

Taiwan, Republic of China

Annual Report of the Control Yuan

2015



Preface



The Control Yuan (CY), as one of the five branches of the central government and the highest supervisory body in Taiwan, ROC, mainly takes charge of receiving citizen complaints and investigating maladministration of government agencies as well as negligence of civil servants. Different from ombudsman systems in most of other countries, the CY obtains coercive powers of proposing corrective measures and impeachment, which provide better checks-and-balances against the administration. Meanwhile, the CY is also responsible for enforcing the four Sunshine Acts, including

handling anti-corruption tasks such as asset disclosure of high-ranking officials and political donations received by political parties or candidates.

The supervision system of our country enjoys rather high constitutional status, with its ultimate aim to ensure investigatory opinions voiced by the CY could be taken seriously by the administration and thus realize a transparent and just government that carries out policies by vigorously abiding by laws and is able to value protection of human rights. In short, the role of the CY is a facilitator to reach ‘good governance.’

In achieving good governance, it is, too, vital to prevent government from wasting budgets. The CY therefore presented several investigatory reports and cases of corrective measures during 2015. Under our constant follow-up supervision, the administration re-evaluate the inappropriate spending and thus has helped save amount of national treasury up to NT\$3.5 billion dollars (US\$107,415,000) and has contributed to more than NT\$1.9 billion (US\$58,311,000) increase of public revenue. We strongly believe that every penny should be spent carefully and properly in that it is granted by all taxpayers. The CY and the National Audit Office are and will always be safeguarding public money for all citizens.

The CY's work has also much to do with human rights. In 2015, we investigated and impeached the officials involving a suspect torture-to-death case of a juvenile delinquent admitted in a reform school. We will also continue to supervise the administration to enforce international human rights covenants in Taiwan.

In the past year, the CY had been actively engaging with the international community. We feel privileged to welcome many prominent dignitaries to Taiwan, including First Vice President of the International Ombudsman Institute (IOI) Diane Welborn, IOI Secretary General Dr. Günther Kräuter, and Public Defender of Uruguay Mirtha Guianze. On the other hand, I had the pleasure leading a delegation to attend the twentieth annual conference of the Federación Iberoamericana del Ombudsman (FIO), and signed a cooperation agreement with Belize Ombudsman Office. We are convinced that the ombudsman works could be steadily improved through constant cooperation.

Last but not least, we were delighted to celebrate the centennial anniversary of the CY's office building, which was built in 1915 during Japanese colonial rule as Taipei Prefectural Hall and had been designated

as national monument in 1998. We had held a special exhibition lasting for nearly two months and welcomed nearly ten thousand visitors. At the beginning of another new century, we sincerely open our arms to all our citizens and international counterparts to visit the CY someday to appreciate its architectural beauty as well as understand the unique supervision system in Taiwan.

A handwritten signature in black ink, reading "Po-ya Chang". The signature is written in a cursive, flowing style with a long, sweeping tail.

Po-ya Chang

President of the Control Yuan

June 2016

Table of Contents

Preface.....	II
1. 2015 Highlights: An Overview of Work Performance	1
2. ROC Supervision System in Brief.....	5
3. Our Performance.....	8
A. Handling Complaints and Assuring Good Governance	8
I. Receipt of Citizen Complaints	8
II. Investigation	11
III. Impeachment, Censure, and Corrective Measures.....	12
B. Audit	17
C. Sunshine Acts	19
I. Asset Declarations by Public Functionaries.....	20
II. Conflicts of Interest	22
III. Political Donations	24
IV. Lobbying Act.....	26
V. Online Declaration Service.....	26
D. Human Rights Protection	26
E. International Exchange.....	30
4. Case Summaries: Bringing Our Powers to Bear	36
A. Reducing Public Expenditure.....	36
I. Case 1:	
CY presses for lower water leakage rates, leads to NT\$1.1 b.	
in savings	36
II. Case 2:	
CY oversees state-owned firms rationalize annual leave to	
reduce public spending on overtime.....	37

B. Rectifying Discipline	39
I. Case 3:	
CY impeaches officer for misconduct in Apache case to improve military discipline.....	39
II. Case 4:	
CY investigates prison bribery scandal to rectify official’s conduct	40
III. Case 5:	
CY utilizes censure power, instructs MOJ to transfer official involved in abuse of authority	42
C. Safeguarding Human Rights	43
I. Case 6:	
CY probe of lawsuit for repayment of loans to laid-off workers spurs MOL to revise laws to further protect labor rights.....	43
II. Case 7:	
CY spurs government to boost social worker numbers to protect the disadvantaged	45
5. Appendix	47

List of Tables and Graphs

Categories of Complaints Received in 2015.....	10
Statistics on Cases Investigated by the CY 2015	12
Official Ranks of the Impeached in 2015	13
Occupational Types of the Impeached.....	14
Cases of Corrective Measures Proposed by the CY Standing Committees in 2015	17
Missions, Visions and Core Values of the NAO	18
Cases Reported by the National Audit Office to the CY in 2015	19
Statistics on Cases of Asset Declarations by Public Functionaries in 2015	22
Types of Interest and Common Violations.....	23
Conflicts of Interests: Violations and Penalties.....	24
Maximum Amount of Political Donations per Year.....	25
Statistics on Political Donation Fines in 2015	25

1. 2015 Highlights: An Overview of Work Performance

As the nation's top government watchdog, the Control Yuan (CY) continued throughout 2015 to utilize its authority to safeguard the rights and interests of the people and ensure honest and able government. In total, the CY received 13,730 complaints from citizens and issued 216 investigation reports during the year, with corrective measures carried out in 86 cases and impeachments in 13 cases.

Among the complaints received in 2015, those involving the administration of justice accounted for the largest portion, at 35.8 percent of the total, followed by those dealing with internal affairs, at 28.5 percent. Regarding the 216 investigation reports, 176 official letters calling for improvements were sent to administrative bodies of government. As for



CY members assigned daily to receive and handle complaints submitted by the public at the Complaint Receipt Center.

1. 2015 Highlights: An Overview of Work Performance

the cases of corrective measures, those involving internal affairs accounted for the largest share, at 24 in sum, while in the 13 impeachment cases, a total of 31 officials were impeached, including 19 judicial and prosecutorial officials. In addition, the CY also proceeded with one censure motion last year, instructing the Ministry of Justice to transfer an official deemed unsuited for his current position to another post.

Resolving the grievances of citizens has always been one of the CY's most important tasks in dealing with complaints from the public. Therefore, most of the complaints that the CY handles and the investigations that it conducts are closely related to safeguarding human rights. Among the investigation reports in 2015, those involving property rights of citizens accounted for the largest portion, at 23.7 percent of the total, followed by those involving the right to subsistence and the right to health at 17.5 percent, and the right to justice at 12.3 percent.

In addition, the CY is also responsible for various tasks aimed at promoting clean and honest government, including handling asset disclosures by the nation's high-level government officials, as well as contributions received by political parties and candidates, in order to ensure that officials are not involved in any conflicts of interest. As these tasks are enormously complex in nature, the CY has in recent years been vigorously establishing an online reporting and auditing system, and carrying out various computerization projects to provide more beneficial and effective reporting services. In 2015, there were a total of 4,323 cases of reporting assets online, with the savings in time amounting to 17,192 hours in sum if calculated at four hours per case. Furthermore, 96 percent of the individuals declaring their assets in this manner used the online platform to report information on changes in their own jobs, thereby substantially improving

the timeliness and accuracy of related data.

The Republic of China presidential and legislative elections were held in January 2016. During the official campaign period in late 2015, 12 political parties used the online system to report political contributions, substantially increasing the speed of related auditing work.

During 2015, the CY welcomed many prominent foreign dignitaries to Taiwan, including First Vice President of the International Ombudsman Institute Diane Welborn and IOI Secretary General Dr. Günther Kräuter. The CY also signed a memorandum of understanding with the National Human Rights Institution and Ombudsman of Uruguay as well as a cooperation agreement with Belize Ombudsman Office.

