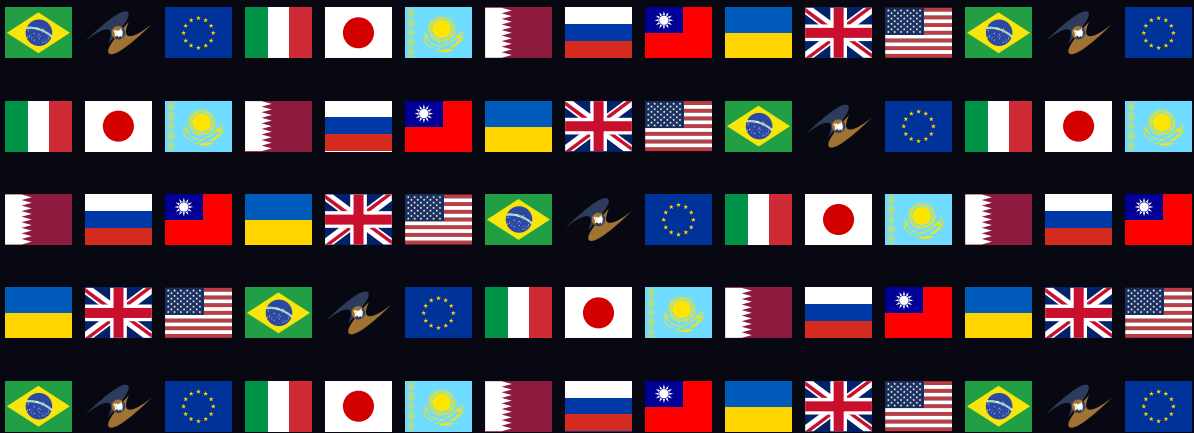


GOVERNMENT RELATIONS

Taiwan



Government Relations

Consulting editors

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Quick reference guide enabling side-by-side comparison of local insights, including into applicable forms of government and opportunities to influence legislation; regulation of lobbying regulation; political finance; ethics and anti-corruption; recent cases; sanctions; and other recent trends.

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FORM OF GOVERNMENT

Constitution

What is the basic source of law? Describe the scope of, and limitations on, government power relevant to the regulation of lobbying and government relations.

The basic source of law in Taiwan is the Constitution, including the Additional Articles of the Constitution, decisions of the Constitutional Court, and the International Covenant on Civil and Political Rights. The Constitution stipulates that people shall have, among other rights, freedom of speech, writing and publication, freedom of assembly and association, and the right to present petitions or lodge complaints. The Constitution further provides that all other freedoms and rights that are not specifically identified in the Constitution and that are not detrimental to social order or public welfare are guaranteed under the Constitution, and that none of the freedoms and rights enumerated in the Constitution shall be restricted by law except under conditions in which it may be necessary to prevent infringement upon the freedoms of other persons, to avert an imminent crisis, to maintain social order or to advance the public welfare. Decisions of the Constitutional Court have also confirmed and interpreted essence of scope of the freedom of speech and assembly, and the right to petition the government in many cases. In addition, there are pieces of legislation, such as the Assembly and Parade Act, the Petition Act and the Lobbying Act, which contain details regarding the aforementioned Constitutional freedoms and rights.

Law stated - 13 January 2023

Legislative system

Describe the legislative system as it relates to lobbying.

The national government in Taiwan is a presidential-parliamentary system. The principal legislative body, the Legislative Yuan, is unicameral, and chambers are elected, either directly or indirectly. Taiwan has a mixed-member election system, which combines a proportional representation system (30 per cent) with a plurality voting system (70 per cent). Eligible voters have two votes, one for a district representative candidate and the other for a political party. Candidates for district representative positions are elected if their votes rank first in their respective districts. Votes for political parties determine, through proportional distribution, the number of seats one political party can gain for allocation of the party's representatives in the Legislative Yuan.

Secondary legislation may be prescribed by units within the executive branch only if the primary legislation has given its authorization to the executive units by law. Secondary legislation must not violate primary legislation. According to Taiwan's Lobbying Act (the Lobbying Act), the competent executive authority, the Ministry of the Interior, may enact regulations governing the implementation of the Lobbying Act as well as determine enforcement rules and charges regarding the matters of browsing, transcribing, photocopying or photographing registrations and financial statements of lobbyists.

