



Asia-Pacific  
Economic Cooperation

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## **Corruption Control in Singapore – Effective National Anti-Corruption Strategies: Prosecuting High-Level Corruption**

Submitted by: Singapore



**Workshop on Strengthening Cooperation  
Mechanisms in the Asia-Pacific in the Fight  
Against High-Level Corruption  
Lima, Peru  
29-31 October 2007**

**CORRUPTION CONTROL IN SINGAPORE**  
**Effective National Anti-Corruption Strategies: Prosecuting High-Level Corruption**

[Presented by Deputy Director (Operations) CPIB, Mr Koh Teck Hin, at the  
APEC-OAS Workshop held in Lima, Peru on 29 – 31 Oct 2007]

**(A) INTRODUCTION**

Good afternoon, distinguished participants. I thank the organizers for inviting me to deliver this presentation. APEC is an important international organization and the APEC Anti Corruption and Transparency Task Force (ACT) plays an important role to enhance sharing and collaboration amongst economies in anti corruption matters. It is an honour for me to be present amongst experts gathered here and to share Singapore's strategies and experience in fighting corruption in this Workshop organized under the auspices of the APEC ACT. The Corrupt Practices Investigation Bureau (CPIB in short), where I come from, is the sole agency responsible for combating corruption in Singapore. CPIB was founded in 1952, even before Singapore gained independence from the British. It is one of the oldest agencies in the world dedicated to fight corruption, and we had developed over the past 55 years to our current state today.

2     My presentation is under the segment labelled as "Effective National Anti-Corruption Strategies: Prosecuting High-Level Corruption." In my presentation, I will give some background on the development of the approach in fighting

corruption in Singapore. On the whole, the overall strategic approach to fighting corruption applies across the board, with no distinction made on whether it is petty corruption or high level corruption. No exception is made for anyone and there are no “black areas” where the law cannot deal with. In our experience, the same commitment to action is necessary in order to be successful in curbing corruption at all levels.

### **(B) CONTROL OF CORRUPTION**

3 The war against corruption has been around for decades and fighting corruption is a long and tedious process, one which cannot be easily achieved overnight. Our own history demonstrates that we can develop along the journey of anti corruption to the present state we are in, where we enjoy a good reputation worldwide. Surveys conducted by various institutions and NGOs, such as the Transparency International attest to this fact. Singapore has been the 4th least corrupt country in Transparency International’s Corruption Perception Index, and has been the least corrupt country as ranked by Political Economic & Risk Consultancy (PERC) for the past 10 years.

4 Right from the beginning, the government of the Republic of Singapore has stood up and adopted a tough stance against any form of corruption. When CPIB

was first formed by the colonial government in 1952, corruption was rife in the society. Through persistent efforts in combating corruption since 1959 when Singapore attained self-government, the Government has managed to curb corruption. The Government made hard-hitting and decisive changes that were pertinent in saving our nation against corruption. The laws and institutions were reformed and they have helped to bring corruption under control.

5 I quote from our Parliament records of 1960, when the bill on Prevention of Corruption was first introduced. The then Home Affairs Minister, Ong Pang Boon said

“The government is deeply conscious that a government cannot survive, no matter how good its aims and intentions are, if corruption exists in its ranks and its public services on which it depends to provide the efficient and effective administrative machinery to translate its policies into action ... Therefore this government is determined to take all possible steps to see that all legislative and administrative measures are taken to reduce the opportunities of corruption, to make its detection easier and to deter and punish severely those who are susceptible to it and who engage in it shamelessly”

This is still the same position today and the will of government to stamp out corruption wherever it may be is still very strong.

### **(C) FRAMEWORK OF CORRUPTION CONTROL**

6 With a strong political will as the foundation, the framework of corruption control consists of 4 pillars as follows:

- Effective anti corruption laws
- Strong enforcement
- Effective prosecution and punishment and
- Government administrative efficiency

7(a) Anti-corruption laws are adequate; over the years, the law has been tightened and powers given to law enforcement to facilitate action against corruption. Some distinctive features of our law include:

- offences in the corruption law are seizable i.e. we can arrest the offenders without having to get warrants of arrest.
- presumption clause against public officials. Public officials found to have received gratification will have the onus of explaining that the payments they received were not corrupt payments. This pushes the burden of proof from the prosecution to the defendant, who will have to prove his innocence in this regard.
- custom or tradition cannot be used as a defence in court. The accused cannot say that the payment he received was a customary practice. In

Singapore, the use of Hong Bao or commonly known as “Red Packet” is customary during various occasions but the corrupt offender cannot hide behind this and use it as a defence in court. This cuts off a lot of excuses that the accused persons can resort to.