Also last year, the CY celebrated the 100-year anniversary of the building that houses its offices by holding a special exhibition entitled “Century of Elegance, Eternal Vigilance.” The exhibition introduced to visitors, numbering nearly 10,000 in total, the history of this magnificent Baroque-style building that once served as “Taipei Prefectural Hall” during the period of Japanese colonial rule. The centennial exhibit also highlighted the CY’s achievements in carrying out its powers and responsibilities over the years, thereby giving the general public a greater understanding of the vital role that this ombudsman institution plays in society.

1. 2015 Highlights: An Overview of Work Performance



Citizens enjoyed a guided tour to the centennial special exhibition.



The centennial exhibition closed with an outdoor music concert held in the garden of the CY.

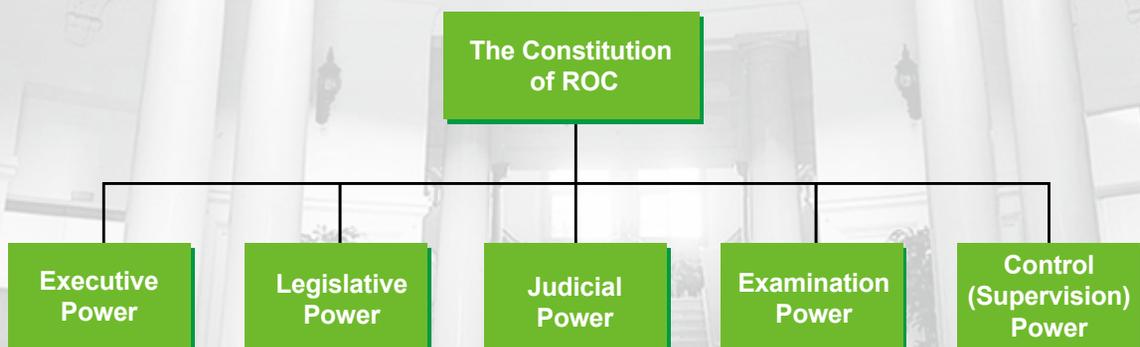
2. ROC Supervision System in Brief

The very original form of supervision system in Taiwan can be dated back to ancient China more than 2,000 years ago in the Qin (246-206 B.C.) and Han (206 B.C.-220 A.D.) dynasties, which served to uphold justice and ensuring government ethics. In the early 20th century, the system was transformed and modernized with the addition of the western constitutional concept by the ROC founding father, Dr. Sun Yat-sen.



A Statue of the ROC founding father, Dr. Sun Yat-sen, who initiated the five-power system, erected at the CY main stairway.

The Five-Power Constitutional System of Republic of China



- 1911** The Republic of China (ROC), Asia's first democratic country, was established. The founding father, Dr. Sun Yat-sen, advocated the five-power governmental system in which the two ancient Chinese government powers of examination and control (supervision) were added to the Western three-power structure (legislative, executive and judicial).
- 1928** The Auditing Yuan was established.
- 1931** The CY was established and the Auditing Yuan was reorganized as a ministry under the CY.
- 1947** The ROC Constitution was drafted, specifying a central government with five branches (Legislative, Executive, Judicial, Examination and Control Yuan).
- 1948** The Constitution came into effect and the CY was officially established. The Members (National ombudsmen) during the first term of the CY were elected by the provincial, municipal, Mongolian, Tibetan and overseas Chinese representative councils.
- 1949** The government relocated to Taiwan from the mainland China due to the Chinese civil war between the Nationalist Kuomintang (KMT) government and the Chinese Communist Party.
- 1992** According to the amendment of the Constitution, the number of CY Members was reduced to 29, including a president and a vice president. All members were nominated and approved by the National Assembly.
- 2000** The constitutional amendment specified that the 29 CY Members shall be nominated by the President and approved by the Legislative Yuan to serve a six-year term.

- 2005** The CY was unable to exercise its powers for three and half years due to the political stalemate at the end of 2004 when the legislators of the opposing party refused to approve the nominations of the fourth term Members.
- 2008** The fourth term CY Members took office on August 1, 2008. Mr. Wang Chien-shien, the former minister of finance, was the CY president and 7 out of 29 Members were female. The Members consist of scholars, judges, lawyers and former legislators with various professional backgrounds.
- 2014** The fifth term CY Members took office on August 1, 2014. Dr. Chang Po-ya, the former Chairperson of Central Election Commission, is the incumbent CY president. She is the first female CY president and also the first female head of one of the five branches of the government. Their term is due to expire on July 31, 2020.



President Chang presides over the plenary meeting of the Control Yuan.

3. Our Performance

The CY obtains comprehensive powers and functions of supervision, which all aim to protect human rights, uphold government ethics, promote good governance and mitigate citizen complaints. By actively exercising its powers in 2015, the CY has accomplished various works, which are illustrated in order as follows:

A. Handling Complaints and Assuring Good Governance

I. Receipt of Citizen Complaints

According to Article 4 of Control Act, the CY and its members may receive people's written complaints. Anyone can lodge a complaint of malfeasance against any public official or against the government for a specific wrongdoing.



CY Member receives complaint at the Complaint Receipt Center.

The CY receives complaints from:

- 1. Citizens:** This denotes the major source of the complaints we receive. Citizens can lodge complaints by post, fax, via e-mail or CY's online complaint system. One can also visit CY's Complaint Receipt Center to make complaints.
- 2. Government agencies:** Government agencies shall send all cases of misconduct or violation of laws by its high-ranking staff (senior ranking above level nine out of fourteen) to the CY.
- 3. National Audit Office (NAO):** As CY's subordinate organization, the NAO is responsible for referring relevant cases to the CY for further investigation.
- 4. Organizations/Groups:** Any organization or group that fall victim to government wrongdoing or negligence can lodge complaints.
- 5. Circuit Supervision and Inspection:** Citizens who live in local areas can also submit complaints to CY members when they conduct circuit supervision at central and local government agencies. Meanwhile, CY members can initiate investigations by themselves when finding necessary.
- 6. The media:** Complaints can originate in the opinions and concerns expressed in the mass media.

3. Our Performance



CY Members carry out circuit supervision to central and local agencies regularly.

In 2015, the CY received 13,730 complaints. Below are the types of complaints received:

Categories of Complaints Received in 2015

Item	Unit: Number of cases	
	Total	%
	13,730	100 %
Domestic Affairs	3,913	28.5
Judicial Affairs	4,913	35.8
Financial and Economic Affairs	2,392	17.4
Educational Affairs	931	6.8
Transportation Affairs	650	4.7
National Defense Affairs	548	4.0
Foreign Affairs	80	0.6
Others	303	2.2

II. Investigation

When receiving a complaint case, CY Members deem if it needs to be further investigated. A Member can also initiate an investigation case on his or her own motion. Once an investigation case is established, one to three investigators, judging from the case type, from the CY Supervisory Investigation Department would be assigned to assist in relevant work, including document inspection, inquiry, field survey, consulting, and so on.

Types of investigations can be categorized as follows:

- 1. Assigned investigation:** Members, in rotation, are assigned by either resolution of a CY plenary meeting or committee meeting to conduct an investigation.
- 2. Self-initiated investigation:** Members may initiate investigations if deemed necessary.
- 3. Commissioned investigation:** The CY entrusts related organizations to investigate complaint cases.

In 2015, the CY investigated 279 cases. Out of this total, 198 cases were assigned investigations and 81 own-motion cases. Among these investigations, 216 were completed with investigatory reports; 176 were completed with investigative suggestions passed by the committee and sent to related government agencies for improvement.

Statistics on Cases Investigated by the Control Yuan in 2015

Unit: Number of cases

Total	279
Assigned investigation	198
-Assigned by Control Yuan plenary meeting	94
-Assigned by resolution of Committee	104
Self-initiated investigation	81

III. Impeachment, Censure, and Corrective Measures

As the highest supervisory organization of the country, the CY is entitled to take legally coercive actions including impeachment, censure, and corrective measures against civil servants or government agencies for dereliction of duty or maladministration. Measures of these kinds would only be proposed after a thorough investigation is completed.