Law stated - 13 January 2023

National subdivisions

Describe the extent to which a legislative or rule-making authority relevant to lobbying practice also exists at regional, provincial or municipal level.

There are local governments in Taiwan for special municipalities, counties, cities and towns.

The Constitution provides non-exclusive lists for matters that must be dealt with by the central government and

matters that may be delegated by the central government to the local government, as well as matters that can be dealt with by local government. The Local Government Act further stipulates, in detail, self-government matters. Local governments possess authority over matters in the counties and cities including but not limited to the election and recall of public officials, land registration and administration, press administration, management of income, expenditures and finances, taxes and levies, formulation, review, and implementation of urban planning, construction administration, environment protection and health administration, all of which interested parties may seek to influence through lobbying efforts.

According to the Local Government Act, disputes over the authority among the central government, special municipalities and counties and cities, shall be resolved by the Legislative Yuan.

Law stated - 13 January 2023

Consultation process

Does the legislative process at national or subnational level include a formal consultation process? What opportunities or access points are typically available to influence legislation?

The legislative process at the national or subnational level generally includes three reading procedures. After the first reading, a draft bill will be handed to respective professional committees for review before entering the second reading stage. The committees may hold public hearings and invite proportional numbers of government officials and private persons to present affirmative and negative positions respectively, to express opinions and make a report or record for legislative reference.

Law stated - 13 January 2023

Judiciary

Is the judiciary deemed independent and co-equal? Are judges elected or appointed? If judges are elected, are campaigns financed through public appropriation or candidate fundraising?

The judiciary in Taiwan is generally deemed independent and coequal. Judges are generally law students who passed the judicial exam and are appointed according to the Taiwan Judges Act. However, a small number of judges are selected from experienced lawyers and prosecutors. All judges are unelected.

Law stated - 13 January 2023

REGULATION OF LOBBYING

General

Is lobbying self-regulated by the industry, or is it regulated by the government, legislature or an independent regulator? What are the regulator's powers? Who may issue guidance on lobbying? What powers of investigation does the regulator have? What are the regulators' or other officials' powers to penalise violators?

Lobbying in Taiwan is regulated by the Lobbying Act. According to the Act, lobbyists must, before lobbying, register with the government agency with which the lobbied party is affiliated through application on a case-by-case basis. The lobbied party may include the president, vice president, legislators of representative bodies at various levels, the chiefs and deputy chiefs of special municipalities, counties, cities or townships, and others specified by law. In addition to

filing an application for registration before commencing any lobbying efforts, lobbyists must prepare financial statements for funding spent on lobbying and file a report to the lobbied government agency by 31 May of each year, and when managing the termination of their registrations.

While the Ministry of the Interior is designated as the authority for the Lobbying Act, each government agency to which a lobbied party is affiliated has the power, and is also obligated, to decline a registration application for lobbying and may refuse lobbying if the activity is restricted by the Lobbying Act. Such restrictions cover lobbying aimed at formulation, enactment, modification or annulment of laws, government policies, or legislation by persons who do not have any involvement with the subject of the lobbying, except for individuals or for-profit corporations designated for lobbying. Additionally, if the lobbying, by its nature, is permitted by law but is not legally registered, the lobbied party must refuse the lobbying efforts. If the lobbied party is unable to refuse the lobbying efforts in a timely manner, the lobbied party or its affiliated government agency shall notify the lobbyist to file for registration within a certain period of time.

Additionally, to avoid conflicts of interest within the legislative body, according to the Lobbying Act, legislators of representative bodies at the various levels cannot lobby for an enterprise operated by themselves or parties related to them, or in which their total invested shares exceed 10 per cent, and they shall not commission other lobbyists to engage in lobbying efforts on their behalf.

