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**Statement submitted by the UNCAC Coalition, a non-governmental organization not in consultative status with the Economic and Social Council\***

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**Cambodia: Civil Society Report  
by Transparency International Cambodia  
An input to the UNCAC Implementation Review Mechanism:  
Third year of review of UNCAC Chapters II and V**

*-Executive Summary-*

This is the executive summary of a civil society shadow report from November 2021 that reviews Cambodia's implementation and enforcement of selected articles in UN Convention against Corruption (UNCAC) Chapters II (Preventive Measures) and V (Asset Recovery). The report was supported by the UNCAC Coalition and is intended as a contribution to the UNCAC peer review process of Cambodia covering those two chapters. The full report is available on the UNCAC Coalition's website.<sup>1</sup>

Cambodia has made progress in adopting relevant anti-corruption legislation to implement various provisions of Chapter II and Chapter V of the UNCAC. However, the legal framework leaves significant room for improvement, and enforcement actions are often biased and weak. There is a need for stronger enforcement efforts, more transparency and de-politicization of key institutions.

**Assessment of the review process**

Has the government disclosed information about the country focal point?	Yes	
Was the review schedule published somewhere?	No	
Was civil society consulted in the preparation of the self-assessment checklist?	Yes	Anti-corruption and access to information CSOs, CSOs working on other issues, and academia, were consulted.
Was the self-assessment checklist published online or made available to civil society?	No	
Was a country visit undertaken?	Yes	The country visit by reviewers from Thailand and Eswatini took place from 30 October to 01 November 2019.

<sup>1</sup> <https://uncaccoalition.org/new-civil-society-report-on-cambodia-stronger-enforcement-efforts-more-transparency-and-de-politicisation-of-key-institutions-needed-to-advance-anti-corruption-efforts/>.

Was civil society invited to provide input to the official reviewers?	Yes	Representatives of CSOs, including organizations working on anti-corruption and access to information, were invited to provide input to the official reviewers during a one-hour meeting with the official reviewers.
Was the private sector invited to provide input to official examiners?	Yes	Private sector representatives were invited to a one-hour session with the official reviewers.
Has the government committed to publishing the full country report?	Unknown	

## Main findings and Recommendations (R)

### Prevention of corruption

Cambodia has enacted comprehensive anti-corruption legislation and developed three National Anti-Corruption Strategic Plans. There is no evidence to suggest that a transparent consultation process in the development of anti-corruption policies has taken place. Key anti-corruption documents are not accessible to the public.

The Anti-Corruption Unit (ACU) has tackled issues including ghost workers but has rarely investigated a high-level member of the ruling party. Observers describe it as a public relations unit for the government that has been politically captured, lacking the power to tackle high-level corruption, and misused to eliminate political rivals including within the ruling party. The ACU is not accountable to the parliament and the public, its independence is not ensured, as its leadership is appointed by a royal decree at the request of the prime minister.

*R: Ensure that the Chairperson of the ACU presents its annual report to parliament, and that the reports are made publicly available; ensure that the chairperson and vice-chairperson of the ACU are appointed by an open and competitive recruitment process, involving the input of civil society.*

### Public sector employment

Reports suggest that corruption continues to be a challenge within the civil service, where appointments to the central bureaucracy are often made on party political lines. Public sector positions are advertised and anyone can apply, however, those who actually get jobs often have friendships or familial ties to the senior staff in the affiliated ministry. Bribery is also a common way to gain access to the appointments and promotions. A draft of a code of conduct for public officials has yet to be finalized.

*R: Improve the rules and procedures to address conflicts of interest in the hiring process for public sector jobs, for example, through declarations of absence of conflict of interest by the recruitment committee members, disclosure of scoring criteria for candidates, and prohibition of family members from working in the same department/unit.*

### Political financing

In law, public funding of political parties is awarded in a fair and transparent manner. State-controlled entities are prohibited from making political contributions. Foreign donations to political parties are banned and parties must keep records of their revenues and expenditures.

However, political donations are inadequately regulated; provisions guaranteeing public access to financial reports of political parties and independent oversight of political financing are missing. There is widespread misuse of state resources for political campaigns.

