

Speech by Deputy Chief Prosecutor Ivan Chua

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Topic: Selling Status (and access) – corruption or just business?

1 A very good afternoon Mr Chairman, Mr Ivan Lawrence QC, distinguished speakers, ladies and gentlemen. I am honoured to be here and grateful to Professor Barry Rider for inviting me to deliver this speech.

2 In many countries and organisations, bribery is regarded as part and parcel of business. Companies which engage in bribery may attempt to justify it on grounds that bribery is commonplace in the countries where they do business, and that refusing to engage in bribery may hinder their business prospects. This problem poses a threat to every country where business is done, including Singapore.

3 Singapore is a very small city state with no natural resources to speak of, and we rely heavily on trade and business for our economic growth. While we may not face the same specific threats prevalent in resource-rich countries, there are other serious risks which arise from Singapore's connectivity and economic activities. Singapore is a major business and financial hub with a significant flow of funds from the region and the world. Quite often, a policy or regulation on how business is to be conducted would have considerable impact on costs. Consequently, the people in charge of areas such as tax, trade, business, and finance would have considerable influence, and thereby exposed to attempts of bribery.

4 Despite such risks, Singapore has had some measure of success in curbing this threat. To be clear, we do not consider selling status or access as part of business. Anyone who attempts to gain an unfair advantage by giving kickbacks will be taken to task. In this regard, let me illustrate with two cases in Singapore where individuals who

have given bribes to secure contracts and maintain business relationships have been prosecuted:

(a) In 2019, a businessman was convicted on one count of giving kickbacks worth S\$159,200 to two directors of a medical equipment company. The receivers had demanded the kickbacks soon after the giver's company had started performing IT-related works for the medical equipment company. The giver had agreed to give the kickbacks because he was afraid that he would lose the business with the medical equipment company if he refused. The giver was sentenced to a total of 11 months' imprisonment.

(b) In 2019, a director of two companies engaged in providing construction services to Town Councils was convicted on three counts of giving gratification of around S\$75,000 to a former General Manager of a Town Council to advance the business interests of the giver's two companies with the Town Council. The gratification included entertainment expenses and overseas remittances of monies, which induced the receiver to influence the award of the various construction-related projects in favour of the contractors. The giver was ultimately sentenced to a total of 33 months' imprisonment.

5 Where corruption seeps into public institutions, the concern is even greater. Today, I hope to share some key factors which have been critical towards Singapore's success in tackling corruption in public institutions. Singapore adopts a zero-tolerance policy against corruption, and this is manifested in four aspects. First, a strong political will. Second, effective laws and enforcement. Third, a code of conduct to guide public officers. Fourth, a good network for international cooperation.

6 **First**, a strong political will to eradicate corruption. Singapore has had a long history and culture of anti-corruption since the ruling party took power in 1959. Just one year after the Singapore government took office in 1959, the Prevention of Corruption Act ("PCA") was enacted to combat corruption. The PCA has since been

dutifully enforced, and even political leaders and senior civil servants are not immune from our anti-corruption laws. Let me share with you some examples:

(a) In 1995, a former Public Utilities Board (“PUB”) Deputy Chief Executive was sentenced to 14 years’ imprisonment for receiving S\$13.85 million in exchange for giving information that helped contractors win PUB contracts.

(b) In 2013, a former Commissioner of the Singapore Civil Defence Force (“SCDF”) was sentenced to six months’ imprisonment for obtaining sexual gratification from three females in exchange for advancing the business interests of the women’s companies with SCDF.

7 **Second**, effective laws and robust application. We have broad anti-corruption laws which criminalise all forms of corruption.

8 The PCA criminalises both offers to give and agreements to accept gratification. This means that an offence is established under the PCA even where no agreement has yet been reached between the giver and receiver, or where the bribe money or gratification has not changed hands. Another feature of the PCA is that it has extra-territorial reach beyond the borders of Singapore, which is important given the transnational nature of business today.

9 The PCA also criminalises both private and public sector corruption. In relation to public sector corruption, there is also a presumption of corruption whereby gratification given to a public servant is presumed to be corruptly given as an inducement or reward, unless proven otherwise.

10 Singapore has also enacted the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (“CDSA”), which grants the court broad powers to restrain and confiscate benefits and proceeds of corruption. The PCA complements this by mandating financial penalties against receivers of gratification. These laws

effectively confiscate the financial rewards of corruption, ensuring that corruption remains a high-risk and low-reward crime.

11 Effective laws must also be robustly applied. The Attorney-General's Chambers ("AGC") is the prosecutorial agency that ensures that the laws are effectively executed. AGC has never wavered in ensuring that all corruption offenders are duly punished. In fact, to promote consistency in sentencing, the AGC has developed sentencing frameworks for corruption cases to ensure that the most serious forms of corruption – where both the harm caused and the offender's culpability are high – will attract a correspondingly severe sentence.

12 **The third** aspect is our Code of Conduct of the Singapore Public Service. This Code sets out the high standards of behaviour expected of public officers based on principles of integrity, incorruptibility, and transparency.

13 **Fourth**, international cooperation.

(a) CPIB regularly cooperates with anti-corruption agencies in the region, such as those in Malaysia, Brunei, Indonesia and Hong Kong, as well as other foreign law enforcement agencies, such as the FBI (US), Australian Federal Police (Australia), Serious Fraud Office (UK), in the exchange of information, intelligence and joint operations.

(b) Singapore is a signatory to the United Nations Convention Against Corruption.

14 **Conclusion.** Corruption has insidious effects on business and society, and should not be seen as "just business". The herd mentality that it is acceptable to offer bribes, for fear of losing out, just because others may be doing the same, would lead to a vicious cycle of bribery.

15 I hope that my sharing today has been fruitful. We all tackle corruption in our own way, but we can also learn from each other. International cooperation and sharing are important levers that will enable us to collectively combat corruption, which is why a symposium like this is important. We should all work together in unity to ensure that corruption remains a high-risk, low reward activity. Thank you.

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