- upon conviction, on top of the sentence of jail and/or fine, the accused will be ordered by the court to pay a penalty equal to the total amount of bribes he had received. This ensures that corruption will not pay.
- (b) A strong and independent anti-corruption enforcement agency like the Corrupt Practices Investigation Bureau which takes enforcement action effectively; In Singapore, CPIB is the only agency empowered to investigate corruption offences. Any other law enforcement agency which comes across or receives reports on corruption will have to hand over the case to CPIB.
- (c) Effective prosecution and judiciary system which mete out strict punishments on the corruption offenders; and
- (d) Ensuring that the government continues to have effective administrative machinery.

#### **(D) TOTAL APPROACH TO CORRUPTION CONTROL: ENFORCEMENT & ADMINISTRATIVE EFFICIENCY**

##### **(i) Approach to Enforcement & Investigation**

8 Our approach in enforcement and investigation is a total approach. This

ensures we have a good control over the situation and we can contain corruption cases as far as possible. Some of you may be asking "What do I mean by total approach?" It simply means:

(a) Firstly, no case is too small to investigate. For example, a motorist is stopped for drink driving and he tries to bribe the traffic police officer to get off the hook. He will be charged in court. If a foreign visitor is at the immigration control point at our border and he did not meet the entry requirements but tries to bribe the immigration officer, he will be charged in court. In short, corruption is not tolerated and all cases will be investigated and dealt with seriously.

(b) Secondly, we deal with cases regardless of rank and status. Although, not common, serving Ministers had been charged and Chief Executive Officers of major companies have been dealt with too. There is no exemption for anyone in high places. We have in the past investigated and prosecuted Ministers for indulging in corruption-related activities. There was a case involving a Minister of State for Environment in the 1970s - he was charged for corruption involving a sum of about \$840,000/-. He had used his ministerial status to make representation on behalf of a property developer in return for gratifications, which included a bungalow and free



air travel tickets for his family. He was subsequently convicted and sentenced to imprisonment and also ordered to pay a penalty. What will it take to be able to deal with Ministers in service if they are corrupt, one may ask? The commitment of government in fighting corruption is the key in order to be successful in dealing with high level corruption. From the early beginning, the Singapore government realizes that it will have no moral authority to take action against errant citizens if it does not lead by example. It knows that corruption will erode the legitimacy of any government. Any corrupt officer or politician, at whatever level, will be investigated and prosecuted. No one is above the rule of law.

(c) We can deal with corruption in all areas, in any industry or business sector, in all branches of government, the judiciary, Parliament, political parties, in the military, non government organisations. There is no area where the law does not permit the CPIB to investigate. In some organizations eg the military and the police, there are legislation that govern their conduct in the course of their work. The legislation may also stipulate various orders, rules and regulations that govern the organization and their personnel. Such organizations can take internal departmental action against their own officers for various infringements. However, when a corruption



crime occurs, the primary law to apply is the Prevention of Corruption Act and not the legislation that may apply to that specific organisation. Therefore CPIB can step in to conduct investigations and the powers given to CPIB under the law will apply equally to all organizations and all sectors.

(d) We are prepared to deal with both givers and receivers of bribes. Under our law, they are equally culpable. If we only deal with the receivers, the givers will continue with their habits and you cannot really stamp out corruption. However, sometimes we may not prosecute the giver if he was under duress when he gave the bribe or there were some other mitigating reasons which led to the offence.

(e) We make it easy for anyone to report corruption offences. The CPIB is very accessible. The public can report by making phone calls to our hotline which is operated round the clock, or they can visit our office at any time. They can also send us letters by post or fax. They can also report from their homes via the CPIB internet website ([www.cpiib.gov.sg](http://www.cpiib.gov.sg)) or sending us an email. By opening up all possible venues for reporting, we hope that those who have come across or are aware of corruption cases will have less difficulty and unwillingness to report.

(f) We are prepared to investigate based on anonymous complaints. However, we still encourage complainants to leave their names and contacts. But if the complaints are anonymous, and we want to investigate, we need to be certain that we are not “used” by someone who is malicious and wants to cause harm to others. We will process the information and there is a weekly session where the Directorate members will meet to decide if investigation should be conducted on the complaints received.