According to the authorisation conferred by the Lobbying Act, the Ministry of the Interior may issue the guidance on lobbying. The Ministry has issued the Enforcement Rules for the Lobbying Act, the format of registration application, and has determined the enforcement rules and charges for browsing, transcribing, photocopying or photographing lobbyists' registration and financial statements, which should be available to the public pursuant to Lobbying Act. The Ministry has also published the guidance and frequently asked questions regarding the Lobbying Act.

In the event of a violation of the Lobbying Act, the regulators may penalise violators by imposing a fine ranging from NT \$50,000 to NT\$2.5 million, or if the proceeds or compensation of the lobbyist exceeds the highest amount of the penalty set forth, fines may be increased to the extent of the lobbyist's proceeds or compensation. In the event of a material violation owing to intentionally inconsistent registration content with actual lobbying or because of a failure to file financial statements or to deliberately providing fraudulent content in financial statements, the lobbied government agency may refuse the registration of this lobbyist for a period of one year.

Generally, the lobbied government agency investigates any breach of the Lobbying Act, provides sufficient evidence for penalties regulated by the Act, and submits the evidence to the Control Yuan, which is an investigatory agency that monitors the other branches of government, or to the Ministry of the Interior, depending on the professional capacity of the violator, for imposition of punishment. Notwithstanding the above, the Control Yuan and competent authority may also voluntarily conduct an investigation to impose the punishment under the Lobbying Act.

Law stated - 13 January 2023

Definition

Is there a definition or other guidance as to what constitutes lobbying?

Under the Lobbying Act, lobbying is defined as the actions of a lobbyist that aim to influence a lobbied party or its agency regarding the formulation, enactment, modification or annulment of laws, government policies or legislation by any oral or written communication conveyed directly to the lobbied party or its designee.

Law stated - 13 January 2023

Registration and other disclosure

Is there voluntary or mandatory registration of lobbyists? How else is lobbying disclosed?

There is a mandatory registration requirement for lobbyists. The Lobbying Act requires lobbyists to file registration applications to the government agency to which the lobbied party is affiliated before conducting any lobbying activities. Additionally, in the event of any change of the particulars of the registration, lobbyists must file for modification of their registration within five days from the date of the change. The termination registration must also be filed within 10 days from termination of the lobbying activities. The primary purpose of these requirements is to ensure an open and transparent procedure for lobbying, and the participation of democratic politics, as well as to prevent the transfer of inappropriate interests. Moreover, as stated previously, lobbyists must file financial statements to the lobbied government agency by 31 May of each year, and when managing their termination registrations.

In addition to the above-mentioned registrations and financial statements filed by the lobbyists, the lobbied person or entity must also inform the government agency's responsible unit or individual of the name of the lobbyist, the date and time of the lobbying, the place and method of lobbying, and the content of the lobbying for registration within seven days after being targeted.

Law stated - 13 January 2023

Activities subject to disclosure or registration

What communications must be disclosed or registered?

According to the Lobbying Act, regardless of whether it is oral or written, all communication must be registered by the lobbied person, including details of the lobbyist, the date and time of the lobbying, the place and method of the lobbying and the content of the lobbying efforts within seven days of the lobbied person being targeted. The lobbied government agency must retain this registration for five years (there are no exceptions). Communication with officials of both the legislature and the executive are covered by this registration rule. The lobbied government entity must publicise the registration on the internet or in government notices or other publications, on a quarterly basis. However, a registration may be exempted from publication if it concerns items for which publication is prohibited in accordance with other laws.

Law stated - 13 January 2023

Entities and persons subject to lobbying rules

Which entities and persons are caught by the disclosure rules?

All entities and persons are covered by the disclosure rules. There is no distinction between entities and persons that lobby on behalf of themselves and those who lobby for third parties. Non-profit entities are not exempted from the disclosure rules. Additionally, there are no thresholds for registration – no matter how much time is spent on lobbying, how many contacts, or what fees are earned or funds expended for lobbying activities, registration is required for the lobbying. Licensed lawyers cannot be exempted from these disclosure requirements when representing clients.

Law stated - 13 January 2023

Lobbyist details

What information must be registered or otherwise disclosed regarding lobbyists and the entities and persons they act for? Who has responsibility for registering the information?