1. Impeachment

The CY shall bring impeachment cases against civil servants at central and local governments whom it deems negligence. An impeachment case shall be initiated by at least two CY Members, then reviewed and voted by absolute majority by no less than nine Members. Once the proposal is passed, the impeachment case would be referred to the Judicial Yuan for review and final judgment of punishment.



CY Members hold press conferences after impeachment cases are passed.

In 2015, the CY passed 13 impeachment cases, in which 31 government officials were impeached.

Official Ranks of the Impeached in 2015

Unit: Persons

Item	Number of the Impeached
Total	31
Civil Official	
Elected	2
Politically Appointed	2
Senior Officer	13
Officer	6
Assistant Officer	5
Military Official	
Generals	1
Colonels and Majors	2
Captains and Lieutenants	-

3. Our Performance

Occupational Types of the Impeached

Unit: Persons

Item	Number of the Impeached
Total	31
Judicial affairs	19
Communication and transportation affairs	2
National defense affairs	3
Educational and cultural affairs	1
General administration affairs	3
Economic and development affairs	2
Police affairs	1

2. Censure

The CY employs the power of censure when it deems that a public official has broken the law and must be suspended from duty or be dealt with through other immediate measures.

Three or more CY Members (excluding the initiating members) shall review each case of censure, and at least half of the Members reviewing it must give their approval. Each case shall be referred to the superior of the public functionary who has been censured for action. In addition, if a case involves violation of the criminal code, it shall be submitted directly to the competent court for action.

If the public functionary's superior fails to act, or if two or more CY Members deem the action taken improper, impeachment may be initiated. If a censured public functionary is impeached, his or her superior shall be held responsible for negligence of duty.

In 2015, the CY proposed one censure case against the head of the Logistics and Resource Division of the Ministry of Justice’s Agency of Corrections, who was involved in abuse of authority and considered to be unsuited for his position. The ministry consented to the demand on May 18 of the same year and transferred the official to another position. Please be referred to Chapter Four (Case 4) for the detail of the case.



CY Members held a press conference explaining the censure case against an official of the Ministry of Justice.

3. Corrective Measures

All the investigation reports finalized by CY Members would be presented to CY standing committees, which are established in accordance with the ministries and agencies under the Executive Yuan (EY), for review.

CY Members-in-charge may propose corrective measures against the agency/agencies being investigated and ask for improvement. After receiving the proposed corrective measures, the EY or its relevant agencies shall immediately make the appropriate improvements or take actions and

3. Our Performance

reply to the CY within two months.

If the EY or its relevant agencies fail to reply in a timely manner to the proposed improvements and actions, the CY may, upon resolution by its related committees, question in writing or notify the responsible officials to appear at the CY for questioning. If the CY concludes that the reply of the EY or relevant agencies calls further inquiry, it may request an explanation from the relevant agencies or ask Members-in-charge of the case to conduct an on-site investigation. If it is confirmed through an investigation that an executive agency has procrastinated and refused to make the necessary improvements, the CY may initiate a proposal of impeachment against the head of its agency.



CY Members hold a press conference of a case of corrective measures.

Last year, the CY proposed 86 cases of corrective measures. The table below presents the cases of corrective measures in 2015:

Cases of Corrective Measures Proposed by the CY Standing Committees in 2015

Unit: Number of cases

Item	Total
	86
Domestic and Minority Affairs	24
Foreign and Overseas Chinese Affairs	-
National Defense and Intelligence Affairs	12
Financial and Economic Affairs	18
Educational and Cultural Affairs	12
Transportation and Procurement Affairs	12
Judicial and Prison Administration Affairs	8

B. Audit

The power of audit is one of the supervision powers stipulated in the Constitution and its Amendment. This power is exercised by the National Audit Office (NAO) under the CY. The NAO is headed by an Auditor-General, who shall be nominated and appointed by the ROC President with the consent of the Legislative Yuan. Mr. Lin Ching-long had been the Auditor-General since 2007.

The main office of the NAO audits the central government and its subordinate organizations, while the local audit agencies inspect local governments and their subordinate organizations. These audit organizations are responsible for auditing the financial operations of governmental agencies at all levels.

Missions, Visions and Core Values of the NAO

Missions	<ol style="list-style-type: none">1. Fulfill the duties of the NAO2. Enhance control powers
Visions	<ol style="list-style-type: none">1. Provide high quality audit service2. Maximize the value of audit function3. Improve the performance of government4. Facilitate integrity in public sectors
Core Values	<ol style="list-style-type: none">1. Independence2. Integrity3. Professionalism4. Innovation

The power of audit includes:

- Supervising budget implementation
- Approving receipt and payment orders
- Examining and approving financial receipts and final accounts
- Detecting irregularities and dishonest behavior regarding property and financial affairs
- Evaluating financial efficiency
- Determining financial responsibilities
- Fulfilling other auditing duties mandated by law

If auditors discover that officials have committed financial irregularities or behaved dishonestly in an organization, the NAO shall report the findings to the competent audit organizations and notify the organization heads to take action. It may also report the case to the CY through auditing organizations for handling according to the law. If a criminal offense is involved, the NAO shall refer the matter to the judiciary and report to the CY. If the auditing agency discovers that an organization has been seriously

inefficient or neglectful of its duties, it shall notify the organization’s supervising agency and report the matter to the CY. If the cause of the problem is a lack of system regulations or acceptable facilities, suggestions for improvement should be made. More information on audit powers and performance are available on the NAO website: www.audit.gov.tw.

The following table lists the cases reported by the NAO to the CY:

Cases Reported by the National Audit Office to the CY in 2015

Unit: Number of cases

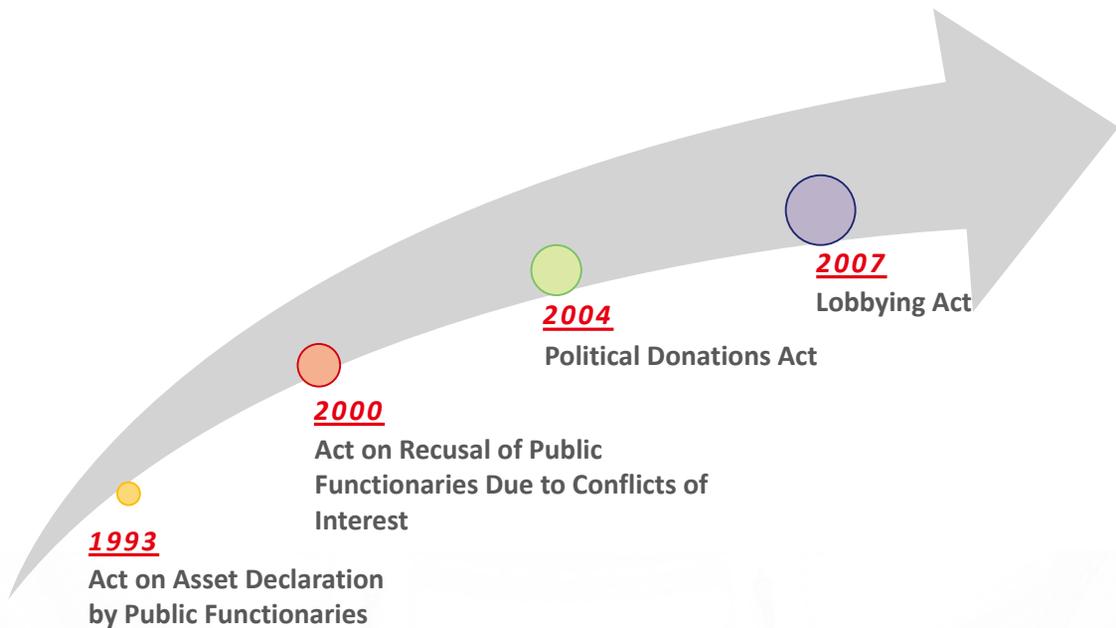
Method of Disposition						
Total	Investigated	Forwarded to relevant Agencies to Investigate	Merged with other similar cases investigated by the CY	Approval of the handling by the NAO	Filed away for future reference	Other
213	27	18	2	166	-	-

C. Sunshine Acts

To ensure a clean government, the CY serves as a loyal law enforcer for the following four acts:

- Asset Declarations by Public Functionaries
- Recusal of Public Functionaries due to Conflicts of Interest
- Political Donations Act
- Lobbying Act

Timeline of The Sunshine Acts Establishment



I. Asset Declarations by Public Functionaries

The purpose is to ensure proper ethics and integrity of conduct among public functionaries. The enforcement of the act provides transparency in public functionaries' personal finances for public perusal, examination and supervision.

