodged to the CCAC in February 2016. It was found after investigation that a teacher of the Education and Youth Affairs Bureau, without first applying to the Bureau for permission to take up outside work, served as referee twice for a sports federation in competitions for reward in 2015 and 2016.

The CCAC also received a report in July 2016. It was found after investigation that a driver of the Land, Public Works and Transport Bureau, without first applying to the Bureau for permission to take up outside work, worked for a tour and travel agency for reward in his spare time to provide transport service for casino workers.

According to the *Statute of Personnel of the Public Administration of Macao*, persons who exercise public functions shall observe the principle of exclusivity, which means public servants may engage in private businesses only in exceptional cases and when permission is granted. Otherwise, the act will be a disciplinary offence.

After investigations, the CCAC verified that the above-mentioned public workers had engaged in private businesses without permission from their departments and their acts allegedly constituted disciplinary offences. The CCAC therefore notified the relevant departments of the said cases for follow-up action. Later on, the relevant departments informed the CCAC that disciplinary procedures had been undertaken against the personnel involved.

Case 7

The CCAC received a report alleging that a person, when applying for the recruitment of officer of the Marine and Water Bureau (DSAMA), submitted a bachelor's degree certificate granted by a private university in China which was not recognised by the Ministry of Education of China. Thus it did not meet the requirement for tertiary education background mentioned in the notice of the recruitment. Therefore, it was suspected that the DSAMA hired the person illegally.

The complainee applied for the recruitment of officer of the DSAMA in the area of maritime registry in 2013 and was employed as his score was the second highest. Under the order issued by the Secretary for Transport and Public Works on 24th July 2014, the complainee was employed as 2nd grade officer of 1st rank under the contract of personnel outside the establishment with 350 salary points.

The CCAC found in the investigation that when applying for the open recruitment process, the complainee submitted to the DSAMA a bachelor's degree certificate granted by a private university in China in 2011. However, it was not until 2014 that the university was allowed by the Ministry of Education to provide undergraduate

education and grant bachelor's degree certificates. For the effectiveness of the complainee's bachelor's degree certificate, the Tertiary Education Service Office replied to the CCAC that the act that an organisation (including tertiary education institution) carries out outside or beyond its competence is considered null according to the law.

The CCAC considered that according to the *Statute of Personnel of the Public Administration of Macao*, educational qualification is one of the ordinary requirements for public posts. The candidates shall meet the requirement and prove it with appropriate, effective and legal documents before the deadline for application mentioned in the notice of the recruitment process. Otherwise, the appointment will be null. The DSAMA finally accepted the CCAC's views and considered that the bachelor's degree certificate submitted by the complainee failed to meet the requirement of the recruitment and employment and the appointment was terminated due to its nullity.

Case 8

The CCAC received a report alleging that the Director of the Meteorological and Geophysical Bureau (SMG) sub-delegated his powers, which had been delegated by the Secretary for Transport and Public Works, to the Deputy Director through an internal order, but the order was not published in the *Official Gazette of the Macao SAR*. Therefore, it was suspected that the act was not approved by his superior and thus constituted administrative illegality.

The CCAC found in the investigation that the Secretary for Transport and Public Works delegated the powers of internal management of the SMG to the Director through Order no. 64/2009 issued in 2009. On 28th November 2014, the Director issued Internal Order no. 13/2014 to sub-delegate some of the powers to the Deputy Director, but the internal order was neither approved by his superior nor published in the *Official Gazette* according to the law.

The internal order clearly indicated that the Deputy Director was sub-delegated to exercise the powers delegated by the Secretary for Transport and Public Works in Order no. 64/2009. Paragraph 2 of the internal order stated that “The Deputy Director, X, is hereby sub-delegated the power to exercise the following duties”, including “to approve the applications for annual leave according to the law” and “to approve the limited service provided under the regulations of overtime or shift work”. Paragraph 3 even stated that “With my approval, the Deputy Director may sub-delegate to management staff the powers deemed appropriate for smooth operation”.

On 28th April 2016, the Director of the SMG admitted in the written response to the CCAC’s enquiry about the complaint that he did sign the internal order in 2014, but he thought that the order aimed to clarify the Deputy Director’s competence provided by the organic law of the SMG. Therefore, he denied having sub-delegated the powers to the Deputy Director and stated that the applications for annual leave and overtime work made by the personnel of the subordinate units under the Deputy Director were approved by the Director himself.

The CCAC was amazed at the above statement made by the Director of the SMG, because the internal order was a typical sub-delegation order as far as the contents and form were concerned. Even an ordinary person can come to a conclusion that the Director sub-delegated the powers to the Deputy Director through the order. Moreover, the CCAC discovered in a subsequent in-depth investigation that the Director also issued similar sub-delegation orders in 2000 and 2012 and they were neither approved by his superior nor published in the *Official Gazette* in accordance with the law as well.

Order no. 02/2000 signed on 23rd February 2000 stated that “In order to maintain smooth operation of the leadership and not to make any change to the current structure, it is necessary to sub-delegate some of the powers following a meeting with the management staff of the SMG” and that “I hereby sub-delegate to the Deputy Director, X, to lead the Meteorology Division, the Aeronautical Meteorology Centre, the Equipment and Maintenance Division and the Meteorological Observation

Centre in order to carry out the following duties: to approve applications for annual leave, to approve overtime service and to sign documents”.

Moreover, although the Director said that the applications for annual leave and overtime work made by the personnel of the subordinate units under the Deputy Director were approved by the Director himself, after viewing the related documents given by the SMG, the CCAC proved that the applications for overtime work made by those personnel were approved by the Deputy Director in general. However, for the approval of the applications for annual leave, sometimes it was done by the Director but sometimes by the Deputy Director.