Lobbyists are responsible for filing registration applications for lobbying before they begin their activities and must file financial statements yearly and when managing their termination registrations. Additionally, the lobbied person shall inform the responsible unit or person of the lobbied government agency, with which he or she is affiliated, of the lobbying details to be recorded within seven days of being lobbied.

The registration application filed by a lobbyist must include certain information. If the lobbyist is an individual, it must include:

1. the purpose and content of the intended lobbying;
2. the name and title of the lobbied person;
3. the duration of the lobbying activities;
4. the estimated expenditure for the lobbying;
5. an explanation of the lobbyist's relationship with the formulation, enactment, modification or annulment of laws, government policies or legislation that he or she intends to influence, and documents for proof; and
6. the lobbyist's name, date of birth, residence address, ID number, telephone number or other contact information.

If the lobbyist is a legal person or organisation, the information in points (1) – (5) must be included, along with:

- the lobbyist's name;
- the lobbyist's registration or permit or filing certificate;
- the lobbyist's principal location; and
- the name, date of birth, residence address, ID number, telephone number or other contact information of its representative or chair and the lobbying representatives.

For designated lobbyists, in addition to the above items, the registration should also include evidence of designation, agreed compensation, information sufficient to identify the designator, and, where the designated lobbyist is an individual, the certificate of qualification in the professional and technical special examination, and practising certificate number, or, where the designated lobbyist is a legal person or organisation, the articles of incorporation.

The financial statement must list the revenue, including service revenue and other revenue, the expenditure, including on personnel, operations, promotion or advertising, public relations, transportation and travel, as well as miscellaneous expenditure, and other items designated by the Ministry of the Interior.

Registrations made by the lobbied government agency after receiving notification by the lobbied party must include the name of the lobbyist, and the date and time, place and method, and content of the lobbying.

Law stated - 13 January 2023

Content of reports

When must reports on lobbying activities be submitted, and what must they include?

The lobbied person or government agency must inform the agency's responsible person of the name of lobbyist, the

time, place, method and the content of the lobbying within seven days from lobbying.

Law stated - 13 January 2023

Financing of the registration regime

How is the registration system funded?

The registration system depends on public funding. However, if a person hopes to view or photocopy the registration and financial statements filed by the lobbyist or the registration recorded by the lobbied government agency, he or she must pay for the hours spent viewing the documents or be charged for the photocopying costs.

Law stated - 13 January 2023

Public access to lobbying registers and reports

Is access to registry information and to reports available to the public?

Access to registry information and to reports is available to the public. The lobbied government agency must retain the registration and financial statements filed by lobbyists as well as the registration reports of the lobbied government agency's responsible unit or individual for five years, and must publish these on the internet or in a government notice or other publication, on a quarterly basis. The Ministry of the Interior also publishes statistical data every month on its website. However, this is not applicable to registration items prohibited from publication in accordance with other laws.

Law stated - 13 January 2023

Code of conduct

Is there a code of conduct that applies to lobbyists and their practice?

The main regulation in Taiwan relevant to lobbyists is the Lobbying Act. There are several enforcement rules enacted by the Ministry of the Interior that supplement the Lobbying Act. However, there is no specific code of conduct promulgated by the government or any professional association that directly relates to lobbying.

Law stated - 13 January 2023

Media

Are there restrictions in broadcast and press regulation that limit commercial interests' ability to use the media to influence public policy outcomes?

Generally, there is no such restriction. However, the Tobacco Hazards Prevention Act specifically forbids any tobacco promotion, donations and advertisement using broadcast, the internet and other media. This ban's constitutionality was challenged and reconfirmed by the Constitutional Court in August 2020. Besides, the Tobacco and Alcohol Administration Act also imposes restrictions on alcohol promotion methods, which, as a consequence, may be regarded as restrictions that indirectly limit commercial interests' ability to use the media to influence public policy.

Law stated - 13 January 2023

POLITICAL FINANCE

General

How are political parties and politicians funded in your jurisdiction?

Political parties are mainly funded by membership dues and political donations received from individuals, civil associations and profit-seeking businesses. In addition, according to the Political Party Act, the source of political parties' funds and income are limited to membership dues, political donations received in accordance with the laws, grants for parties, income from publications, promotional materials, conferring rights, or income assignment for the purpose of promoting its ideas or engaging in promotional activities, other income received pursuant to the Political Party Act, or any interest generated from the above funds and income.