The following officials shall disclose their assets to the CY:

1. President and Vice President ;
2. Premier and Vice Premier of the Executive Yuan, and President and Vice President of the Legislative Yuan, Judicial Yuan, Examination Yuan, and Control Yuan;
3. Officers of political affairs;
4. Senior Advisors, Policy Consultants, and Strategy Consultants of the

- Office of the President with gainful-positions;
5. Chiefs of governmental agencies at all levels at 12th rank and above, Chairpersons and Vice Chairpersons of the headquarters and branches of the state-owned enterprises, and directors and supervisors representing the government or the state-owned shares in private juristic entities;
 6. Principals of public junior colleges and above, and subsidiary institutions of such schools;
 7. Chief officers at all levels above the rank of Major General in the military;
 8. Governors at above village (town, city) level elected pursuant to the Public Officials Election and Recall Act;
 9. Legislators/councilors in the Legislative Yuan/councils at all levels;
 10. Judges and Prosecutors with the basic salary at 6th level.

Public functionaries shall declare both their domestic and overseas assets, including assets of all value (land, buildings, vehicles, insurance coverage). Properties with a total value up to NT\$1 million (cash, deposits, securities, debts), items with a value up to NT\$200,000 (jewelries, calligraphy and paintings, antiques) and other important statement.

According to the law, if a public functionary fails to declare assets in time or truthfully, the CY shall impose fines and have his or her name published. In 2015, the CY received 10,485 declaration cases, and there were 39 cases closed and fined. The fines totaled NT\$7,890,000 (US\$242,696).

3. Our Performance

Statistics on Cases of Asset Declarations by Public Functionaries in 2015

	Case	Amount (NT\$1,000)
Cases closed and fined	39	7,890
Cases closed	32	2,665
Cases not yet closed	43	5,660
Cases with fines imposed		
-paid by installment	5	1,465
-In the process of administrative execution	17	2,280
-others	11	1,010
Cases where fines have not yet been imposed		
-In the process of administrative appeal	1	100
-In the process of filing an administrative action	6	1,260
-others	10	4,770

II. Conflicts of Interest

The aim of the act is to promote clean politics and integrity among public functionaries, and to effectively deter corruption. “Conflict of interest” refers to nonfeasance and malfeasance by a public functionary on duty that has resulted directly or indirectly in him/herself or relevant persons receiving favors. Public functionaries are required to recuse themselves in cases of potential conflict of interest.

If a public functionary fails to prevent the conflict of interest, then the affected parties shall, according to the position of the public functionary, apply for prevention of conflict of interest at the agency where the public functionary serves.

The CY shall investigate and impose fines upon those who violate the regulations. When cases of fine impositions are confirmed, they will be posted on the internet or government gazette.

In 2015, there were 3 fine cases with a total amount of NT\$9,564,000 (US\$294,188).

Types of Interest and Common Violations

Type	Item	Common Violations
Assets	1. Personal and real properties	1. Issuing a financial reward for performance
	2. Cash, deposits, foreign currencies, and securities	2. Increased property prices as a result of urban planning or road rerouting
	3. Obligatory rights or other property rights	3. Reduced or exempted rents, payments or transportation fees
	4. Other interests with economic value or that can be acquired through money exchange	4. Meddling in land sales or ownership
Intangible Assets		5. Delaying or canceling demolition of illegal housing
		1. Contract workers
		2. Technicians, janitors, cleaning crews
		3. Temporary hourly worker
	1. Employment, promotion and job transfers	4. Workers of staffing companies
	2. Other personnel arrangement	5. Performance assessment
		6. Temporary teaching assistants, staff, substitute teachers and additional teaching positions
	7. Other forms of violation	

Conflicts of Interests: Violations and Penalties

Violations	Penalties (NTD)
Failure to recuse	<ul style="list-style-type: none"> From 1 million to 5 million NTD
Refusal to recuse	<ul style="list-style-type: none"> From 1.5 million to 7.5 million NTD
Abuse of power	<ul style="list-style-type: none"> From 1 million to 5 million NTD Restitution of the illegal profits
Inappropriate lobbying	<ul style="list-style-type: none"> From 1 million to 5 million NTD Restitution of the illegal profits
Financial transactions	<ul style="list-style-type: none"> A fine of up to three times the total amount of the transaction

III. Political Donations

The act aims to regulate and manage political donations in promotion of fair and just political activities that contribute to a healthy democratic development.

“Political donations” refer to personal and real properties, disproportionate financial contributions, debt exemptions, or other financial gains given to a person or a group involved in political campaigns or other relevant activities.

A special account approved by the CY must be in place before political parties, groups and candidates receive donations. The CY is also responsible for handling candidates’ disclosures of accounting reports and publishing these disclosures in publications or posting them on its website. Candidates’ political donation account balances shall be sent to the CY for review. Violators will be fined.

Maximum Amount of Political Donations per Year

Max. Donated Amount per Year (NTD)				
Types of donors	To a single political party or group	To multiple political parties or groups	To a single candidate	To multiple candidates
Individuals	30,000	60,000	10,000	20,000
For-profit enterprises	3 million	6 million	1 million	2 million
Civil groups	2 million	4 million	500,000	1 million

Statistics on Political Donation Fines in 2015

	Cases	Amount (NT\$1,000)
Cases closed and fined	2	500
Cases closed	19	6,525
Cases not yet closed	74	31,929
Cases with fines imposed		
-paid by installment	4	2,310
-In the process of administrative execution	18	13,052
-others	29	6,080
Cases where fines have not yet been imposed		
-In the process of administrative appeal	-	-
-In the process of filing an administrative action	3	3,877
-others	3	586

IV. Lobbying Act

Lobbying refers an intentional interference by a lobbyist via verbal or written communication to affect the lobbied party or its agency about the formulation, enactment, modification, amendment or annulment of laws, government policies or legislation.

The lobbied parties include President and Vice President, people's representatives at all level, heads of municipal, county and city governments, directors and deputy directors of local offices, persons specified in Paragraph 1 under Article 2 of the Political Appointees Pension Statutes. In this regard, the CY president, vice president, members and secretary general are considered lobbied party.

In 2015, the CY had not received any cases of lobbying.

V. Online Declaration Service

To provide a better declaration service with convenience and efficiency, the CY established a user-friendly online system for declaration of assets and political donations, and carried out various computerization projects to provide more beneficial and effective reporting services.

In 2015, there were a total of 4,323 cases of reporting assets online, with the savings in time amounting to 17,192 hours in sum if calculated at four hours per case. Furthermore, 96 percent of the individuals declaring their assets in this manner used the online platform to report information on unusual movements in their own jobs, thereby substantially improving the timeliness and accuracy of related data.

D. Human Rights Protection

The Human Rights Protection Committee (HRPC) keeps track of cases of

human rights violation and publicizes statistics on a monthly basis. Among the 13,772 citizen complaints received by the CY in 2015, 11,319 (82.2 percent) cases involved human rights abuse. In the meantime, 114 (54.5 percent) investigation reports finalized as well as 51 corrective measures proposed in the same year were human rights-related. Abuse of the rights to life and health made up the bulk of the corrective measures, followed by the right to property, and the right to environment.

In addition to investigative works, the HRPC promotes human rights issues throughout the year in the following ways:

Organized the 2015 Control Yuan Seminar on Protecting Indigenous People's Land Rights

On July 31 2015, the HRPC organized the 2015 CY Seminar on Protecting Indigenous People's Land Rights, to gain insight into disputes with indigenous people's land. A total of 260 people attended the daylong event, including people from the indigenous tribal regions, representatives of human rights groups, government agencies and the academia. The seminar covered a range of issues related to indigenous people's land policies, institutionalization and the current state of affairs, as well as possible solutions to resolving ongoing disputes. In the wake of the seminar, the CY launched two investigations on some of the most critical issues being raised and requested the Executive Yuan and the Council of Indigenous Peoples to address four other issues discussed during the seminar.