Since the sub-delegation orders issued by the Director of the SMG were neither approved by the Secretary for Transport and Public Works nor published in the *Official Gazette* according to the law, the act of issuing the orders constituted administrative illegality. Moreover, the decisions made by the Deputy Director according to the relevant orders were also illegal. On 2nd December 2016, the Director sent a letter to the CCAC, stating that he agreed on the CCAC’s views and had already ratified the acts of the Deputy Director and would revise the relevant internal order.

The CCAC considered that facing the investigation carried out by supervisory agency or doubts of the general public or media, the public departments should act with pragmatism, explain what should be explained and clarify what should be clarified. When the doubts have already been cleared up and the evidence has been verified but the public department still insists in its perception, refuses to admit its mistake and even makes up excuses, the mistake cannot be corrected promptly and a waste of administrative resources will be caused. For example, in this case, whether the sub-delegation of powers existed is easily seen. However, since the SMG denied the facts, the CCAC has requested for over 800 pages of documents and spent around eight months to conclude the investigation.

IV. Statistics

In 2016, the CCAC received a total of 658 administrative complaints. The statistical data are presented as below:

| Issue | Caseload | |
|--|----------|-----|
| Systems related to public service positions | | |
| ▪ Discipline | 56 | 186 |
| ▪ Internal management | 56 | |
| ▪ Rights and interests of personnel | 45 | |
| ▪ Personnel recruitment | 29 | |
| Municipal affairs | | |
| ▪ Environmental hygiene | 16 | 40 |
| ▪ Occupation of public land | 7 | |
| ▪ Hawkers | 6 | |
| ▪ Administrative licenses | 4 | |
| ▪ Others | 7 | |
| Land and public works | | |
| ▪ Illegal construction | 20 | 33 |
| ▪ Land concession | 9 | |
| ▪ Others | 4 | |
| Traffic affairs | | |
| ▪ Vehicles / Driving licences | 20 | 42 |
| ▪ Traffic planning | 11 | |
| ▪ Public transportation | 11 | |
| Labour affairs | | |
| ▪ Labour dispute | 15 | 23 |
| ▪ Non-resident employees | 6 | |
| ▪ Illegal labour | 2 | |
| Public procurement | | 20 |
| Meteorological analysis | | 80 |

| | | |
|--|----|------------|
| Disciplined services management and their law enforcement | | 37 |
| Economical / Social housing | | 27 |
| Building management | | 19 |
| Government subsidy | | 16 |
| Health care | | 13 |
| Environmental protection | | 9 |
| Personal privacy | | 8 |
| Education | | 7 |
| Social assistance / security | | 7 |
| Public service monitoring | | 5 |
| Water seepage from premises | | 5 |
| Financial regulation | | 5 |
| Supervision of gaming sector | | 4 |
| Provision of data | | 4 |
| Identification documents | | 3 |
| Postal services | | 3 |
| Tax | | 3 |
| Sports | | 3 |
| Illegal hotels | | 2 |
| Other irregular procedures | | 24 |
| Matters beyond the competence of CCAC | | |
| ▪ Criminal matters | 9 | |
| ▪ Judicial matters | 8 | 30 |
| ▪ Private law issues / Personal disputes | 13 | |
| Total | | 658 |

In 2016, the CCAC received a total of 649 requests for consultation. The statistical data are presented as below:

| Issue | Caseload | |
|---|----------|-----|
| Systems related to public service positions | | |
| ▪ Rights and interests of personnel | 48 | 130 |
| ▪ Discipline | 39 | |
| ▪ Internal management | 23 | |
| ▪ Personnel recruitment | 11 | |
| ▪ Obligations of public service positions | 9 | |
| Code of conduct | | 18 |
| Discipline services management and their law enforcement | | 64 |
| Municipal affairs | | |
| ▪ Environmental hygiene | 31 | 51 |
| ▪ Occupation of public land | 4 | |
| ▪ Administrative licenses | 4 | |
| ▪ Hawkers | 3 | |
| ▪ Public facilities | 2 | |
| ▪ Others | 7 | |
| Labour affairs | | |
| ▪ Labour dispute | 22 | 29 |
| ▪ Non-resident employees | 7 | |
| Public procurement | | 18 |
| Land and public works | | |
| ▪ Illegal construction | 13 | 24 |
| ▪ Land concession | 5 | |
| ▪ Public works | 2 | |
| ▪ Others | 4 | |
| Traffic affairs | | |
| ▪ Public transportation / car park | 15 | 37 |
| ▪ Vehicles / Driving licenses | 13 | |
| ▪ Traffic planning | 9 | |

| | | |
|--|----|------------|
| Economical / Social housing | | 27 |
| Health care | | 20 |
| Education | | 12 |
| Government subsidy | | 12 |
| Building management | | 11 |
| Tax | | 7 |
| Social assistance / security | | 6 |
| Public service monitoring | | 5 |
| Identification documents | | 5 |
| Environmental protection | | 5 |
| Fire safety | | 5 |
| License of real estate activities | | 5 |
| Financial regulation | | 4 |
| Personal privacy | | 4 |
| Supervision of gaming sector | | 2 |
| Water seepage from premises | | 2 |
| Consumer rights | | 2 |
| Meteorological analysis | | 2 |
| Right of abode | | 2 |
| Sports | | 2 |
| Competence and function of CCAC / Legislation | | 26 |
| Other irregular procedures | | 19 |
| Matters beyond the competence of CCAC | | |
| ▪ Criminal matters | 35 | 93 |
| ▪ Judicial matters | 25 | |
| ▪ Private law issues / Personal disputes | 33 | |
| Total | | 649 |

PART IV
PROMOTION & EDUCATION



PART IV

PROMOTION & EDUCATION

To fight corruption through the two-pronged approach highlighting both combating and prevention, the CCAC places emphasis on a variety of integrity and promotion education work. Through organising themed seminars, compiling teaching materials, producing advertisement, holding campus activities and competitions, the CCAC aims at developing the community relations, exercising the function of Integrity Volunteer Team, calling on and encouraging the public to participate in integrity building.