Law stated - 13 January 2023

Registration of interests

Must parties and politicians register or otherwise declare their interests? What interests, other than travel, hospitality and gifts, must be declared?

According to the Political Donations Act, political parties, political associations and persons planning to participate in campaign activities must establish an accounting book of income and expenditure, recording, in each instance, the time of each receipt and disbursement, the person or entity relevant to this receipt or disbursement, and the address of this person or entity, as well as the purpose for and the monetary amount of, or the value of (if an economic benefit other than money), each donated item on a daily basis for reference, and they must compile an accounting report based on the aforesaid data. Political donations given as articles valued at less than NT\$2,000 do not have to be recorded.

A political party or political association must declare the accounting report to the relevant authority within five months of the end of each year. A person planning to participate in a campaign must declare the accounting report to the authority within three months of the polling day. The authority receiving the declaration must, within six months of the deadline, collate the declarations in a volume for enquiry, publish hard copies of the income and expenditure balance sheets and publish them on the internet (<https://ardata.cy.gov.tw/home>).

In addition, according to the Act for Property-Declaration by Public Servants, certain public servants must declare their property, including: the President; Vice President; Premier and Vice Premier of the Executive Yuan; president and vice presidents of the Legislative Yuan, Judicial Yuan, Examination Yuan and Control Yuan; political appointees; and certain senior advisers, policy consultants of the Office of the President, and others regulated by the Act. Property that must be declared includes real property, vessels, cars and aircraft, cash, deposits, securities, jewellery, antique articles, calligraphy and paintings, and other property exceeding certain values, rightful claims of creditors, debts and investments in various ventures over certain values. Moreover, such property owned by the spouses and underage offspring of public servants must be jointly declared.

Law stated - 13 January 2023

Contributions to political parties and officials

Are political contributions or other disbursements to parties and political officials limited or regulated? How?

Political contributions or disbursements to parties and political officials are regulated in Taiwan.

According to the Political Donations Act, the total amount of donations contributed to a single political party or political association each year may not exceed the limits set out below.

| | |
|------------------------------|---------------|
| By individuals | NT\$300,000 |
| By civil associations | NT\$2 million |
| By profit-seeking businesses | NT\$3 million |

The total amount of all donations contributed to different political parties or political associations each year may not exceed the limits set out below.

| | |
|------------------------------|---------------|
| By individuals | NT\$600,000 |
| By civil associations | NT\$4 million |
| By profit-seeking businesses | NT\$6 million |

In addition, the Civil Servants Election and Recall Act also stipulates the maximum amount of campaign funds for different elections, respectively. Nevertheless, the penalty for exceeding maximum amounts of campaign funds in this Act has been removed for the purpose of encouraging candidates to honestly report their campaign funds.

Law stated - 13 January 2023

Sources of funding for political campaigns

Describe how political campaigns for legislative positions and executive offices are financed.

Public funds are provided to subsidise candidates who have received a certain number of votes, which are provided after the relevant election. Non-public fundraising is permitted. Nevertheless, according to the Political Donations Act, political parties, political associations and persons planning to participate in campaigns cannot collect political donations by issuing fixed-maturity bonds, indeterminate, interest-bearing or interest-free bonds or other securities to unidentifiable persons. The Political Donations Act regulates issues regarding such non-public fundraising for political events.

Law stated - 13 January 2023

Lobbyist participation in fundraising and electioneering

Describe whether registration as a lobbyist triggers any special restrictions or disclosure requirements with respect to candidate fundraising.

There are no such special restrictions with respect to candidate fundraising.

Law stated - 13 January 2023

Independent expenditure and coordination

How is parallel political campaigning independent of a candidate or party regulated?

According to the Political Donations Act, the individuals or associations that may accept political donations are limited to political parties, political associations and the persons planning to participate in a campaign. Therefore, parallel political campaigning is generally not permitted.