9 The CPIB is also empowered to investigate other offences apart from corruption. This is crucial as corruption offences may not exist in isolation and may be mixed with other offences such as cheating, commercial crimes, property crimes and so on. It will be a serious impediment if CPIB officers have to stop short when interviewing suspects who are not obliged to respond to questions touching on other areas. Therefore the powers to investigate other crimes uncovered during corruption investigations are provided for in the Prevention of Corruption Act.

## **(ii) Two Aspects**

### **(a) Enforcement Scope**

10 There are 2 aspects I want to share more information on. The first aspect I am going to touch on is the enforcement scope. Although, the original focus of corruption enforcement was mainly on the public sector, however, enforcement had to be targeted at the private sector as well. If the public sector is clean and the private sector is not clean, it is only a matter of time that the public sector will become tainted because in today's world, the private and public sectors are closely intertwined and have transactions between each other. From an enforcement perspective, the same legal powers are accorded to CPIB regardless of whether the case is a public sector or private sector case.

11 Our belief is also that corruption control in the private sector is of strategic importance because the private sector is the engine driving economic growth. If the private sector is corrupt, businesses will not thrive and investments will not come to Singapore. In addition, corruption in the private sector affects public interest and the society at large. If a public listed company engages in corruption, it may adversely affect the stock price and the public who are shareholders will be affected. If a private company is employed by government to deliver public utility or public goods, its corrupt activities will affect service to the public. Therefore

when we take enforcement action against private sector corruption, we often serve the public interest.

### **Tough punishment**

12 The importance attached to corruption control can be seen from some of the tough punishments meted out. Under the Prevention of Corruption Act, the maximum punishment that can be meted out for corruption offences for both public sector and private sector corruption is the same, that is for each corruption charge, it is a fine of \$100,000, and/or a maximum jail term of 7 years.

13 Depending on the impact and severity of the act, punishment can be severe. In fact quite a handful of private sector cases have been given jail sentences and these sentences are comparable to public sector corruption.

14 For example in 2005, an ex-Assistant Vice President of a bank in Singapore, convicted of taking a \$150,000-bribe as a reward for recommending loans applications, was sentenced to 15 weeks' jail term. However, his jail term was subsequently upped to 15 months by the Chief Justice as he had felt that the sentence meted out by the lower court does not reflect the potential harm that were caused by his act. His corrupt act undermined the integrity of the banking profession and Singapore's standing as a financial hub. In addition, the Chief

Justice also noted that the accused was in a senior position and had breached the trust placed upon him by the bank.

15 In another case, the General Manager of a public listed re-cycling firm was sentenced to 8 years' jail for bribing various staff from various companies to a tune of \$1.8 million for certain favours. The accused in this case had in his defence claimed that he was merely following the CEO's instructions. However, the court did not accept this excuse; they viewed the offences seriously and passed a 8-year sentence.

16 The corrupt receiver will also be ordered to pay a penalty. For example, if the offender had taken \$1 million in bribe, in addition to his sentence of jail and/or fine, he will be ordered by the court to surrender to the state the \$1 million he had taken. If he fails to do so, he will go to jail in default.

17 For those who bribe government officials in public procurement, apart from being prosecuted in court, they will also be debarred from future government contracts for a period of up to 5 years.

18 In addition, we also use the CDSA [Corruption, Drugs, Serious Crimes (Confiscation of Benefits) Act] law to disgorge benefits from corruption, drug

trafficking and serious crime. The CDSA provides for the confiscation of benefits derived from corruption through the court process, which can be initiated upon the conviction of an offender in court for corruption offences. The CDSA also makes it an offence for anyone to convert, transfer or assist to move monies and assets which are the benefits of corruption. CPIB can investigate such offences and prosecute offenders in court.

19     Apart from criminal sanctions, the Prevention of Corruption also provides for recourse to civil suit for recovery of bribe monies in addition to criminal prosecution. This was tested in the court this year. The CPIB had prosecuted a facilities manager in a large private company for corruption. He took bribes of almost \$300,000 in return for awarding contracts. He was convicted and sentenced to 10 months jail and ordered to pay to the State a penalty of about \$300,000, equal to the amount of bribes he had pocketed. After the prosecution was over, his company brought a civil suit against him to recover the amount of bribes he had accepted whilst employed by them. The accused appealed to the court against this, stating that since he had been ordered to pay back the penalty, he cannot be asked to pay twice, and on this second occasion through the civil suit. The Court of Appeal dismissed his appeal stating that the law expressly provided for 2 distinct provisions - a criminal proceeding to disgorge benefits and civil proceedings to



recover the bribe monies and therefore it is possible that there can be a double disgorgement and it can act as a further deterrence against corruption. This sends the message very clearly to corrupt offenders that they will be made to pay heavily for their corrupt activities.