Attended the Asia Pacific Forum of International Human Rights Institutions

A delegation of the CY, led by Vice President Sun Ta-chuan, attended the 20th Asia Pacific Forum's Annual Meeting and Biennial Conference held in

3. Our Performance

Ulaanbaatar, Mongolia, from August 25th through 30th. In addition to engaging with and befriending fellow members of the Asia Pacific region, the event provided a good opportunity for the CY delegates to collect information on the functions and legislation of human rights institutions in the region as good reference for the CY as it plans to establish a national human rights institution that complies with the Paris Principles. During their visit in Mongolia, the delegation also conducted circuit supervision at Taipei Trade and Economic Representative Office in Ulaanbaatar, called at Amnesty International Mongolia and the Verbist Care Center. The delegation also met with the First Lady of Mongolia and some local cultural experts and historians.

Organized Staff Training on Promoting International Human Rights Conventions

Following the ratification of the Convention on the Rights of Children and the Convention on the Rights of People with Disabilities, and previously “The Two Covenants” and the Convention on the Elimination of All Forms of Discrimination against Women, the Human Rights Protection Committee has held many training sessions to raise human rights awareness among CY’s staff. This year, the Committee held four training sessions aimed to further instill knowledge of international human rights norms in fellow staff members so they can better assist Members of the CY in supervising the government’s policy making and execution. The trainings received an overall attendance of 181 people.

Strengthen engagement with human rights groups at home and abroad

The HRPC receives representatives of human rights groups to exchange practical experiences and opinions related to human rights works. The Committee also participates in various human rights workshops and

international seminars organized by the government and NGOs, in hopes of promoting exchanges and furthering engagement with the civil society. In 2015, the Committee plays host to different delegations, including delegates from the National Human Rights Commission of Mongolia, former ombudsman of Hungary, former Commissioner of the National Human Rights Commission of Korea, and Convener of the Covenants and Conventions Watch, an NGO in Taiwan. The Committee also takes part in human rights events organized by either government offices or civic groups, including workshops on sharing experiences in human rights protection organized by the Ministry of Justice, training workshops and essential training programs on the Convention on Rights of Children and the 2015 Convention on the Rights of Persons with Disabilities International Conference organized by the Ministry of Health and Welfare.



CY Members attended 20th conference of the Asia Pacific Forum of National Human Rights Institutions.

E. International Exchange

The CY has been actively engaging in international ombudsman activities and communications. In 1994, it established the International Affairs Committee (IAC) and became the member of International Ombudsman Institute (IOI). Since then, the CY has regularly attended the world and regional meetings, conferences and workshops held by the IOI. Meanwhile, the CY has also maintained a close relationship with ombudsman community in Latin American by regularly attending annual conferences of the Federación Iberoamericana del Ombudsman (FIO) as an observer. During 2015, the CY also welcomed many prominent foreign dignitaries to Taiwan and had built many constructive connections with the international counterparts.

The CY's main international activities in 2015 are as follows:

1. The CY delegation led by its Member Dr. Bau Tzong-ho paid a courtesy visit to the IOI headquarters in Vienna on February 2 and met with IOI Secretary General Dr. Günther Kräuter and the Head of the IOI General Secretariat, Ms. Ulrike Grieshofer, who also visited Taiwan on April 2 later in the same year, and extended a very productive discussion with President Chang at the CY.



Delegation of Control Yuan led by Dr. Bau paid courtesy visit to IOI Headquarters.

2. The aforementioned delegation led by Dr. Bau also called at the Ombudsman Office of Thailand, which serves as the host of the coming IOI World Conference to be held in November, 2016, on February 6.



Delegation of Control Yuan led by Dr. Bau visited Ombudsman Office of Thailand.

3. Our Performance

3. Two of CY staff attended the Second IOI/AOA Seminar and Joint Training Workshop held in Bangkok from March 30 to April 3, in which they learned and shared guidelines and practice of complaint handling work.



CY Staff attended the IOI/AOA Workshop in Bangkok.

4. Public Defender of the National Human Rights Institution and Ombudsman of Uruguay Ms. Mirtha Guianze visited the CY on July 1. She met with President Chang and the two sides agreed to establish a platform promoting bilateral cooperation on human rights work. Ms. Guianze also delivered a speech at the CY plenary meeting on Uruguayan ombudsman work.



Uruguay Ombudsman Ms. Guianze delivered a speech at the CY plenary meeting.

5. First Vice President of the International Ombudsman Institute (IOI) Diane Welborn, also Ombudsman of Dayton and Montgomery County of Ohio State in the U.S., visited the CY on October 27. She also spoke at the CY on the latest trends and challenges facing the IOI. Ms. Welborn also shared an important institutional reform plan resolved during the Directors Meeting in October 2014, which suggests that the Executive Committee of the Board proposed to be selected by an electronic membership vote. The proposal will be put to the 2016 General Assembly held in Bangkok.

3. Our Performance



IOI First Vice President Diane Welborn called at the CY and delivered a speech on IOI recent projects.

6. President Chang and Member Jane Y.W. Chiang attended the 20th annual conference of the Federación Iberoamericana del Ombudsman (FIO) on November 10, and exchanged views with delegates from about 20 Latin American countries on the freedom of government information. President Chang and Dr. Chiang also introduced Taiwan's achievements in promoting freedom of government information over the past decade and implementation of the Sunshine Acts.



CY delegation attended the 2015 FIO Conference held in Uruguay.

7. President Chang signed a Cooperation Agreement with her Belize counterpart Mr. Lionel Arzu, the Ombudsman of Belize, on November 12. The agreement aims to build on the relations between the two agencies as well as promote and safeguard human rights.



CY signed Cooperation Agreement with Belize Ombudsman Office.

4. Case Summaries: Bringing Our Powers to Bear

A. Reducing Public Expenditure

I. Case 1:

CY presses for lower water leakage rates, leads to NT\$1.1 b. in savings

Amid climate change and excessive development, many countries face the increased threat of droughts as well as difficulties developing new water sources. Ensuring optimal utilization of water resources and citizens' access to stable water supplies is an imperative task of the Taiwan government as well as an important human rights issue. However, statistics reveal that an amount of water equivalent to four times the Shihmen Reservoir's maximum capacity was lost to leakage from water pipelines around Taiwan each year. Taiwan's water leakage rate exceeded 20 percent, much higher than the level of 2.7 percent in Tokyo, 5 percent in the Netherlands, 5.7 percent in Singapore and 6.8 percent in Berlin. Taiwan Water Corp. (TWC) once allocated NT\$112.5 billion (US\$3,456,000,000) for removal and replacement of old pipelines, but the situation did not improve significantly. Therefore, the CY decided to launch an investigation into the matter.

Amid the ongoing CY probe, TWC put forward an improvement plan. Through detection of leakage locations in the water supply network and follow-up repair or replacement under the plan, the water leakage rate was reduced by 3.42 percentage points from 21.95 percent in 2006 to 18.53 percent in 2012. This reduction of water leakage by an average of more than 106.54 million metric tons per year translates into savings of NT\$714.9 million annually if the cost of water supply is calculated at NT\$6.71 per

metric ton, or savings of NT\$1.1858 billion at a rate of NT\$11.13 per metric ton.

With the CY tracking the situation, TWC further formulated a 10-year water leakage rate reduction plan for 2013-2022, with a total outlay of NT\$79.596 billion, which was reviewed and passed in October 2013. Under the plan, TWC will replace 6,000 kilometers of old pipelines, establish 3,428 district metering areas (DMAs), set up a geographic information system, monitor for and repair water leaks, and carry out related operations. The plan is expected to reduce the water leakage rate by 5.3 percent, cutting the amount of water lost to leakage by 1.001 billion cubic meters within 10 years, for an average annual reduction in water leakage of 100.1 million metric tons, translating into savings of NT\$671.7 million per year at a calculated water supply cost of NT\$6.71 per metric ton, or of NT\$1.1141 billion at a calculated cost of NT\$11.13 per metric ton.