I. Integrity education

In 2016, the CCAC continued to hold a wide range of seminars and symposia for public servants, association members, business institutions, teenagers, secondary and primary students. A total of 401 sessions were held, registering 20,213 participants.

Statistics of seminars and symposia in 2016

| Topic | Target | No. of sessions | No. of participants |
|---|--|-----------------|---------------------|
| Integrity, Public Procurement, Declaration of Assets and Interests | Public servants | 113 | 6,302 |
| Seminar on the law <i>Prevention and Suppression of Bribery in the Private Sector</i> | Private entities, public sector, education institutions | 68 | 3,509 |
| Integrity Awareness | Associations, education institutions, government departments | 13 | 438 |
| Integrity Education | Teenagers and tertiary students | 207 | 9,964 |
| Total | | 401 | 20,213 |

Number of participants of seminars from 2006 to 2016



(1) Integrity education for public servants

The basis of integrity building involves the nurturing of a team of civil servants who uphold integrity. In 2016, the CCAC continued to systematically hold a total of 113 themed seminars covering the topics of integrity, public procurement, declaration of assets and interests for public servants from different departments. They registered a total of 6,302 participants.

Statistics of seminars for public servants in 2016

| Subject | Department | Target | No. of sessions | No. of participants |
|------------------------------------|---|---|-----------------|---------------------|
| Noble Character, Righteous Conduct | Cultural Affairs Bureau | Staff | 2 | 200 |
| | Judiciary Police | Principal criminal investigator and staff | 4 | 161 |
| | Macau Productivity and Technology Transfer Center | Staff | 3 | 112 |
| | Police School of Public Security Police Force | Sergeant and constable | 7 | 640 |
| | Social Security Fund | Staff | 1 | 25 |

| | | | | |
|---------------------------|--|--|----|-----|
| | Financial Intelligence Office | Staff | 1 | 20 |
| | Marine and Water Bureau | New recruit and frontline staff | 1 | 80 |
| | Macao Customs Service | Deputy customs inspector | 1 | 35 |
| | Statistics and Census Bureau | Staff | 2 | 160 |
| | Gaming Inspection and Coordination Bureau | Frontline inspector and surveillance staff stationed in casino | 3 | 195 |
| | Macao Economic Services | Staff | 2 | 90 |
| | Health Bureau | Staff | 2 | 400 |
| | Environmental Protection Bureau | Staff | 3 | 80 |
| | Correctional Services Bureau | Chief and new recruit | 5 | 150 |
| Promotion Training Course | Civic and Municipal Affairs Bureau | Staff | 4 | 140 |
| | Public Administration and Civil Service Bureau | Staff | 19 | 665 |
| | Academy of Public Security Forces | Promoted to sergeant/divisional fire officer/principal constable/principal fireman | 3 | 200 |
| Integrity and Observance | Land, Public Works and Transport Bureau | New recruit | 1 | 69 |
| | Judiciary Police | New recruit | 1 | 82 |
| | Civic and Municipal Affairs Bureau | New recruit | 5 | 240 |
| | Transport Bureau | New recruit | 2 | 130 |
| | Public Administration and Civil Service Bureau | New recruit | 18 | 720 |
| | Education and Youth Affairs Bureau | New recruit | 1 | 100 |
| | Macao Post | New recruit | 1 | 20 |

| | | | | |
|-------------------------------------|---|-----------------------------------|---|------------|
| Declaration of Assets and Interests | Academy of Public Security Forces | Trainee | 3 | 506 |
| Public Procurement | Land, Public Works and Transport Bureau | Staff | 1 | 50 |
| | Cultural Affairs Bureau | Procurement staff | 2 | 200 |
| | Transport Bureau | Staff | 2 | 150 |
| | Identification Services Bureau | Staff | 2 | 50 |
| | Social Welfare Bureau | Procurement staff | 1 | 60 |
| | Macao Monetary Authority | Staff | 1 | 60 |
| | Public Security Forces Affairs Bureau | Chief and staff | 2 | 120 |
| | Infrastructure Development Office | Engineering and procurement staff | 1 | 70 |
| | Fire Services Bureau | Procurement staff | 1 | 80 |
| | Consumer Council | Staff | 1 | 20 |
| | Financial Services Bureau | Staff | 1 | 90 |
| | Statistics and Census Bureau | Procurement staff | 1 | 40 |
| | Labour Affairs Bureau | Staff | 2 | 92 |
| | Total | | | 113 |

(2) Corruption prevention education in the private sector

To popularise the law *Prevention and Suppression of Bribery in the Private Sector*, the CCAC continued to organise and co-organise talks in 2016. The CCAC introduced to the associations, private entities and education institutions about the spirit and content of the law in an interactive and targeted way. A total of 68 sessions of seminars were held, registering 3,509 participants.

The CCAC also popularised and promoted the above law through TV advertisement, radio commercials, outdoor advertisement, bus advertisement, TV programmes, special column in newspapers and promotional publications.

Statistics of seminars for private sector in 2016

| Category | Entity | Target | No. sessions | No. of participants |
|----------------|---|---------------------------------|--------------|---------------------|
| Private entity | Tai Fung Bank, Ltd. (Branch) | New recruit | 1 | 100 |
| | China Construction Bank Macau Branch | Staff | 1 | 40 |
| | Bank of China Macau Branch | Staff | 2 | 420 |
| | Future Bright Group | Staff | 4 | 120 |
| | L'Arc Hotel Macau | Staff | 2 | 55 |
| | FWD Life Insurance Company (Macau) Limited | Staff | 1 | 70 |
| | Sime Darby Motor Group (HK) Limited | Staff | 2 | 40 |
| | Huawet Services (Hong Kong) Co. Ltd. Macau Branch | Staff | 2 | 120 |
| | Delta Asia Bank Ltd. | Staff | 2 | 40 |
| | Sofitel Macau at Ponte 16 | Staff | 2 | 42 |
| | China Travel Service (Macao) Ltd. | Staff ranked above vice manager | 1 | 40 |
| | The Macao Water Supply Company Limited | New recruit | 1 | 40 |
| | Directel Macau Limited | Sales and office staff | 2 | 30 |
| | Luso International Banking Ltd. | Staff | 1 | 400 |
| | Macau International Airport Co., Ltd | Staff | 1 | 80 |
| | Macau Pass S.A. | Chief | 1 | 20 |
| | Transportes Urbanos de Macau (Transmac) | Office staff | 3 | 65 |
| | Companhia de Electricidade de Macau (CEM) | Staff | 1 | 40 |
| | SEMAC Security Company | Clerk and management | 1 | 50 |

