

Anti-Corruption Law in Asia

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OVERVIEW

1. **Introduction** [drastically shortened!]: focus especially on
Singapore, Japan / Korea, Malaysia, China / India, Indonesia
2. **Sources and Context of Anti-Corruption Law**
 - 2.A **Legislation** (incl. treaties), Case Law and Soft Law
 - 2.B **Main Scope** of Anti-Corruption Law: Standalone & Peripheral
 - 2.C **Relationships** with (quite ambivalent) Customary / Religious, Colonial & Authoritarian Laws and Norms
3. **Functions and Factors**
 - 3.A **Top-down** factors: Treaties, int'l/regional orgs, (?) UK Act 2010
 - 3.B **Bottom-up** factors -> **Combined Consequences**: comparing esp.
(a) consistent & unbiased political will, (b) independent institutions

Introduction: Corruption in Asia

Corruption remains a large problem across almost all of Southeast, South and North Asia* (eg per TI's CPI rankings)

- Yet most economists nowadays, and political scientists, identify significant direct & indirect net costs
- Jurists more persistently object
- So global then regional initiatives

Decades of reform run up against mixed legacies:

- Cultural / religious values (eg guanxi, gift-giving norms)
- Colonial history and institutional gaps
- Authoritarian politics and one-party rule
- Business-state links ('development state') and patronage networks

Success requires: consistent & unbiased political will + well-resourced independent institutions

*** Main countries covered (with CPI Rank)**

Singapore: ~3 (least corrupt)

Japan: ~18

South Korea: ~31

Malaysia: ~54

China (PRC): ~76

India: ~91

Indonesia: ~109 (most corrupt)

Table 1: Transparency International’s CPI Rankings by Asian Jurisdiction (2012 and 2025)³

Singapore	Hong Kong	Japan	Bhutan	Taiwan	South Korea	Malaysia
5 / 3	14 / 12	17 / 18	33 / 18	37 / 24	45 / 31	54 / 54
China	India	Maldives	Vietnam	Indonesia	Sri Lanka	Mongolia
80 / 76	94 / 91	N/A / 91	123 / 81	118 / 109	79 / 107	94 / 124
Thailand	Philippines	Nepal	Papua New Guinea	Laos	Myanmar	Bangladesh
88 / 116	105 / 120	139 / 109	150 / 142	160 / 109	172 / 169	144 / 150
Cambodia	North Korea					
157 / 163	174 / 172					

Sources & Scope of Anti-Corruption Law

Legislation, Case Law, Treaties (Hard Law)

A. Now mostly standalone legislation (with more or less case law), reflecting:

1. OECD Anti-Bribery Convention (1997)

Foreign bribery only; peer-reviewed enforcement stronger than for ...

2. UN Convention Against Corruption (2003) types (not defs)

- Mandatory: public bribery, foreign bribery, embezzlement by officials
- Discretionary: trading in influence, abuse of functions, illicit enrichment, private sector bribery

B. Other statutes (NEXT SLIDE) & UK Bribery Act 2010

Impacts UK-nexus companies (like US-nexus firms via its FCPA 1977);
Corporate liability model (with defence if “adequate procedures” to prevent bribery by firm’s associates);
adopted by Thailand (2015), Malaysia (2018), India (2018)

C. Softer Law

- US FCPA & UK Act extraterritorial reach.- IF NEXUS
- OECD MNE Guidelines – BUT few reported NCP cases
- UN Global Compact (Principle 10) – BUT opt-in by firms
- World Bank / ADB / IMF conditionality – BUT if crisis

D. Bottom-up drivers:

- Civil society movements
- Free press and NGOs
- Scandals & economic crises as reform catalysts