### **(b) Administrative Efficiency**

20 I will now touch on another aspect, Effective Administration, which cannot be forgotten when we work on anti corruption strategies. An effective administration is one which values integrity and incorruptibility. The Singapore Civil Service prides itself on living its core values of Integrity, Service and Excellence. Hence, we have put in place measures to ensure that the right persons with the right values are in the service. Another important aspect of an effective administration is that it can foresee and anticipate the needs of the public (inclusive of businesses) and is able to react appropriately, coming up with measures to meet its customer's needs. If we have tough enforcement, but the government of the day is inefficient in meeting public needs, then opportunities are open for corruption to seep in to "make things happen". Major initiatives were undertaken over the years by the Singapore government to enhance administrative efficiency. An example is the PS21 (which stands for Public Service for 21<sup>st</sup> Century) movement. This movement was launched to improve service delivery and



effectiveness in the civil service. By improving efficiency, we also contribute to reducing opportunities for corruption.

21 Some of the measures which we have implemented under the PS21 movement are:

(a) The Cut-Red Tape Movement. Under this, Civil Servants are encouraged to reduce red-tape within the government. Through the internet, the private sector and public can write to the government with suggestions on cutting of red tape. Such feedback can promote transparency and reduce business costs.

(b) There is a Cut Waste website where the public can submit their observations/suggestions on areas where government can cut expenditure. The government Ministry concerned will have to respond to the public's query and have their reply posted in the website for all to see. This helps to keep government on its toes and help to minimise wastage of government spending, if any.

### **(E) CHALLENGES**

22 While Singapore has successfully controlled corruption, this is no guarantee that it is always easy to suppress corruption. There are challenges which we faced and I will highlight two.

23 Firstly, the changing nature of corruption. While behaviour and motivation of the corrupted may be similar, the methods used have transformed greatly. There is more sophistication seen in corruption today. More complex methods are used. The corrupt transactions are more complicated, going through various loops and intermediaries. There are more methods used to hide the money trail such as bank transfers, false accounting, phantom workers, camouflage payments of various types. Computers are often used in the commission of the offence such that where we used to seize paper records in the past, today, we seize a lot of computers and electronic media. It is thus important for the enforcement agency to continually upgrade its capability and ensure its personnel are well trained and well skilled.

24 Secondly, there is internationalization of the issue of corruption. Corruption offences can cross international borders. This brings with it challenges for law enforcement and where necessary, we need to work with foreign counterparts in investigating corruption cases. At the international level, there is also greater interest by governments around the world in dealing with corruption.

25 There are international fora which touch on anti corruption matters. Singapore is a member of the ADB/OECD Anti-Corruption initiative for Asia and

the Pacific, and CPIB actively participated in the Steering Group Meetings and activities of the Initiative. The last meeting was held last month in Bali, Indonesia. We are also a member of the APEC Anti Corruption and Transparency Task Force (ACT), under whose auspices we are meeting today. CPIB is also a member of the IAACA (International Association of Anti Corruption Authorities) and has participated in its meetings and delivered presentations at its workshops since its formation last year. Beyond these, last month, CPIB hosted the annual meeting for the signatories of the Memorandum of Understanding on Co-operation for Preventing and Combating Corruption amongst anti-corruption agencies in ASEAN. This is an MOU amongst the anti corruption agencies of the ASEAN region with Brunei, Indonesia, Malaysia, Cambodia, Philippines, Thailand, Vietnam, Singapore's anti corruption agencies as members, with the objectives of enhancing mutual capacity building and collaboration. A one-day workshop for the purpose of sharing anti-corruption expertise, in the area of computer forensics, was also conducted just before this meeting.

26 Singapore has signed the United Nations Convention Against Corruption (UNCAC) on 11 Nov 2005, in strong support of international efforts to curb corruption. An inter-agency process has been set up to look into the ratification of the UNCAC, as Singapore takes its treaty obligations seriously.