| | | | | |
|-----------------------|---|---|-----------|--------------|
| Public department | Education and Youth Affairs Bureau | Association member/ high and middle-ranked staff/ teaching staff | 4 | 320 |
| | Tertiary Education Services Office | Student association of tertiary education institution, civil association and tertiary student | 2 | 200 |
| | Transportation Infrastructure Office | Contractor | 3 | 138 |
| | Labour Affairs Bureau | Estate agent | 3 | 90 |
| | Social Welfare Bureau | Subsidised institution | 2 | 160 |
| Education institution | Institute for Tourism Studies | Tour guide | 22 | 749 |
| | Students' Union of Macau University of Science and Technology | Student | 1 | 40 |
| Total | | | 68 | 3,509 |

(3) Integrity education for teenaged students

Providing integrity education to teenaged students enables the sustainable development of integrity building. The CCAC has constantly insisted on launching and improving the relevant work. In 2016, the CCAC organised a variety of activities for university, secondary and primary students in order to educate the teenagers with the correct values of integrity, honesty and law-abidingness.

1. Seminar on integrity for tertiary students

In order to strengthen the awareness of integrity and law-abidingness of tertiary students, the CCAC, for the first time, held the seminar on the law *Prevention and Suppression of Bribery in the Private Sector* for the graduating students of four tertiary education institutions in October 2016. Taking the above law as the basis of the seminar, the CCAC aimed at introducing to the students through themed videos about the major components of active bribery and passive bribery. In the seminar, the students were also reminded to keep alert on possible corruption traps that they might encounter in their workplaces and strictly adhere to the values of integrity and

righteousness.

Statistics of “Seminar on Integrity for Tertiary Students” in 2016

| Institution | No. of sessions | No. of participants |
|--|-----------------|---------------------|
| Institute for Tourism Studies | 3 | 120 |
| University of Macau | 1 | 80 |
| Macao Polytechnic Institute | 1 | 30 |
| Macao University of Science and Technology | 1 | 300 |
| Total | 6 | 530 |

2. Education Programme on Integrity for Teenagers

The “Education Programme on Integrity for Teenagers” has been gaining the support and coordination from schools. Over the years, many secondary schools of Macao have constantly launched the programme. The CCAC sent its staff to the schools to explain to the secondary students about the themes of honesty and integrity. By various means such as showing short films on real cases and referring to daily life examples and news, the staff led the secondary students to discuss and think about the importance of honesty and integrity in the society.

In 2016, the CCAC integrated part of the themes of some seminars, aiming that the students would be able to understand the importance of fairness and integrity on the development of the society and build the attitude of zero tolerance to corruption. A total of 12 secondary schools participated in the programme, registering 2,310 students.

Statistics of “Education Programme on Integrity for Teenagers” in 2016

| School | No. of sessions | No. of participants |
|--|-----------------|---------------------|
| Luso-Chinese Technical and Vocational School | 1 | 170 |
| Macau Baptist College | 5 | 837 |
| Luso-Chinese Secondary School of Luís Gonzaga Gomess | 1 | 71 |
| Pooi To Middle School | 1 | 142 |
| Salesian College | 4 | 122 |
| Santíssimo Rosário School | 1 | 50 |
| Saint Joseph Diocesan College (2 nd and 3 rd School) | 1 | 150 |
| Santa Rosa de Lima College (Chinese Section) | 5 | 175 |
| Santa Rosa de Lima College (English Section) | 3 | 106 |
| Sacred Heart Canossian College (English Section) | 2 | 272 |
| Zheng Guanying Public School | 1 | 10 |
| Keang Peng School | 1 | 205 |
| Total | 26 | 2,310 |

3. “A Talk on Integrity for Secondary School Graduates”

To enable the secondary students to better understand the current law of anti-corruption of Macao and the knowledge of corruption prevention before stepping into the society, the CCAC held the seminar entitled “A Talk on Integrity for Secondary School Graduates” for the graduating students of secondary schools. In the seminar, cases were given and the relevant law was explained in an easily understandable way so that students were able to better grasp the knowledge of the law, abide by the law and reject to fall into the trap of corruption in the workplaces. In 2016, the CCAC held five sessions of seminars for four schools, registering 651 graduating students.

Statistics of the seminar entitled “A Talk on Integrity for Secondary School Graduates” in 2016

| School | No. of sessions | No. of participants |
|---|-----------------|---------------------|
| Luso-Chinese Technical and Vocational School | 1 | 120 |
| Poi To Middle School | 1 | 147 |
| Choi Nong Chi Tai School | 1 | 139 |
| Sacred Heart Canossian College (English Section) | 2 | 245 |
| Total | 5 | 651 |

4. “Integrity Week” for secondary students

The CCAC held the “Integrity Week” with secondary schools. By holding a series of activities with the theme of “Integrity and Honesty” in the campuses, the CCAC aimed that the students would be able to make planning and participate in the activities so that they would have a deeper reflection on the topic of integrity.

In 2016, the CCAC held the “Integrity Week” with three schools, namely Sacred Heart Canossian College (English Section), Zheng Guanying Public School and Salesian College. Salesian College took the theme of “Clean Election” to organise a group presentation activity and the theme of “the importance of integrity” to organise a comic drawing activity. In addition, Sacred Heart Canossian College (English Section) held the inter-class debate and comic drawing activities. Zheng Guanying Public School also held the comic drawing activity. Through a series of activities, the students were able to reflect on the importance of integrity in the society, improve their own knowledge and attention on integrity. Moreover, the teachers who taught civic education in schools also discussed with their students about the value of integrity by using the teaching material, short films and worksheets about integrity

entitled *Learn and Think* which was published for secondary students by the CCAC.