Law stated - 13 January 2023

ETHICS AND ANTI-CORRUPTION

Gifts, travel and hospitality

Describe any prohibitions, limitations or disclosure requirements on gifts, travel or hospitality that legislative or executive officials may accept from the public.

In addition to certain restrictions on political donations, there is also an Ethics Code for Government Officials that provides rules for accepting gifts and hospitality. Government officials may only accept gifts valued under NT\$500 (general) or NT\$3,000 (special occasions such as marriage, promotion, moving house or changing jobs) from people with interests, including lobbyists. In contrast, government officials may accept gifts from people without interest and are obligated to report to their superior when a gift is worth more than NT\$3,000.

Law stated - 13 January 2023

Anti-bribery laws

What anti-bribery laws apply in your jurisdiction that restrict payments or otherwise control the activities of lobbyists or holders of government contracts?

The Anti-Corruption Act restricts payments and controls the activities of lobbyists or holders of government contracts. The Act identifies several actions that would be penalised, such as accepting bribes, seeking or making unlawful gains, or inflating prices and quantities of, or taking kickbacks from, public works or procurements. Pursuant to the Lobbying Act, a person who has committed any crime prescribed in the Anti-Corruption Act and is sentenced to a fixed term of imprisonment, which cannot be suspended, commissioned or assigned to serve as a lobbyist.

Law stated - 13 January 2023

Revolving door

Are there any controls on public officials entering the private sector after service or becoming lobbyists, or on private-sector professionals being seconded to public bodies?

There are regulations on public officials entering the private sector after ending their public service or becoming lobbyists. According to the Lobbying Act, within three years after leaving office, the President, Vice President, chief and deputy chief of special municipalities, counties, cities and townships and certain persons specified in other laws, cannot lobby the organisations in which they previously served within the period of five years prior to leaving office, regardless of whether such lobbying is conducted for themselves, or on behalf of a legal person or organisation, and they may not commission other lobbyists to do so.

Law stated - 13 January 2023

Prohibitions on lobbying

Is it possible to be barred from lobbying or engaging lobbying services? How?

It is possible to be barred from lobbying in Taiwan to a certain extent. According to the Lobbying Act, within three years after leaving office, the President, Vice President, chief and deputy chief of special municipalities, counties, cities and townships and certain persons specified in other laws, cannot lobby the organisations in which they previously served within the period of five years prior to leaving office, regardless of whether such lobbying is conducted for themselves, or on behalf of a legal person or organisation, and they may not commission other lobbyists to do so. Also according to the Lobbying Act, there are other conditions (listed below) where an individual, legal person or organisation is barred from lobbying.

Except for individuals or for-profit corporations designated for lobbying, people shall not lobby regarding the formulation, enactment, modification or annulment of laws, government policies or legislation where such laws, government policies or legislation have no effect on such persons.

Foreign governments, legal persons and organisations shall not lobby without commissioning Taiwanese lobbyists to engage in lobbying on their behalf. Foreign governments, legal persons, organisations and natural persons also shall not lobby on matters of national defence, foreign affairs and China affairs related to national security or national secrets because of the special relationship between Taiwan and China.

People, legal persons, organisations or other institutions from China, Hong Kong or Macau shall not lobby in person or commission other lobbyists to do so because of the ongoing tension between Taiwan and China.

A person who has committed certain crimes (eg, related to corruption or organised crime) who has been sentenced to fixed-term imprisonment without probation being rendered, as prescribed by the Lobbying Act, cannot be commissioned or be assigned to serve as a lobbyist.

Legislators of representative bodies at the various levels shall not lobby for an enterprise run by themselves or parties related to them, or in which their total invested shares exceed 10 per cent, and shall not commission other lobbyists to do so on their behalf.

If there is a material violation as a result of intentionally inconsistent registration content related to lobbying or because of failure to file financial statements or making fraudulent content of financial statements, the lobbied government agency may refuse the registration of said lobbyist for one year.

Law stated - 13 January 2023

RECENT CASES AND SANCTIONS

Recent cases

Analyse any recent high-profile judicial or administrative decisions dealing with the intersection of government relations, lobbying registration and political finance?