*R: Improve transparency and effective oversight of political financing: Disclose the financial reports of political parties; adopt regulation on campaign spending, close regulatory loopholes; establish and impose sanctions for violations.*

### **Asset declarations of public officials**

Certain senior public officials are required to declare assets and liabilities to the ACU but there is no verification mechanism. The compliance rate of 99.9% claimed by the ACU is unverifiable because asset declarations are highly confidential. Declaration requirements have large gaps, undermining their use in detecting and prosecuting illicit enrichment. Very few asset declarations have ever been unsealed.

*R: Improve the asset declaration regime: Publish at least a summary of asset declarations, especially for officials with high discretionary powers; develop a process for the verification of declarations, as well as proportionate and deterrent sanctions to ensure compliance. Address loopholes and regulatory gaps in the asset declaration regime.*

### **Whistleblower protection**

Cambodia lacks a comprehensive whistleblower law. While a limited reporting mechanism and whistleblower protection is stipulated in the Anti-Corruption Law, there is no available evidence to suggest that whistleblowers are adequately protected in practice. A provision that criminalizes malicious or false reports on possible corruption cases and threatens up to six months of imprisonment and significant fines deters and endangers whistleblowers. There are no reporting obligations for civil servants and public officials who know of a corruption offense.

*R: Create a unified information system that provides security and confidentiality guarantees to those reporting acts of corruption.*

### **Public procurement**

While procurement rules and practices may have improved, the sector is still prone to corruption and malpractice, especially involving large-scale projects, contracts and licenses. The law does not require the publication of procurement decisions, in practice those are often made public. Due to the lack of a registry of contracts and procurement data, public monitoring of State contracts and purchases is not possible.

*R: Publicly disclose all entities blacklisted for public procurement; require that decisions and information on all stages of the procurement process be made public in easily accessible formats, including online; enhance state oversight and public monitoring on the services / products delivered.*

### **Access to information**

Cambodia has no access to information legislation to guarantee transparency within the public administration. A lack of publicly accessible information and data, as well as severe limitations on freedom of expression and media freedom result in a restrictive environment that is not conducive for public discussions of corruption.

*R: Adopt and implement legislation, policies and practices to allow members of the public to obtain information on the organisation, functioning and decision-making process of public administration in Cambodia; enact and implement access to information legislation.*

*Establish a transparent formalised public consultation process for the development of national anti-corruption policies and practices.*

**Judiciary**

The independence of the judiciary is guaranteed by the constitution. Judges and prosecutors are required to declare their assets. In practice, the judiciary is widely seen as lacking independence, incompetent, and closely connected to the ruling party. Accountability of members of the judiciary for ethics violations is almost non-existent; disciplinary measures for judges and prosecutors are rarely enforced.

*R: Ensure that the judiciary is accountable to a completely independent body and that ethics violations can be reported and are investigated, addressed and sanctioned.*

**Company ownership transparency**

No information on the ownership structure of a business or how the business is controlled is required when registering a new business in Cambodia. Similarly, there is no regulation in place that requires companies to report information on their beneficial ownership.

*R: Develop a centralised, freely accessible online Beneficial Ownership Register. Ensure free online public access to the company registry, including information on the directors and direct owners of companies; Require companies to report shareholders and beneficial owners when bidding for public contracts.*

**Anti-money laundering**

In 2020, Cambodia improved its anti-money laundering framework after it was included on the “grey list” of the Financial Action Task Force. The government has made a commitment to strengthen the effectiveness of its AML/CFT regime. Cambodia appears to have never investigated money laundering cases involving Cambodian nationals.

*R: Continue to strengthen the operational independence and capacity of the Financial Intelligence Unit. Enhance the AML oversight of non-financial sectors, notably gambling and real estate.*

**Asset recovery**

There is no publicly available information regarding completed and ongoing asset recovery efforts that have an international element. The AML Law provides for non-conviction-based confiscation of assets and confiscation where predicate offences are committed abroad. Cambodian courts can grant assistance in the repatriation of confiscated assets to requesting jurisdictions. There is no mechanism for the return of confiscated property, and Cambodia has not yet repatriated confiscated assets to a foreign jurisdiction.