5. Publishing the new teaching material kit for secondary students entitled *Think before You Act*

In October 2016, the CCAC launched the new series of teaching material about integrity targeting at secondary students entitled *Think before You Act* based on the teaching material about integrity entitled *Learn and Think* which also targeted at secondary students. It served as the supplementary teaching material of civic education in schools.

Targeting at junior secondary students, the teaching material *Think before You Act* featured four units about integrity, namely Values of Money, Fairness and Justice, Spirit of Law-abidingness, Honesty and Righteousness. The teaching material, designed to be related to our daily life, involved situational thinking, current affairs analysis and interactive discussions which enabled the students to reflect on different themes. It also provided a variety of teaching media such as videos, pictures, PowerPoint and worksheets, aiming to increase the motivation of students to participate in classes.

The teaching material kit also featured a teachers' kit and a multimedia CD, providing some choices for teachers to use based on the students' needs and the arrangement of teaching hours.

6. Organising civic education teachers from secondary schools to participate in exchange activity in Hong Kong

Due to the launching of the new teaching material about integrity for secondary students entitled *Think before You Act*, the CCAC organised the civic education teachers from secondary schools of Macao to participate in an exchange activity at the Hong Kong Independent Commission Against Corruption (ICAC) on 2nd December.

A total of 38 teacher representatives from 25 secondary schools participated in the visiting activity. All the school representatives said that the activity deepened their understanding of the integrity education work for teenagers in Hong Kong and Macao. They also had a better understanding of the education resources about integrity provided by the CCAC, which benefited them to effectively promote integrity education in their schools.

7. Education on integrity for primary students

Launched in 2004 and targeted at Primary three to Primary six students, the “New Generation of Integrity – Education Programme on Honesty for Primary Students” was popular in schools and among primary students over some ten years. It has also become one of the brand programmes of promotion and education launched by the CCAC. A total of 126 sessions were held, registering 4,569 students from 24 primary schools in 2016.

Statistics of students participating in the “New Generation of Integrity – Education Programme on Honesty for Primary Students” in 2016

| Education Institution | No. of sessions | No. of participants |
|--|-----------------|---------------------|
| Luso-Chinese Primary School in Flora | 6 | 72 |
| Our Lady of Fatima Girl’s School | 3 | 450 |
| Estrela do Mar School (Branch School) | 3 | 110 |
| Luso-Chinese Primary School in Northern District | 3 | 29 |
| Luso-Chinese School in Taipa | 2 | 33 |
| Sir Robert Ho Tung’s Luso-Chinese Primary School | 2 | 38 |
| Tong Nam School (Primary Section) | 3 | 70 |
| Hoi Fai School | 6 | 191 |
| Pui Ching Middle School | 26 | 1,118 |

| | | |
|---|------------|--------------|
| Pooi To Middle School (Taipa Primary Branch) | 2 | 51 |
| Chan Sui Ki Perpetual Help College | 12 | 553 |
| The Workers' Children High School (Primary School) | 2 | 96 |
| Salesian College (Primary Section) | 4 | 125 |
| Sheng Kung Hui Choi Kou School (Macao) (Primary Section) | 5 | 173 |
| Saint Joseph Diocesan College (1 st School) | 4 | 120 |
| Dom João Paulino's School | 4 | 59 |
| Santa Rosa de Lima College (Chinese Section) | 4 | 122 |
| Kwong Tai Middle School Macau (Branch School) | 4 | 147 |
| Lin Fong Pou Chai School | 4 | 120 |
| Zheng Guanying Public School | 2 | 37 |
| Chong Tak School | 8 | 280 |
| Choi Nong Chi Tai School | 1 | 45 |
| Fukien School | 6 | 180 |
| Keang Peng School (Primary Section) | 10 | 350 |
| Total | 126 | 4,569 |

8. The activity “Celebrate Children’s Day with the Messenger Bear William”

In 2016, the CCAC, together with the Messenger Bear William, celebrated the Children’s Day with Primary One to Primary Three students in their schools.

Through storytelling and fun games, it explored the theme of honesty with these school kids in a joyous atmosphere. The activities received overwhelming response and attracted 1,904 primary students.

Statistics of students participating in “Celebrate Children’s Day with the Messenger Bear William” in 2016

| School | No. of sessions | No. of participants |
|--|-----------------|---------------------|
| Luso-Chinese School in Taipa | 2 | 46 |
| Estrela do Mar School | 2 | 59 |
| Hoi Fai School | 1 | 120 |
| Pui Ching Middle School | 10 | 419 |
| Xin Hua School (Kindergarten and Primary School) | 2 | 90 |
| Sacred Heart Canossian College (Chinese Section) | 3 | 250 |
| Sacred Heart Canossian College (English Section - Primary Section) | 6 | 252 |
| Zheng Guanying Public School | 1 | 16 |
| The Affiliated School of the University of Macau | 9 | 295 |
| Primary School Affiliated to Hou Kong Middle School | 6 | 294 |
| Premier School Affiliated to Hou Kong Middle School | 2 | 63 |
| Total | 44 | 1,904 |

(4) Integrity education for the general public

In 2016, the CCAC held a total of 13 integrity awareness seminars for civil associations and institutions, which recorded a total of 438 participants. The seminars aimed to promote probity and law-abidingness, raise citizens’ awareness

and encourage them to play a social monitoring role.