II. Case 2:

CY oversees state-owned firms rationalize annual leave to reduce public spending on overtime

In order to reduce massive spending on overtime pay for civil servants, the government stipulates that public employees that qualify for less than 14 days of paid annual leave must use all their days off for the year, while those who qualify for more than 14 days of annual leave must use at least 14 of those days. In addition, employees should not be paid overtime for the leave time that they do not use during the year, according to the government regulation.

The Ministry of Economic Affairs (MOEA), which is in charge of handling affairs related to state-owned enterprises, sent a letter to all such firms in August 2001 requesting that they themselves determine whether to

enforce the aforementioned regulation on compulsory leave. Later the same year in October, Taiwan Power Company (Taipower), after weighing its operating and manpower scheduling needs, decided not to apply the rule to its employees.

Tallies reveal that Taipower employees took an average of 27 days paid leave days off per year during the period between 2007 and 2009. However, an average of 90 percent of the employees took only one or more days off, resulting in Taipower paying a total of more than NT\$1.5 billion (US\$45,645,000) in overtime to compensate employees for the paid holidays they did not use. It is estimated that if Taipower strictly enforced the government regulation, the company would have saved an estimated more than NT\$200 million (US\$6,086,000) per year on spending on overtime pay during the period.

The CY initiated an investigation into this matter and proposed corrective actions for the MOEA and Taipower, following which the Ministry promised to supervise and control the total amount of annual leave by Taipower employees and to gradually increase with each passing year the number of compulsory days off taken by the company's workers. This is expected to reduce the amount paid in overtime in compensation for leave time not used by Taipower employees by more than NT\$200 million, thereby lowering government expenditures. The measure is also being extended to another state-owned enterprise, namely CPC Corporation, Taiwan, thereby helping to save an additional more than NT\$200 million in public spending each year.

B. Rectifying Discipline

I. Case3:

CY impeaches officer for misconduct in Apache case to improve military discipline

On March 29, 2015, Lt. Col. Lao Nai-chen broke base regulations when he illegally took a group of 26 of his relatives and friends on a tour at the restricted 601st Air Cavalry Brigade base to view the fleet of AH-64E Apache helicopters stationed there. Several of the civilian visitors took turns sitting in the cockpit of one of the advanced attack helicopters, while having their pictures taken wearing the cutting-edge chopper pilot interactive helmet. Later, a number of the photos were uploaded onto Facebook, leading to a media storm and public uproar.

Worse still, soon after the incident, Lao, a deputy squadron commander, stated that he was not the first officer to have allowed a group of friends and family members to enter the base for a tour, pointing out that Maj. Gen. Chien Tsung-yuan, commander of the brigade, had also done so the previous month and had taken pictures of his nephew and son sitting in one of the helicopters. In addition, it was discovered that Lao had in October of the previous year taken an Apache flight helmet off the base without authorization to wear at a friend's Halloween costume party. All of these revelations triggered severe public criticism that the discipline of the nation's armed forces was being corroded. The CY therefore promptly decided to launch an investigation to determine the responsibility of the personnel involved in the case.

In its report following the probe, the CY stated that it considered Lao had indeed neglected the rules and his responsibilities in his capacity as an Apache instructor pilot, and that he had treated important military

equipment as a party prop, thereby reducing in stature essential weapons for the defense of the nation to the level of a social tool for the sake of showing off. The CY also determined that Lao had intended to conceal and lie about the matter afterward, thus eroding the reputation of the nation's military. As for Maj. Gen. Chien, the CY said that the commander had regularly been unable to effectively carry out his supervisory role at the base, including maintaining military discipline, and on the contrary had in fact set a bad example that his subordinates imitated, resulting in an overall slackening of discipline. It further noted that on the day of the incident Lt. Col. Tao Kuo-chen, senior duty officer at the base, should personally have upheld base regulations and maintained discipline, but that the fact that Lao was able to bring friends and relatives directly onto the base meant that supervision of access to the restricted area existed in name only. Furthermore, according to the CY, Tao attempted to shirk responsibility by passing the blame onto others after the incident.

The CY concluded that each of the three officers had seriously violated the rules and had damaged the image of the military. It therefore proposed impeachment of all three and sent the case to the Judicial Yuan's Committee on the Discipline of Public Functionaries for deliberation. On October 2, 2015, the committee meted out punishment, with Lao being suspended from duty for a period of two years, and Chien and Tao each being suspended for six months.

II. Case 4:

CY investigates prison bribery scandal to rectify official's conduct

In November 2014, the largest group bribery scandal in Taiwan prison history erupted, inflicting serious damage on the image of the nation's correctional institutions. The scandal clearly showed the existence of

laxness in certain areas of prison management, as well as the presence of corrupt practices and a lack of discipline, thereby greatly undermining the public's confidence in prison administration. The CY therefore decided to launch an investigation into the matter.

The investigation found eight prison officials, including former Yilan Prison warden Wu Tsai-wei and former Green Island Prison warden Su Ching-chun, to be suspected of accepting bribes from inmates' relatives and friends in exchange for granting the prisoners special visitor and other privileges as well as allowing them to receive contraband items smuggled into the jails. This serious misconduct greatly undermined standards of discipline and violated the Civil Servants Work Act, the Regulations on Civil Servants' Ethics and Rectitude, and other related rules. The CY therefore moved to impeach the two prison wardens, and at the same time to propose corrective actions for the Agency of Corrections, Ministry of Justice, as well as for Taipei Prison and Yilan Prison under the agency's jurisdiction.

The CY committee in charge of the investigation stated that prisons are a place for rehabilitating criminals and that the role of prison administration officials is to help prisoners to repent and improve themselves, adding that the officials therefore ought to adhere strictly to this role by acting with integrity and honesty. The committee further said it regrets the fact that some correctional officials were unable to resist temptation, thereby undermining the public's confidence in the nation's prison administration. The committee added that it hopes supervision by the CY will help ensure that related agencies and personnel perform their duties and responsibilities to the utmost of integrity and professionalism.

With the CY continuously monitoring the situation for improvement,

the Agency of Corrections has already reviewed and revised the various procedures for handling prison visits and has instructed all prisons around Taiwan to operate according to the new methods. The Agency has also proposed several improvements to increase transparency and fairness in the prison visit system.

According to latest statistics, the total number of special visits allowed by prisons around Taiwan dropped from 4,230 in 2014 to just 1,657 in 2015. This significant decline of plus-60 percent proves that correctional facilities are becoming increasingly strict in their handling of such visits. In addition, the Agency has formed a special supervisory and review team, which makes unannounced inspection visits to two randomly selected prisons each season, in order to strengthen prevention of corruption and misconduct, with the aim of improving the image of prison administration.

III. Case 5:

CY utilizes censure power, instructs MOJ to transfer official involved in abuse of authority

The CY decided to censure the head of the Logistics & Resource Division of the Ministry of Justice's Agency of Corrections on April 29, 2015. According to the censure resolution, introduced by CY members Chiang Ming-chang, Fang Wan-fu and Lin Ya-feng, the official was unsuited for his current position and should therefore be suspended from duties or transferred to another position.

The CY's investigation concluded that the head of the division had previously served as the warden of Yilan Prison, during which time the official had received nearly NT\$110,000 (US\$3,347) in gift vouchers for hot spring hotels in return for granting special visitation privileges to a former financial group chairman serving a sentence at the correctional

facility. The official was later transferred to a different post by the MOJ for this abuse of authority.

However, despite the official's transgression of accepting bribes, he was assigned to a new position that put him in charge of handling the logistics procurement for all of Taiwan's 49 prisons. The CY concluded that the MOJ's decision violated common sense and that the official was extremely unsuited for the new position, and therefore utilized its disciplinary power to demand that the MOJ immediately transfer the official to a different post.

The MOJ consented to the demand on May 18 of the same year and transferred the official to another position.

The CY very rarely utilizes this power of censure as it in substance involves the administrative right to appoint personnel. However, when ample evidence exists that an administrative official is extremely unsuited for a position, the CY may, pursuant to its constitutional authority, carry out its external supervisory role and convene a censure case review meeting.