Category	Singapore	Malaysia	Indonesia	India	South Korea	China	Japan
(a) Main Anti-Corruption Statute	Prevention of Corruption Act 1960 (PCA). Replaced Prevention of Corruption Ordinance (1937). Numerous amendments. Extra-territorial jurisdiction. No separate foreign bribery statute; PCA applies broadly to foreign officials. Enforcement: CPIB (est. 1952).	Malaysian Anti-Corruption Commission Act 2009 (MACC Act). Replaced Anti-Corruption Act 1997. S.17A corporate liability added 2018 (effective 2020). Extra-territorial jurisdiction. Enforcement: MACC (est. 2009).	Law No. 31/1999 on Eradication of Corruption, amended by Law No. 20/2001. KPK (Corruption Eradication Commission) est. by Law No. 30/2002, operational 2003. Amended by Law No. 19/2019 (weakened KPK independence). No separate foreign bribery statute.	Prevention of Corruption Act 1988 (PCA). Replaced PCA 1947. Major amendment: PCA (Amendment) Act 2018 (criminalised bribe-giving, Section 9 on foreign officials, aligned with UNCAC). Enforcement: CBI (est. 1963); CVC (statutory 2003).	Criminal Act 1953 (Arts. 129-133). ACRC Act 2001 (KICAC est. 2002, reorganized to ACRC 2008). Foreign bribery: FBPA 1999 (OECD Convention). Improper Solicitation and Graft Act 2016 (Kim Young-ran Act). Aggravated Punishment Acts.	Criminal Law 1979 (effective 1980); comprehensive revision 1997. Amendment VIII (2011): criminalised foreign bribery. Amendment IX (2015): revised sentencing. Amendment XII (2023): increased penalties. Supervision Law 2018. Enforcement: CDDI/NSC (merged 2018).	Penal Code 1907 (Arts. 197-198). Foreign bribery: Unfair Competition Prevention Act (UCPA), amended 1998 (effective 1999, OECD Convention); further amended 2023 (strengthened penalties). No single dedicated anti-corruption agency.
(b) Whistleblower Protection Legislation	No standalone whistleblower act. Protections incorporated within PCA framework and CPIB reporting mechanisms.	Whistleblower Protection Act 2010 (Act 711). Also: Witness Protection Act 2009.	Law No. 13/2006 on Witness and Victim Protection (amended by Law No. 31/2014). Witness and Victim Protection Agency (LPSK) established.	Whistleblowers Protection Act 2014 (enacted but implementation remains weak).	Act on the Protection of Public Interest Whistleblowers 2011 (strengthened 2015). Reward system operated by ACRC.	No single comprehensive statute. Provisions on Reporting of Crimes 2009 (strengthened 2014); Provisions on Protecting Whistleblowers 2016; CDDI reporting platforms 2013-2016.	Whistleblower Protection Act 2004 (amended 2020, effective 2022). Consumer Affairs Agency (CAA) enforces.
(c) Government Procurement Legislation	Government Procurement Act 1997. Aligned with WTO GPA. Government Procurement Adjudication Tribunal handles disputes.	No standalone statute. Governed by Treasury Instructions and circulars under Financial Procedure Act 1957. Not a WTO GPA party.	Presidential Regulation No. 16/2018 on Government Procurement (replaced Pres. Reg. No. 54/2010). National Procurement Policy Agency (LKPP) oversees.	No single comprehensive statute. General Financial Rules 2017 govern central procurement. Public Procurement Bill 2012 lapsed. Government e-Marketplace (GeM) est. 2016.	Act on Contracts to Which the State is a Party (Government Contracts Act). Public Procurement Service (PPS) manages.	Government Procurement Law 2002 (effective 2003). Tendering and Bidding Law 1999.	Accounts Act 1947. Act on Promotion of Proper Tendering and Contracting for Public Works 2000. Aligned with WTO GPA.
(d) Anti-Money Laundering Laws	Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992 (CDSA). Works with PCA to punish laundering of bribe money.	Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (AMLAFTA).	Law No. 8/2010 on Prevention and Eradication of Money Laundering (replaced Law No. 15/2002). FIU: PPATK/INTRAC.	Prevention of Money Laundering Act 2002 (PMLA) (effective 2005, amended multiple times). Enforcement Directorate enforces. India joined FATF 2010.	Proceeds of Crime Act (POCA); Financial Transaction Reports Act (FTRA). Korea Financial Intelligence Unit (KoFIU) est. 2001.	Anti-Money Laundering Law 2006 (effective 2007; comprehensively amended Nov 2024, effective Jan 2025). PBOC oversees. China joined FATF 2007.	Act on Prevention of Transfer of Criminal Proceeds 2007; Act on Punishment of Organised Crimes 1999 (effective 2000); Anti-Drug Special Provisions Act 1991. FIU: JAFIC.