Statistics of seminars for civil associations, public departments and educational institutes in 2016

| Category | Civil Association / institution / public department & activity | No. of sessions | No. of participants |
|---|--|-----------------|---------------------|
| Civil associations | Richmond Fellowship of Macao | 2 | 54 |
| | Youth Centre of Macao Federation of Trade Unions | 1 | 20 |
| | Fountain of Love and Joy Integrated Family Service Centre of Caritas Macau | 1 | 21 |
| | Centre for Citizenship Education of General Union of Neighbourhood Associations of Macao | 2 | 48 |
| Educational institutions | Macao Polytechnic Institute (Professional Certificate in Baccarat Game) | 2 | 82 |
| Part-time workers of public departments | Statistics and Census Services (part-time surveyors) | 3 | 75 |
| Private sector | Macao Science Centre (employees) | 1 | 100 |
| Public departments | Macao Customs Services (personnel to be promoted to the rank of Sub-inspector) | 1 | 38 |
| Total | | 13 | 438 |

(5) “Promoting Honesty” video contest for secondary school students

In October 2015, the CCAC started to launch a video contest entitled “Promoting Honesty” for secondary school students. The objective of the contest was to allow students to promote the message of integrity and law-abidingness by vividly conveying the themes of “fairness”, “incorruptibility”, “values about money” as well as “honesty and loyalty” through the lens. A total of 89 entries from 18 schools were collected. The judging panel, consisting of the representatives of the CCAC and professionals from the local film and television industry, shortlisted 15 videos from

each group and awarded each group the Champion, 1st runner-up, 2nd runner-up and the Merit Award. On 28th May 2016, the CCAC held an award ceremony, where the judging panel gave comments on the entries and the two Champions shared their experiences in creating the videos.

II. Promotion in the community

(1) Complaints, reports and requests for consultation received by the Branch Offices

As always, the Branch Office in Areia Preta and the Branch Office in Taipa provide convenient channels for residents to lodge complaints, report cases and seek consultation. In 2016, the two Branch Offices received a total of 752 complaints/reports, requests for consultation and simple enquiries.

Numbers of complaints, reports and requests for consultation received by the Branch Office in Areia Preta and the Branch Office in Taipa in 2016

| No. of complaints / reports | | No. of requests for consultation | No. of requests for consultation | |
|-----------------------------|-------------------|----------------------------------|----------------------------------|---------------|
| Lodged in person | Lodged in writing | | Made in person | Made by phone |
| 52 | 29 | 117 | 350 | 204 |
| Subtotal: 81 | | Subtotal: 671 | | |
| Total: 752 | | | | |

(2) Developing community relations

In 2016, the CCAC continued to conduct its district liaison through expanding its community relations and collecting opinions and suggestions from residents on its work, which enabled it to effectively respond to the aspirations of the community on integrity building. The CCAC participated in the “International Children’s Day”

bazaar held by the Macao Federation of Trade Unions, the 47th Caritas Macau Charity Bazaar held by Caritas Macau, the “Anti-crime and Anti-drugs Carnival 2016” held by the Junior Police Call of the General Association of Chinese Students of Macao, and the Voter Registration Fun Day held by the Public Administration and Civil Service Bureau, where the clean election message was promoted through booth games and display panels. The CCAC also visited the Fountain of Love and Joy Integrated Family Service Centre of Caritas Macau, the Joy Family Integrated Service Centre of the Salvation Army, the Centre for Citizenship Education of the General Union of Neighbourhood Associations of Macao, the Kin Wa Family Service Centre of the Social Service Division of the Methodist Church of Macao, the Fu Lun Elders’ Centre of Macao, the S.K.H. Gambling Counseling and Family Wellness Centre and the Community Centre of the Association of Residents of ZAPE.

(3) The variety show entitled “Spreading Integrity in the City”

On 15th October 2016, the Youth Committee of the Macao Federation of Trade Unions, the Youth Affairs Committee of General Union of Neighbourhood Associations of Macao, the Fu Lun Youth Association of Macao and the Association of Volunteer Social Service of Macao joined hands to organise a variety show entitled “Spreading Integrity in the City”. Featuring performances, booth games and display panels, the variety show extensively promoted the values of integrity, honesty and law-abidingness, which attracted a number of citizens.

(4) Media publicity

The CCAC continued to extensively spread the information in relation to integrity building by publishing print and electronic advertisements, publishing articles for the column “Clean Administration Forum” in local Chinese newspapers periodically, and sending staff to disseminate information relevant to the fight against corruption on Macao TDM’s TV programme “Enquiry and Reply”.

III. Integrity Volunteer Team

Since its formation, the Integrity Volunteer Team has been continuously providing support to the CCAC in awareness promotion events. In 2016, the Integrity Volunteer Team participated in the campaigns, booth games, advertising photography and outdoor promotional activities organised by the CCAC to show their support for integrity building of Macao.

PART V
EXCHANGE & TRAINING



PART V

EXCHANGE & TRAINING

In 2016, the CCAC continued to engage in international and regional cooperation and exchange and strengthen communication and cooperation with anti-corruption and supervisory institutes of the neighbouring provinces and municipals. It also sent staff to attend various meetings, conferences and training activities.

I. Receiving visitors

In the middle of October 2016, a delegation led by the Executive Deputy Prosecutor General of the Supreme People's Procuratorate, Hu Zejun, met with the Commissioner Against Corruption, Cheong Weng Chon. Cheong briefly introduced the functions of the CCAC and its work in recent years. He added that the CCAC and the anti-corruption institutes in the Chinese mainland have been maintaining stable and positive cooperation all along, and they will continuously enhance the effectiveness of cooperation and improve the cooperation mechanisms.

In 2016, the CCAC received delegations from the Guangdong Provincial Department of Supervision, the Guangdong Provincial People's Procuratorate, the Hong Kong and Macao Affairs Office of Hunan Province, the Intermediate People's Court of Zhuhai, the People's Procuratorate of Zhuhai City and Hengqin New Area, the Foshan Municipal Supervision Bureau, the Commission of the National Parliament of Timor-Leste, the Mozambique Attorney General's Office, the Casino Regulatory Authority of Singapore, etc. The meetings served to deepen mutual understanding, facilitate exchange of work experience and promote cooperation.