C. Safeguarding Human Rights

I. Case 6:

CY probe of lawsuit for repayment of loans to laid-off workers spurs MOL to revise laws to further protect labor rights

Over a period beginning in August 1996, several enterprises, including Lien Fu Textile Co., shut down their factories and went out of business, ending up owing severance and retirement pay to a total of more than 1,000 workers that were laid off as a result. Having nowhere to turn for help, the affected workers staged protests, triggering public concern for their plight. In order to calm the situation, the Council of Labor Affairs (now the Ministry of Labor) decided in July of the following year to provide financial

relief, in what it termed the form of “loans,” to the unemployed workers in the amount owed to them by their former employees in severance and retirement pay. In 2012, with the loans set to become due, the Council decided to file a lawsuit for repayment, which again triggered intense protests and resistance by labor groups. They argued that the government, instead of demanding repayment directly from the workers, should act on their behalf and advance loans to the former employers in order to enable these employers to pay the amount owed to the workers they had previously laid off. This management-labor dispute received widespread attention and showed the public that labor protection in the country was insufficient, leading the CY to begin a probe into the matter.

In its investigation, the CY concluded that the Ministry of Labor had long been remiss and inactive in handling the issue, and therefore proposed corrective measures for the Ministry. The CY also urged the Ministry to gain a thorough understanding of the true intention of the loan contracts made with the laid off workers at the time and to carefully determine the characteristics of those contracts, as workers are frequently in a vulnerable position when facing those in power over such matters. In addition, the CY requested that the Ministry thoroughly review and make improvements to system of laws and regulations related to the protection of pension and severance pay rights for laborers.

With the CY continuing to track the situation, the Ministry formulated the so-called “labor pension reserve fund special case investigation and examination plan,” and increased the number of auditing personnel, while also asking each local government around Taiwan to conduct a thorough probe into the situation in their respective jurisdictions regarding labor pension funds set aside under the old system. Every city and county

government thereafter completed the task, giving the Ministry a clear understanding of the situation regarding the opening of special accounts by retired workers for the deposit of their pensions. From that time, the percentage of retired workers opening such accounts rose substantially from just 68.20 percent at the end of December 2013 to 99.68 percent by the end of June 2015.

In addition, after deliberating on the opinions in the CY's investigation report, the Ministry of Labor retracted the lawsuit against the laid off workers, thereby closing the book on a major controversy. Furthermore, the Ministry mapped out and put forward draft amendments to the Labor Standards Act, which passed third reading in the Legislative Yuan on January 20, 2015. The changes enhance workers' rights to compensation for unpaid wages, retirement pay and severance pay, while also including pensions under the old system and severance pay under the old and new systems into the defined scope of accumulated owed wages for which compensation is provided to workers through the advancement of funds (to employers by the government) for later repayment. Therefore, comprehensive protection of workers' pension rights and interests is provided by the law.

II Case 7:

CY spurs government to boost social worker numbers to protect the disadvantaged

In recent years, Taiwan has been facing declining birthrates, a greying population, sluggish economic growth and an increasing gap between rich and poor. Amid this situation, cases of domestic violence and child abuse have been frequent, demonstrating that, despite comprehensive social welfare laws and regulations already being in place, Taiwan faces an

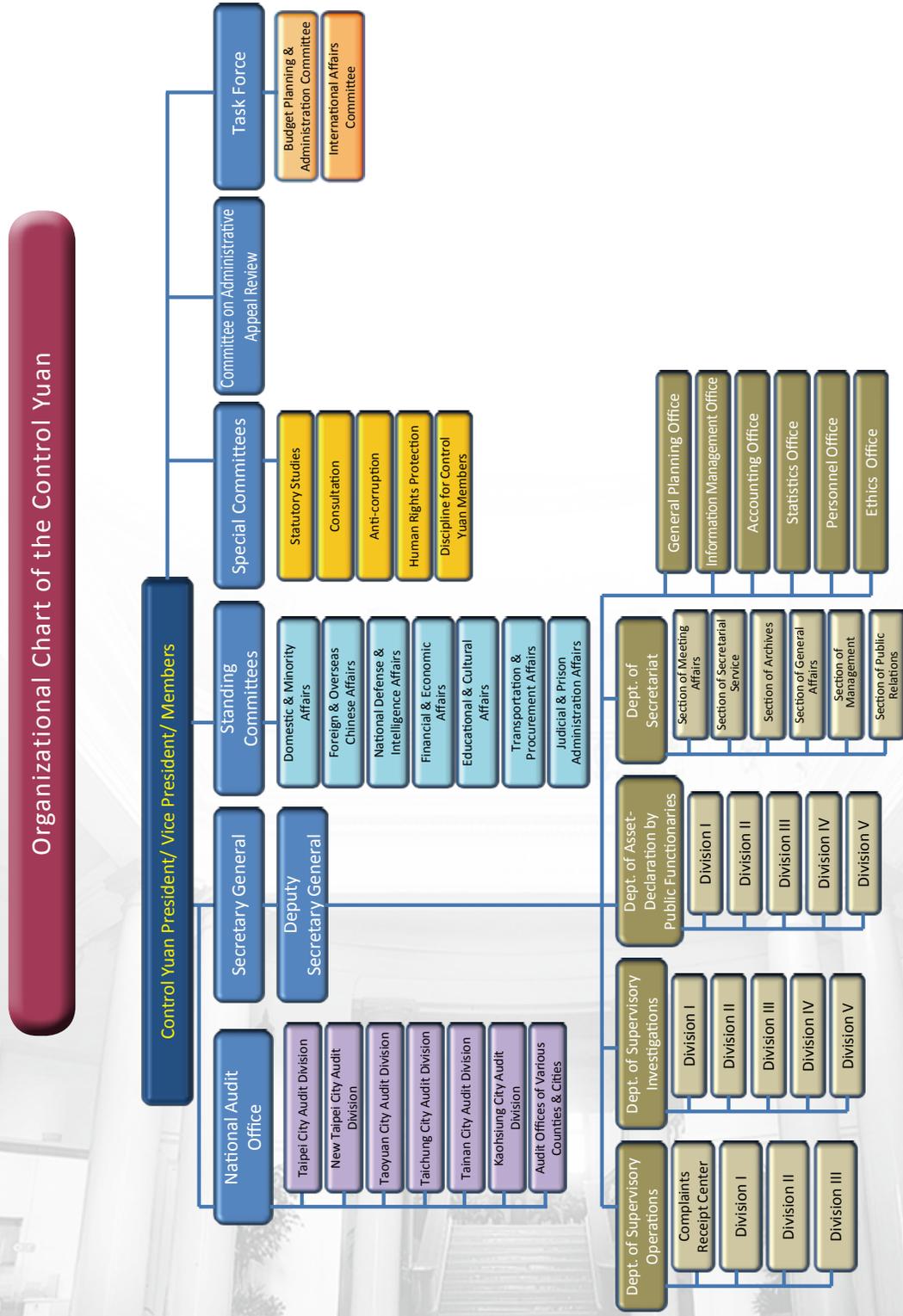
extreme shortage of social workers. The CY therefore decided to launch an inquiry, urging the government to squarely face the problem.

Following the CY probe, the Executive Yuan approved a program to assist local governments around the country to increase the number of social work personnel in their respective jurisdictions. By the end of June 2015, the total number of newly added social workers reached 3,186, nearly double the figure of 1,596 at the end of 2010.