27 In recent years, CPIB has hosted visits from public officials and delegates from all parts of the world – from Asia, Central Asia, Middle east, Africa, international organizations etc, and our officials also travel overseas to learn from the experience of others. Each year, the number of visitors number in the thousands. In August last year, we also conducted an international ACE (Anti Corruption Expertise) Workshop on the theme “Excellence in Investigations”, involving more than 40 participants from 20 countries. This ACE workshop is a recurring series and will be organized regularly with different themes from year to year.

#### **(F) CONCLUSION**

28 Corruption is a problem that needs to be dealt with in both the public sector and private sector. Singapore has adopted a total approach in both sectors for a long time.

29 CPIB has a crucial role to play in keeping the country clean, and our tireless efforts to prevent and control corruption and uphold a high standard of transparency would not have been possible without capitalizing on the four pillars of anti corruption, namely strict laws, enforcement without fear or favour, tough

punishment from the Courts and effective government administration. The anti corruption measures must be applied consistently across the board, irregardless of whether it is petty corruption or high level corruption.

30 The experience of Singapore may not be replicated exactly any where else as every country has its unique character and circumstances. Nonetheless, corruption is an universal problem common amongst mankind, be it a problem in Singapore or some other country. We therefore have scope for sharing and learning from each other. And we all have a common duty to join hands to fight the disease of corruption and make the world a better place to live in.

Thank you.

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# Corruption Control in Singapore

## Effective National Anti-Corruption Strategies: Prosecuting High-Level Corruption

29 – 31 October 2007

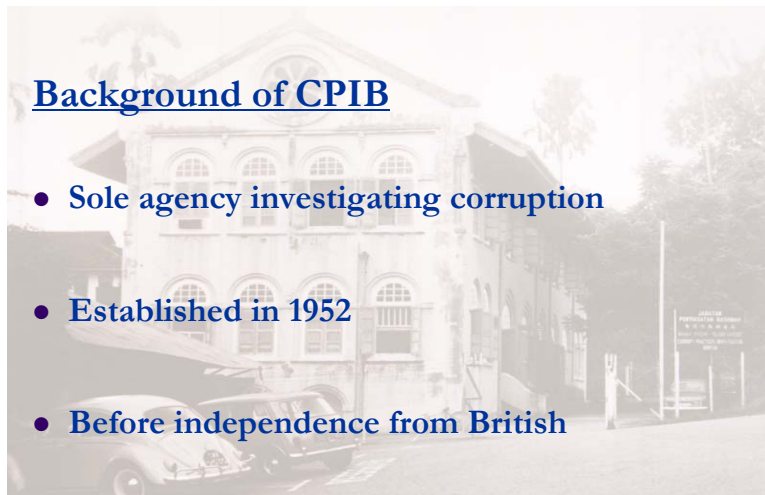
KOH TECK HIN  
Deputy Director (Operations), CPIB



## INTRODUCTION

### Background of CPIB

- Sole agency investigating corruption
- Established in 1952
- Before independence from British



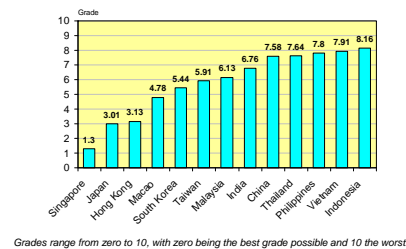


## CONTROL OF CORRUPTION

### Where Singapore Stands

- Ranked the world's 4<sup>th</sup> least corrupt nation in 2007 (TI Ranking)
- Least corrupt nation in Asia for the past 10 years (PERC ranking)

#### Corruption in Asia



#### Singapore's TI and PERC rankings

##### TI- CPI RANKING FOR SINGAPORE

Year	Ranking	Total no. of countries surveyed
2003	5	133
2004	5	146
2005	5	159
2006	5	163
2007	4	179