In addition, the CCAC received representatives from different local institutes and organisations. This demonstrates its willingness to listen to opinions from different circles and to be subject to public supervision, as well as its dedication to establishing an effective, transparent and corruption-free administrative system.

II. Visits and regional and international meetings

In 2016, the CCAC sent delegates to pay visits and attend international conferences outside Macao, including:

The visit to the Hong Kong and Macao Affairs Office of the State Council in Beijing, where the CCAC delegates exchanged views with the Deputy Director Feng Wei on their anti-corruption work.

The visits to the Guangdong Provincial Department of Supervision, the Guangdong Provincial People's Procuratorate, the Bureau of Supervision of Guangzhou Municipality, the Peoples' Procuratorate of Guangzhou City, the Foshan Municipal Supervision Bureau, the Zhuhai Supervision Bureau, the People's Procuratorates of Zhuhai City, Hengqin New Area and Jinwan Area of Zhuhai.

The Asian Regional Meeting and the International Forum of the International Ombudsman Institute (IOI) held in Japan.

The 9th Annual Conference and General Meeting of the International Association of Anti-Corruption Authorities (IAACA) held in Tianjin.

The conferences in relation to the United Nations Convention Against Corruption held in Vienna.

The 4th Singapore Symposium on Casino Regulation and Crime organised by the Casino Regulatory Authority of Singapore held in Singapore.

The opening ceremony for the 2nd Session of Advanced Study on Criminal Investigation Techniques for CCAC's Investigators, held by the National Police University of China in Shenyang.

The "21st Steering Group Meeting of the ADB/OECD Anti-Corruption Initiative for Asia-Pacific and the 14th Regional Seminar" held in Bhutan.

The 11th World Conference of the International Ombudsman Institute held in Thailand.

The 14th Prosecutors General Conference of the Member States of Shanghai Cooperation Organisation and the 2016 Meeting of the Heads of Prosecution Service of the BRICS States held in Sanya, Hainan.

III. Meetings on the review of implementation of the United Nations Convention Against Corruption

In June and November 2016, the CCAC, as part of the Chinese delegation, was invited to attend the implementation review meetings on the United Nations Convention Against Corruption (UNCAC) held in Vienna, Austria. In November, the CCAC also attended the resumed seventh session of the implementation review group.

According to the UNCAC, each State Party must be subject to implementation review conducted by experts of other State Parties periodically. According to the relevant arrangements, from July 2013, China started to be subject to the first cycle of implementation review on chapter III (Criminalisation and law enforcement) and chapter IV (International cooperation) of the UNCAC. As the UNCAC is also applicable to the Macao SAR, Macao also participated in and accepted the review. Finally, the group of experts completed the first cycle of review in different phases. The United Nations Office on Drugs and Crime, on 16th November 2016, released an executive summary of the report on the first cycle of implementation review of the UNCAC on China (including Macao).

The executive summary points out that the legal systems of the Macao SAR Government, particularly the criminal law, criminal procedure law, and laws pertaining to mutual legal assistance in criminal matters meet the requirements laid down in chapters III and IV of the UNCAC, which means the relevant chapters of the UNCAC have been successfully implemented through the legal systems. The

executive summary had a high opinion on Macao on the coverage of the *Legal Regime of Declaration of Assets and Interests*, the extraterritorial scope of application of the criminal law and the convenience of surrender of fugitive offenders.

However, the executive summary also points out that Macao needs to take measures to strengthen and consolidate the effectiveness of its anti-corruption mechanisms. For instance, it suggested that Macao consider punishing the person who carries out trading in influence as an independent offence, adopting systems to allow for the collection of data on lifting of bank secrecy, extending the criminal liability of legal persons, adopting a specific legal regime to protect victims and witnesses, and entering into more bilateral or multilateral agreements on mutual legal assistance and joint investigations. The CCAC will analyse the relevant suggestions and opinions, which will serve as references for it to improve the relevant systems.

IV. Personnel training

In early March of 2016, the CCAC sent its personnel to attend an international training workshop held in Japan. The event was jointly organised by the IOI and the Ministry of Internal Affairs and Communications of Japan. Aiming to deepen and upgrade the professional knowledge of the members in ombudsmanship, the workshop featured such topics as investigation planning, witnesses and interviewing, assessing evidence and report writing.

In early September of 2016, the CCAC sent its personnel to participate in the 2nd Session of Advanced Study on Criminal Investigation Techniques for CCAC's Investigators, which was held by the National Police University of China in Shenyang. Featuring such topics as investigation measures, computer forensics, investigation of cybercrime cases, inspection of electronic physical evidence and video investigation technology, the training session served to upgrade the investigation knowledge and professional skills of the CCAC's investigators.