(e) Asset Reporting/Declaration Laws	No separate public asset declaration law. Public servants subject to Public Service (Conduct and Discipline) Regulations requiring internal asset declarations.	Public servants declare assets under General Orders and Public Officers Regulations. MPs required to declare assets under Standing Orders (introduced 2019-2020).	Law No. 28/1999 on Clean Governance. Public officials report assets to KPK (under Act. 12C Corruption Eradication Act). KPKPN later absorbed into KPK.	Public Servants (Declaration of Assets & Liabilities) Rules under All India Services (Conduct) Rules 1968. Lokpal Act 2013 requires declarations. Representation of the People Act 1951 (candidates).	Public Service Ethics Act 1981 (property registration/disclosure; post-employment restrictions). Political Funds Act.	No comprehensive public law. Internal CPC regulations: Provisions on Leading Cadres' Reporting of Personal Matters (revised 2017). Not publicly disclosed.	National Public Service Ethics Act 1999 and Ethics Code 2000. Act on Disclosure of Assets of Diet Members 1992 (effective 1993).
(f) Official Information Disclosure Legislation	No Freedom of Information Act. Official Secrets Act 1935 restricts disclosure. No general public right of access.	No federal FOI Act. State-level: Selangor FOI Enactment 2011; Penang 2010. Official Secrets Act 1972 restricts federal disclosure.	Law No. 14/2008 on Public Information Disclosure. Central Information Commission established.	Right to Information Act 2005 (RTI). Replaced Freedom of Information Act 2002. Central and State Information Commissions established.	Act on Disclosure of Information by Public Agencies 1996 (effective 1998).	Regulations on Open Government Information 2007 (State Council regulation; revised 2019). Not NPC legislation; lower legal status.	Act on Access to Information Held by Administrative Organs 1999 (Act No. 42). Information Disclosure Review Board reviews refusals.
(g) Ombudsman Schemes	No formal national ombudsman. Elected President has custodial oversight over reserves and key appointments.	No formal national ombudsman. Public Complaints Bureau (under PM's Department) handles complaints. MACC Advisory Board provides some oversight.	Ombudsman of the Republic of Indonesia, est. by Law No. 37/2008 (previously by Presidential Decree 44/2000).	Lokpal and Lokayuktas Act 2013. Lokpal (central); Lokayuktas (state). First Lokpal appointed 2019. CVC also has oversight role.	ACRC integrates anti-corruption, administrative appeals, and ombudsman functions (since 2008 merger). Board of Audit and Inspection (constitutional body).	No formal ombudsman. NSC/CDDI handles complaints. Letters and Visits (Xinfang) system. People's Procuratorates handle legal supervision.	No formal national ombudsman. Administrative Complaint Review Act provides mechanisms. Board of Audit (independent constitutional organ). Some local ombdsman systems.
(h) Other Major Anti-Corruption Legislation	Penal Code 1871 (public servant offences); Competition Act 2004; Official Secrets Act 1935.	Penal Code (Sections 161-165); Election Offences Act 1954; MACC (Officers) Rules.	Law No. 28/1999 on Clean Governance; Anti-Monopoly Law (Law No. 5/1999); Criminal Code provisions.	Lokpal and Lokayuktas Act 2013; Benami Transactions Act 1988 (amended 2016); Bharatiya Nyaya Sanhita 2023; Companies Act 2013; Black Money Act 2015.	Kim Young-ran Act 2016; Act on Prohibition of False Claims 2019; Political Funds Act; Public Service Ethics Act 1981; Specific Crimes/Economic Crimes Acts.	Anti-Unfair Competition Law 1993 (revised 2017, 2019); Supervision Law 2018; CPC Disciplinary Regulations; International Criminal Judicial Assistance Law 2018.	National Public Service Ethics Act 1999; Political Funds Control Act 1948; Act on Elimination of Bid Rigging; Companies Act; Act on Prohibition of Private Monopolisation.