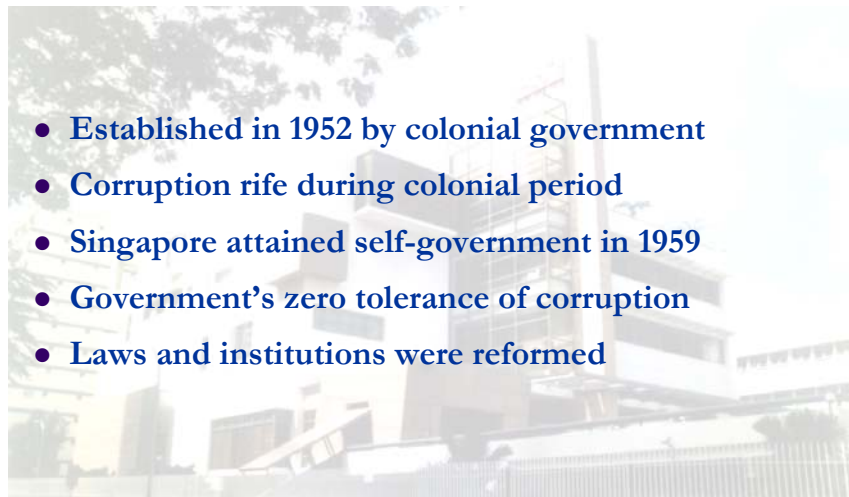
##### PERC – RANKING FOR SURVEY

Year	Ranking	Total no. of Asian countries surveyed
2003	1	12
2004	1	12
2005	1	12
2006	1	13
2007	1	13



## CONTROL OF CORRUPTION

- Established in 1952 by colonial government
- Corruption rife during colonial period
- Singapore attained self-government in 1959
- Government's zero tolerance of corruption
- Laws and institutions were reformed







## CONTROL OF CORRUPTION

“The government is deeply conscious that a government cannot survive, no matter how good its aims and intentions are, if corruption exists in its ranks and its public services on which it depends to provide the efficient and effective administrative machinery to translate its policies into action ... (con’t)



Ong Pang Boon  
Ex-Home Affairs Minister



## CONTROL OF CORRUPTION

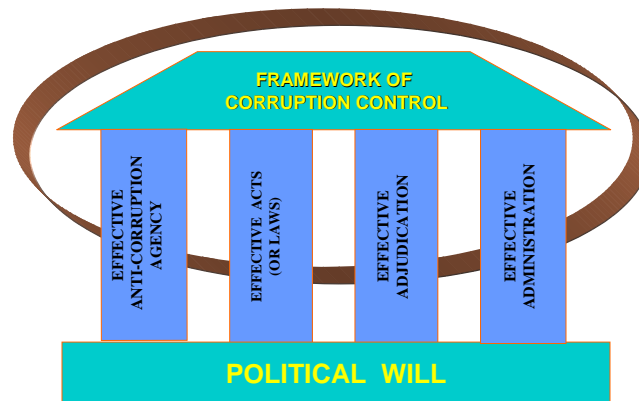
... Therefore this government is determined to take all possible steps to see that all legislative and administrative measures are taken to reduce the opportunities of corruption, to make its detection easier and to deter and punish severely those who are susceptible to it and who engage in it shamelessly” (1960)



Ong Pang Boon  
Ex-Home Affairs Minister



## FRAMEWORK OF CORRUPTION CONTROL



## FRAMEWORK OF CORRUPTION CONTROL

- Effective anti-corruption law
  - Seizable offences
  - Presumption clause against public officials
  - Custom cannot be used as defence in court
  - Ordered to pay penalty equal to bribes, upon conviction
- Effective enforcement actions
  - CPIB empowered to investigate corruption offences
- Effective adjudication/deterrence
  - Impose strict punishments
- Effective administrative machinery





## APPROACH TO ENFORCEMENT & INVESTIGATION

- **Total approach:**

- No case is too small to investigate
- Investigate regardless of rank & status
- Deal corruption in all spheres of society
- Deal with givers and receivers of bribes
- Easy to report corruption offences
- Investigate anonymous complaints



## APPROACH TO ENFORCEMENT & INVESTIGATION

- **Empowered to investigate other offences:**

- Corruption mixed with other offences
- Powers in Prevention of Corruption Act





## TWO ASPECTS: (a) Enforcement Scope

- Why deal with private sector corruption?
  - Private and public sectors are closely intertwined
  - Private sector = key pillar of Singapore economy
  - Affects public interest and society
  - Private enterprises with large public shareholdings



## TWO ASPECTS: (a) Enforcement Scope

- Tough punishments
  - S\$100,000 fine and/or
  - 7 years' imprisonment



Total Approach to Corruption Control:  
2 Aspects - Enforcement Scope



## CASE 1 – Ex-Banker Case

- Bank officer received \$150,000 to recommend approval of loans
- 15 weeks by Sub-Courts
- Increase to 15 months by the High Court
  - Undermined Integrity of Banking profession
  - Undermined Singapore's economic interest

THE STRAITS TIMES FRIDAY JULY 1, 2005

### CJ ups jail term of corrupt ex-banker

BY FELINA CHONG

A FORMER private banker, who was jailed for four months for corruption, is looking at 15 months behind bars now after appealing — the Chief Justice upped his sentence.