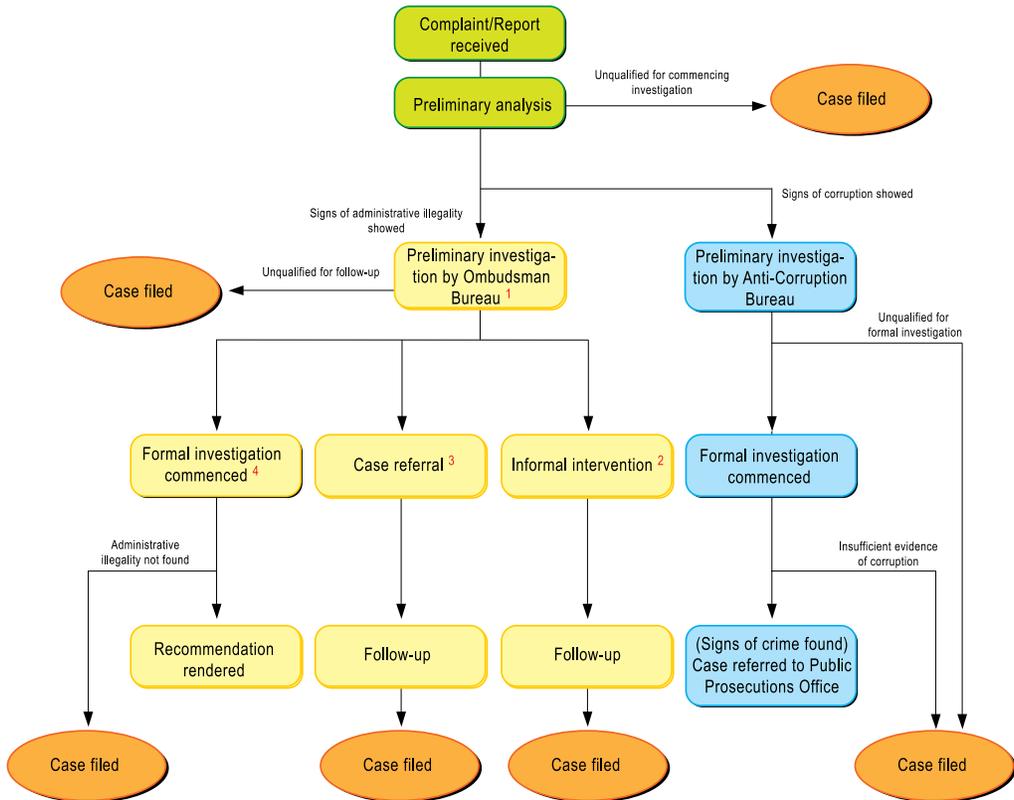
PART VI

APPENDIX



Appendix I

THE CCAC'S COMPLAINT HANDLING PROCEDURE

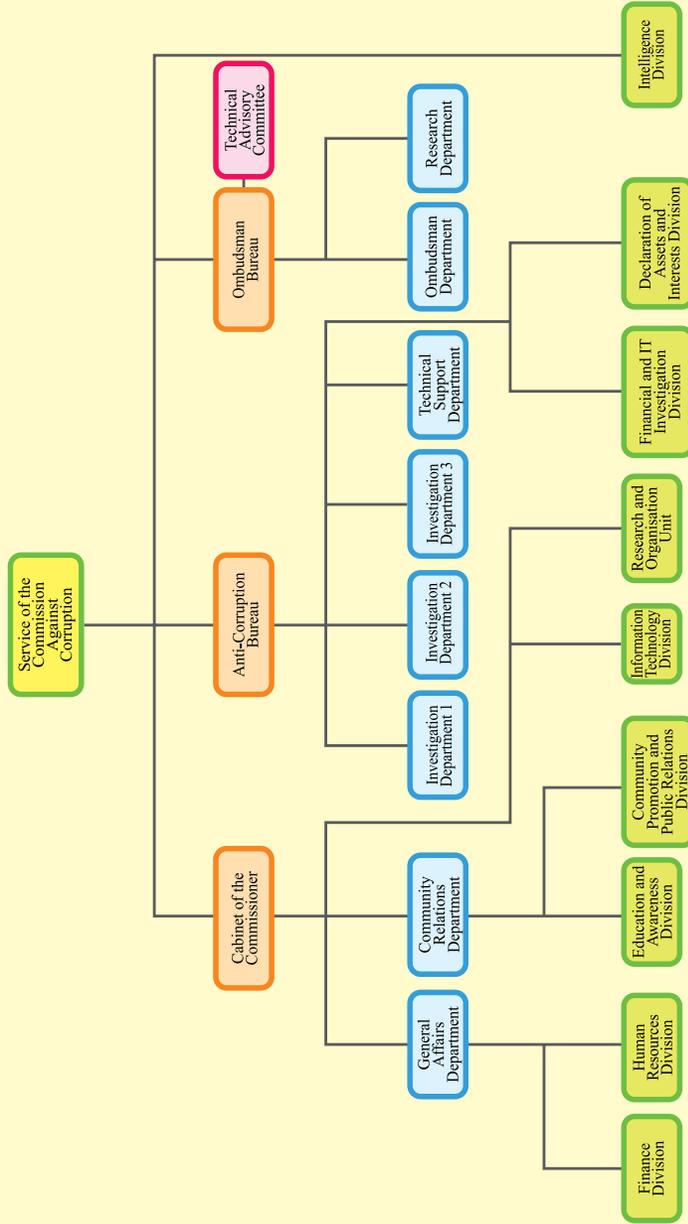


Notes:

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| 1 | Preliminary investigation by Ombudsman Bureau | It is conducted under the stipulation of the <i>Organic Law of the CCAC</i> and the <i>Code of Administrative Procedure</i> . In particular, the Principle of Defense shall be observed. That is, both the complainant and the complained side have the chance of pleading. |
| 2 | Informal intervention | If the procedure has not been completed or the relevant act has not yet entered into effect, the CCAC will guide the relevant departments or entities in this way so that they will make prompt correction. |
| 3 | Case referral | In some cases, since the relevant administrative departments are the competent departments that possess related information (the CCAC only has the information provided by the complainants, which may not be sufficient or detailed), it is appropriate for the relevant departments to handle the cases according to statutory procedures. With the complainant's consent, the CCAC will refer these cases to the competent departments or entities and will follow up their progress. |
| 4 | Formal investigation | Due to the severity of the case and the scope involved, the CCAC will commence a formal investigation. Under Paragraph 12 of Article 4 of the <i>Organic Law of the CCAC</i> , the CCAC directly renders recommendation to the competent administrative department for the purpose of rectifying illegal or unfair administrative acts or procedures. Under Article 12 of the <i>Organic Law of the CCAC</i> , in case of non-acceptance of any recommendation, the competent department or entity shall give its reasoned reply within 15 working days. Meanwhile, the CCAC may report the case to the Chief Executive or reveal it to the public after reporting the case to the hierarchical superior or supervisory entity of the competent department or entity. |

Appendix II

Organisation Structure of the Commission Against Corruption



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