Table 2: Types and Effects of Corruption Generally¹⁶

	Theft or exchange	Elites or non-elites	Legality	Economic effects
Petty theft	Theft	Non-elites	Illegal	Growth-damaging
Grand theft	Theft	Elites	Illegal	Growth-damaging
Speed money	Exchange	Non-elites	Illegal	Shortens delays but imposes cost
Access money	Exchange	Elites	Legal and non-illegal	Stimulates growth but generates distortions, risks, and inequality

<https://www.yuenyuenang.org/china-gilded-age>

Singapore

CPI Rank ~3 | Least Corrupt in Asia (from 1980s, dramatic change from 1960s)

Lee Kuan Yew made clean government an early priority to attract FDI (pragmatically)

Key Reforms:

- Independent CPIB (reports directly to PM, separate from police – cf when colony, & still in India)
- Prevention of Corruption Act 1960 — broad "gratification" definition, covered private sector corruption from outset, burden-shifting provisions ... plus multiple amendments
- Competitive public sector salaries from 1972 (brave for a then poor country, cf eg Indonesia)
- Very high conviction rates (97–99%) and quite detailed case law

Notable Cases:

- Minister Teh Cheang Wan (suicide during investigation, 1986)
-> amendment to claim back from estate
- MP Phey Yew Kok (absconded 1980, returned & convicted 2015)
- Minister Iswaran (convicted 2024)



PS [only in longer version!]: *Tey Tsun Hang v Public Prosecutor* [2014] SGHC 39
- a former NUS law professor was convicted of six charges under PCA s 6(a) for corruptly receiving gratification from a student as an inducement for showing favour in academic assessments. Overturned on appeal: the gratification was not an inducement and there was no objective corrupt element — the student was in love with the professor and had no intention to seek academic favours. The case was significant for clarifying the legal elements of a corruption offence, including the requirements of inducement/reward, objective dishonesty, and guilty knowledge.

Japan

CPI Rank ~18 | Consistently Low Corruption, but since WW2/Occupation

Unusually, eg 1976 Lockheed scandal: PM Tanaka convicted 1983 of bribery
Triggered US FCPA 1977 (then 1997 OECD treaty) & Japanese campaign finance reforms (but: Recruit 1989)

Post-War Success Factors:

- Meritocratic civil service (elite exam-based recruitment)
- Independent judiciary and prosecutors
- Competitive salaries, social conformity norms

Recent Developments:

- OECD peer review → 2023 Unfair Competition Prevention Act amendment
- ... and earlier METI Guidelines on foreign bribery prevention (eg 'try to avoid Facilitation Payments'!)



South Korea

CPI Improved from ~45 to ~31

Military authoritarianism ended 1987; four former presidents convicted of corruption

Park Geun-Hye:

- Impeached for Samsung bribery scandal
- Convicted 2018 (first live-broadcast verdict), served ~5 years
- Pardoned 2021

Systemic Issues:

- Pattern of soft sentencing + presidential pardons for chaebol leaders
- Improper Solicitation and Graft Act 2016 expanded coverage
- OECD concerns about prosecution reforms undermining enforcement (2022)



Malaysia

CPI Rank ~54 | Middling

UMNO: world's longest one-party rule with elections (ended 2018)

Eg Mahathir's "Clean, Efficient, Trustworthy" campaign (1980s); 'Mr Clean' created MACC 2009 etc

1MDB Scandal:

- PM Najib convicted 2020–5 (abuse of power, money laundering etc)
- \$700M+ diverted into personal accounts