Wong Teck Long was an assistant vice-president and account relationship manager (private banking) at German bank, Bayerische Landesbank Girozentrale, when he secured a RM300,000 (\$813,000) to RM400,000 bribe from a businessman in 1997.

After a 63-day trial, he was committed in February this year of corruptly getting the money from Malaysian Kong Kok Kong, then the executive director of a redefining firm, Innosabah Securities, in Sabah, Malaysia.

Besides the jail term, District Judge Tan Hong Heng also ordered Wong to pay a penalty of \$150,000 or spend another 15 weeks in prison.

On Tuesday, CJ Yang Pang How threw out Wong's appeal against his conviction and sentence. The CJ allowed the prosecution's appeal against sentence and approved Wong's time in jail. He also raised the default sentence for the penalty to 15 months.

He explained: "I have no alternative but to enhance the sentence because it's clearly one of those cases which can be described as being manifestly inadequate."

How the district judge could believe just four months was suitable "really escapes me completely", he added.

Mr Kong came here in April 1997 to obtain a loan as he wanted to buy RM100 million worth of North Borneo Timber shares from Malaysian businessman Joseph Ambrose Lee, who introduced him to Wong.

Wong, whose duties included finding rich people to open accounts, told Mr Kong he could not loan him the sum quickly, as the credit limit for each account at his bank was DM10 million or RM14.5 million.

To get round this, he suggested that besides Mr Kong opening an account, he get six friends to do so too and have them act as his nominees.

When the businessman said he could find six people but they would not be rich, Wong said it was not a problem. He indicated that there would be a lot of hard work.

Mr Kong took that to mean Wong was hiring at a bribe, and assured him there would be something for everybody.

Mr Kong submitted completed forms to open an account for himself and six others to Wong. Each claimed to have at least RM10 million.

After the credit facilities were approved and used, Wong received the bribe in the form of shares in Innosabah. It was paid through a trading account with Innosabah which Wong's sister-in-law probably opened to receive the bribe.

However, because of the Asian financial crisis, the loan could not be recovered. The bank sued Mr Kong and five of his nominees and was awarded about RM114 million in all.

On Tuesday, Deputy Public Prosecutor Tan Kai Pheng argued that Wong's sentence did not reflect the aggravating factors and public interest involved.

The trial judge was wrong in holding that the bank's loss was caused by the Asian financial crisis, he said.

The judge also did not consider the very large loan he made to Wong, a share of his position of trust, and that his corrupt acts had caused the bank to suffer a loss of at least RM7.2 million.

Corruption, DPP Tan added, could threaten Singapore's position as a financial hub.

**TOULIGHT**  
"It's clearly one of those cases which... is manifestly inadequate."

CJ Yang Pang How upped Wong's eight-month sentence.

Total Approach to Corruption Control:  
2 Aspects - Enforcement Scope

## CASE 2 – GM of Public Listed Company

- GM of a public listed company
- Gave bribes totaling \$1.82 million
- Jailed 8 years

Citiraya ex-CEO's brother jailed

Ng Teck Boon  
accessory to giving out \$1.82m in bribes

CHRISTIE LIM  
christie@newsday.com.sg

THE curtains have fallen on the first of the key players in the corruption case at Citiraya Industries, one of the biggest in Singapore's corporate history.

In a court hearing yesterday, Ng Teck Boon, 37, — the younger brother of the electronics waste recycler's ex-chief executive Ng Teck Lee — was sentenced to eight years' jail for helping to give out bribes of nearly \$1.82 million between 2003 and January this year.

An assistant general manager at the time, Teck Boon also had a hand in inflating Citiraya's sales and purchases by a total of \$71.79 million.

Faked invoices were dispatched to various companies, one of which was run by Teck Boon, the youngest of the three Ng siblings.

Teck Boon's punishment is the heaviest of case convictions since police investigations started in January. The first eight men sentenced had all accepted bribes for helping Citiraya siphon off electronic scrap worth US\$65 million (\$92 million) for resale to syndicates in Hong Kong and Taiwan.