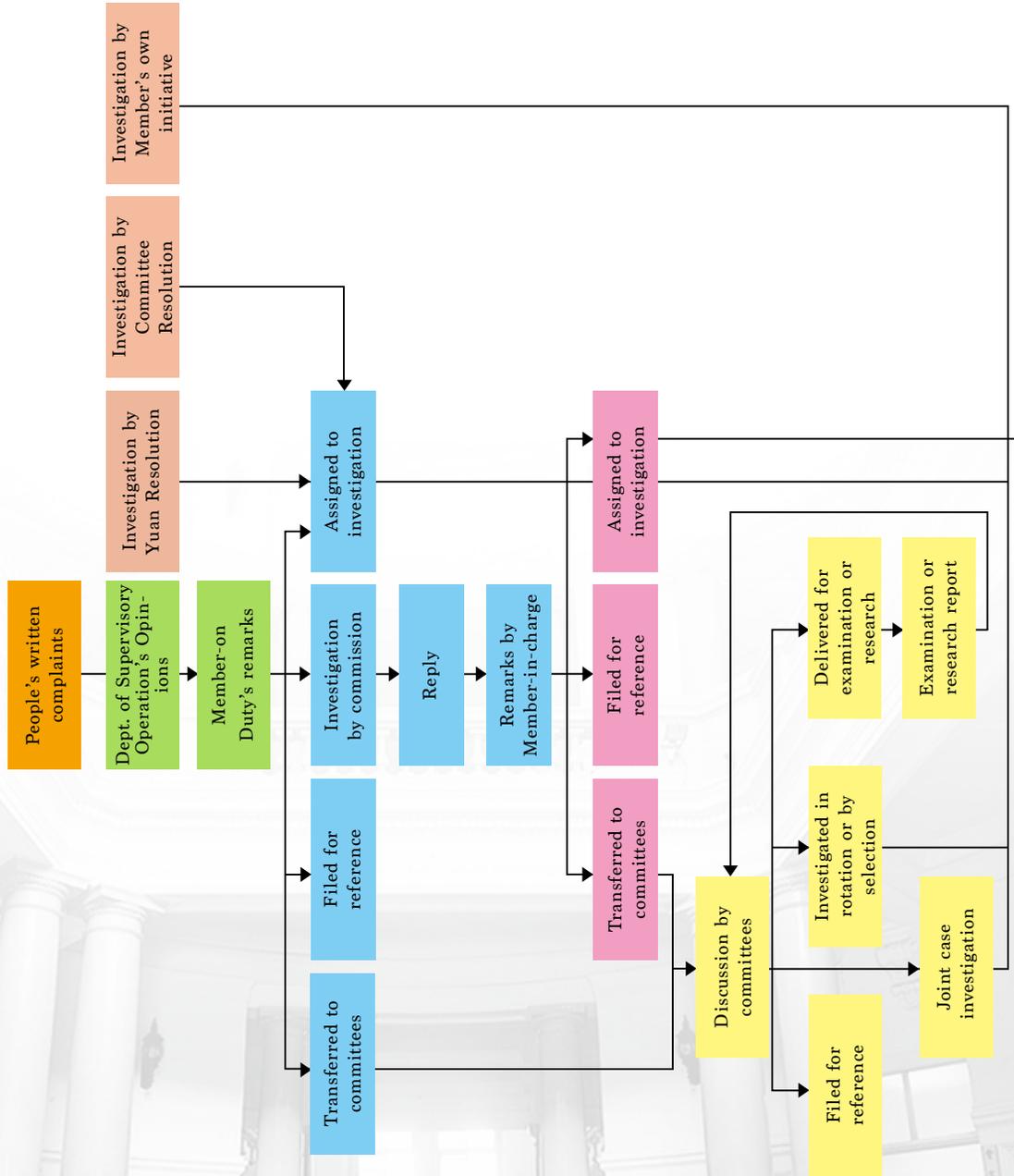
In addition, Taiwan has long experienced a shortage of social work personnel responsible for protecting the personal safety of abused children and female victims of violence, with such personnel receiving unreasonably low salaries. In the wake of the CY investigation and continuous follow-up tracking, the number of such social workers nearly doubled in just over three years from only 468 in June 2011 to 871 in August 2014. Furthermore, all 22 local governments in Taiwan have already raised salaries for this category of social worker.

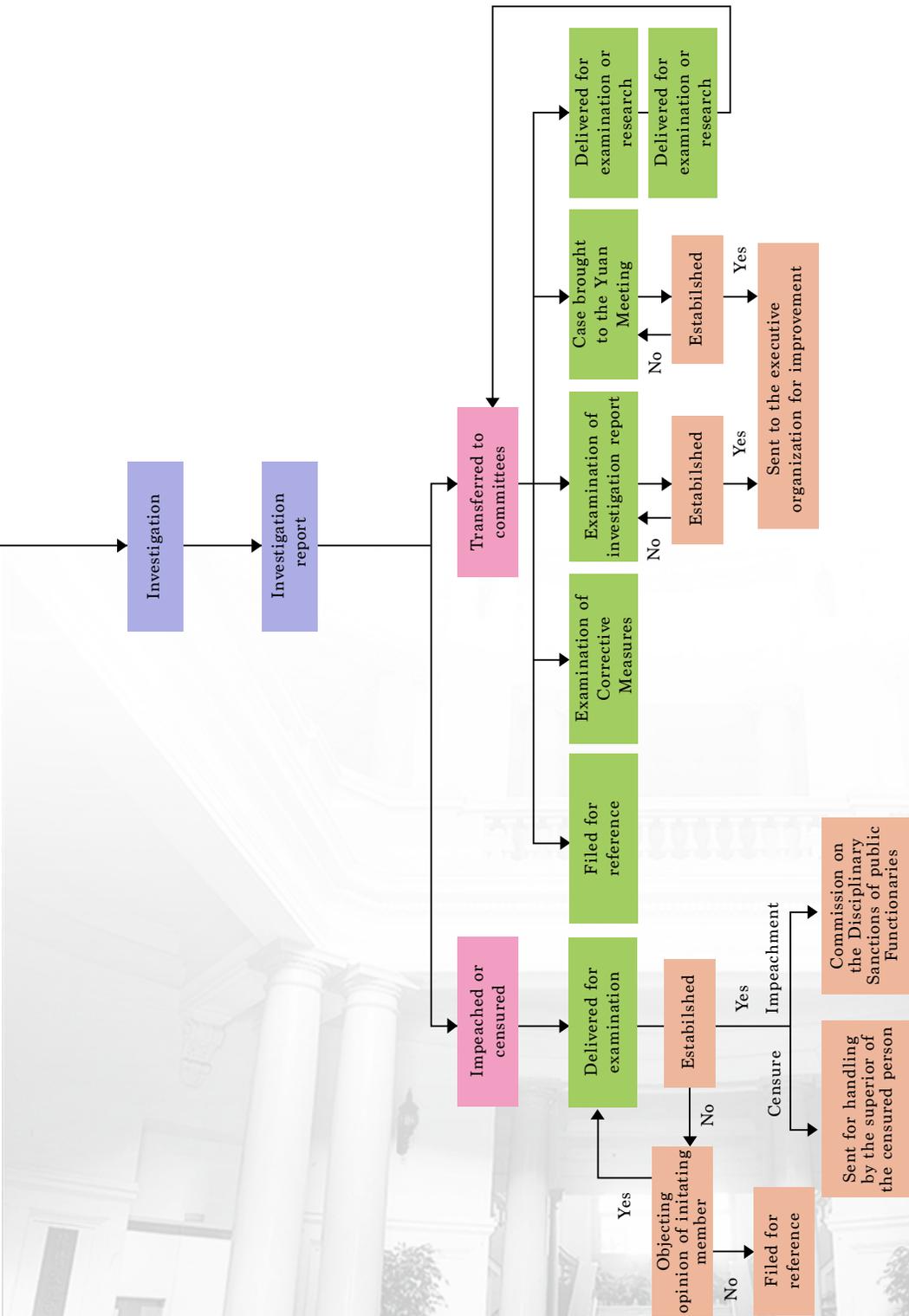
The CY has continued to press the government to further augment social worker numbers in order to meet the needs of disadvantaged families and to prevent victims of child abuse and violence against women from ever having to feel afraid again.

5. Appendix



Flowchart of the Exercise of the Control Yuan Powers





Published by the Control Yuan, Taiwan, ROC

No.2, Section 1, Zhongxiao East Road, Taipei, 10051 Taiwan, Republic of China

- Tel : 886-2-2341-3183
- Fax : 886-2-2356-8588
- <http://www.cy.gov.tw>
- E-mail : iac@cy.gov.tw
- First Edition : June 2016
- Price : NT\$100
- GPN : 2010200888
- ISSN : 2308-0485