Structural Problems:

- Bumiputera policies, political patronage, GLCs & GLICs
- Race/religion used as shields from accountability
- Charges dropped against Deputy PM Zahid Hamidi (2023)
- BUT some recent reforms eg UK Bribery Act-style corporate liability (s.17A) added 2018



China (PRC)

CPI Rank ~76 | High Perceived Corruption Persisting – yet Longstanding Policy & Now Massive Enforcement

Xi Jinping's campaign since 2012: neo-Confucian moral cultivation + Legalist punitive enforcement

Massive Enforcement Scale Recently:

- CCDI + National Supervision Commission integrated 2018
- 1.34 million officials disciplined in first 5 years
- Nearly 1 million disciplined in 2025 alone

Challenges:

- No independent institutions; so CPI scores barely improved
- Perceived politicisation (targeting rivals: eg Bo Xilai, Zhou Yongkang)
- Belt and Road Initiative creates more outbound corruption risks, although PRC criminalised foreign bribery 2011 (without ratifying OECD Convention, which would mean eg Peer Review)



Corruption is a stumbling block and an obstacle in the development process of the Party and the country's undertakings. The fight against corruption is a major battle that the Party cannot afford to lose.

India

CPI Rank ~91 | High Corruption

Secular democratic framework; PM Modi uses Hindu civilizational narrative but institutions pre-date his government

Key Problems:

- CBI lacks independence (reports to PM's Office)
- Needs prior approval for investigating senior officials
- Massive judicial delays (50+ million pending cases)
- Judicial corruption itself a serious problem

Reform Efforts:

- Anna Hazare movement → Lokpal Act 2013
- Prevention of Corruption Amendment 2018: added private bribery (UNCAC compliance)



Indonesia

CPI Rank ~109 | Highest Corruption

Soeharto dictatorship fell 1998 (after Asian Financial Crisis / IMF)

Reformasi Achievements:

- New anti-corruption law 1999
- Independent KPK agency (established 2001/2004)
- Related? MUI fatwa declares corruption haram (2000) — but low awareness (~20%)

Deep-Rooted Challenges:

- No inherited Dutch colonial anti-corruption framework
- Decentralisation opened new corruption avenues
- Civil law tradition — less precedent-based development (even less so in China)
- Pervasive judicial corruption (even at highest levels)
- Political pushback recently against KPK

<https://indonesiaatmelbourne.unimelb.edu.au/police-vs-prosecutors-indonesias-latest-corruption-scandal-exposes-elite-fracturing-under-prabowo/>



A titan of corruption



Overall: Drivers of Reform

Top-Down Pressure

- US FCPA 1977 (extraterritorial reach)
- Prompting OECD Convention 1997 + peer reviews
- Then UNCAC 2003 (near-universal ratification)
- Plus UK Bribery Act 2010 (corp liability / due diligence) *Adopted: Thailand 2015, Malaysia 2018, India 2018*
- World Bank / ADB / IMF conditionality
- PS FATF anti-money laundering standards

Bottom-Up Pressure

Civil society movements:

- Reformasi (Indonesia)
- Pro-democracy movement / strikes / vigils (Korea)
- Anna Hazare (India)
- Free press and investigative journalism
- NGOs (Transparency International, etc.)
- Social media exposes
- Economic crises as reform catalysts

Conclusions

Three Key Success Factors

1. Consistent and impartial political will

Leaders must keep reforming standalone and peripheral laws, plus sustain enforcement beyond political cycles

2. Independent institutions

Anti-corruption agency, courts, free press, NGOs

3. Well-resourced enforcement

Adequate budgets, trained personnel, protection from interference

Singapore and Japan demonstrate sustained success across decades.

Further Key Observations

- Religious/cultural norms play ambiguous roles — can support or undermine reform
- International pressure helps but has clear limitations
- Economic crises create windows for reform (Indonesia 1998, Korea 1997, partly Malaysia 2018)
- Pardons and/or political interference remain endemic threats to progress