In passing Teck Boon's sentence, Justice Richard Magnus said that a severe sentence was necessary to show that "the giving and accepting of bribes will not be tolerated in this case."

What is more, the Senior District Judge was not convinced by senior counsel Leslie Chew's portrait of Teck Boon as a "hapless, none-too-bright younger brother."

According to Mr Chew, his client's "idleness" mentality and low self-esteem made him easily manipulated by Teck Lee and Citiraya's then chief financial officer Gan Chin Chin. Tin, the lawyer showed by producing an Institute of Mental Health's psy-

chiatric report on Teck Boon.

Given his client's "slow wit", he was not the "henchman" behind the bribery and fraud schemes devised by the "hard-driving, loud-mouthed" Teck Lee, said Mr Chew in his written submission to the judge.

But Justice Magnus held that the facts of the case showed Teck Boon as a principal character.

"It is only because the accused was ready, able and willing to abet the commission of these serious offences that his entrepreneurial-type brother was able to reap his nefarious trade on a large scale," said the judge.

Teck Lee has been at large since January. More suspects involved in the conspiracy are expected to be rounded up.

THE FESTIVITIES AT ILLERTON HOTEL.  
HONS EVEN MERRIER THIS YEAR, WE'VE PUT TOGETHER



## TWO ASPECTS: (a) Enforcement Scope

- Penalty – amount of bribes
- Corruption does not pay
- Corruption in public procurement
  - Debarred from government contracts for 5 years



## TWO ASPECTS: (a) Enforcement Scope

- CDSA law
  - Disgorge benefits from corruption, drug trafficking and serious offences
  - Offence to hide ill-gotten gains







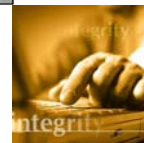
## TWO ASPECTS: (a) Enforcement Scope

- **Civil recourse**
  - Provided by Prevention of Corruption Act
  - To recover bribe monies
  - Double disgorgement possible
  - Strong deterrence against corruption



## TWO ASPECTS: (b) Administrative Efficiency

- **Integrity & incorruptibility**
- **Anticipate changes to meet customers' needs**
- **PS21 Movement**
- **Improving efficiency → reduce opportunity for corruption**







## Cut Red Tape Movement

- Public lodge feedback through internet
- Promote transparency
- Reduce business costs



## Cut Waste Portal

- Provide feedback on how government can cut expenditure
- Keep Government Alert
- Minimise Government Spending Wastage





## CHALLENGES

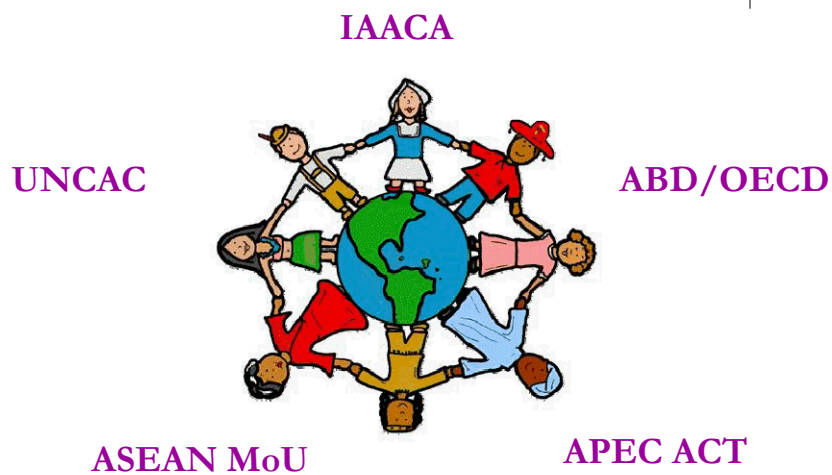
- Changing nature of corruption
  - Operation methods are sophisticated and complex
    - Upgrade operational capabilities
- Internationalization of corruption
  - Corruption crosses international borders
    - Enhance cooperation with foreign partners



## Challenges



## International Fora





## International Fora

CPIB has

- hosted foreign public officials and delegates
- sent officers overseas for learning
- conducted international ACE Workshops



## CONCLUSION

- Deal corruption in public & private sectors
- Total approach needed
- Four pillars
  - Strict laws
  - Enforcement without fear or favour
  - Tough punishment from courts
  - Effective government administration
- Corruption is a universal problem