In August 2021, after 13 years in trial, remanded by the Supreme Court five times, a former legislator that was involved in lobbying for the Chinese Medicine Association (CMA) to confer entitlement to Chinese medicine businesses to write and issue prescriptions was still convicted by the High Court of bribery. The High Court found that the CMA gave the legislator's brother NT\$5 million to expressly request that the legislator support an amendment to the Pharmaceutical Affairs Act that would favour Chinese medicine businesses, and that the legislator carried out this request by strongly supporting the amendment, which evidenced consideration in the relationship between the payment from the CMA and the legislator's behaviour, and thus the Court held that the legislator was guilty of taking a bribe. The legislator was

sentenced to imprisonment of three years and 10 months and was deprived of his qualifications to serve as a public official and from being a candidate for public office for three years, and the proceeds of the crime received by him (NT \$5 million) were confiscated.

More recently, five legislators along with seven accomplices were prosecuted for receiving illegal money from stakeholders to put pressure on amending the Company Act in 2020. This case originated from a series of company control litigations of a giant department store chain. One party bribed the legislators to amend the Company Act, trying to reverse the outcome of the litigation. Five legislators were all sentenced to prison by the judgment of the first instance on 6 July 2022.

Law stated - 13 January 2023

Remedies and sanctions

In cases of non-compliance or failure to register or report, what remedies or sanctions have been imposed?

From 2008, when the Lobbying Act came into force, until March 2021, only 450 cases were registered per the Lobbying Act and the Ministry of the Interior has not imposed a fine on anyone who fail to register their lobbying. This might be because it has no way of knowing if lobbying is being conducted secretly and even if it learns of unregistered lobbying, the lobbyists may still remedy their mistake by filing a registration upon notification by the Ministry. It may also be a sign that the enforcement of the act is weak.

With regard to the Political Donations Act, if a person planning to participate in a campaign accepts political donations from sources that are prohibited by law, fails to hand in donations to the declaration authority (to be deposited into the national treasury) that are not compliant with the law after having also failed to return the donations to the donation giver, or collects political donations by issuing fixed-maturity, indeterminate, interest-bearing or interest-free bonds or other securities to unidentifiable persons, he or she shall be condemned to fixed-term imprisonment of not more than five years; this shall also apply to agents or employees who accept or collect political donations for persons planning to participate in campaigns, as well as to the principals, representatives, agents, or employees of political parties or political associations.

In addition, according to the Political Donations Act, a person planning to participate in a campaign shall be sentenced to fixed-term imprisonment of not more than three years, and may be fined a sum of not less than NT\$200,000 and not more than NT\$1 million if he or she accepts political donations without obtaining permission to set up a dedicated account for acceptance of political donations, as required by law. This shall also apply to agents or employees who accept or collect political donations for a person planning to participate in campaign, as well as the principals, representatives, agents or employees of political parties or political associations.

Moreover, any individuals or associations that are not political parties, political associations or persons planning to participate in a campaign that accept political donations shall be fined a sum double the amount of the donations accepted. The same punishment applies to any person who accepts political donations that are contributed for or in the expectation of undue benefits, or who accepts political donations during periods prohibited by law. The spouse, children, relatives specified by law or dependants sharing property and living with people planning to participate in campaigns, who illegally accept political donations shall be fined a sum triple the amount of the donations accepted. The donations shall be confiscated, and if all or a part of the donations cannot be confiscated, a sum equal to the value shall be replevied.

Additionally, anyone who acts as a broker in or encumbers the contribution of political donations by utilising official power, an employment relationship or other factors shall be fined a sum of not less than NT\$200,000 and not more than NT\$1.2 million. If a civil servant commits one of the above acts, he or she shall be sentenced to fixed-term

imprisonment of not more than one year.

Furthermore, anyone who contributes political donations for or in the expectation of undue benefits shall be fined a sum double the amount of the donations given. Any person who: contributes in the name of others; contributes an anonymous donation of more than NT\$10,000; contributes a monetary donation in excess of NT\$100,000 but fails to pay by cheque or bank transfer, except for donations contributed in his or her will; is not allowed to contribute political donations but still makes contributions; or contributes political donations exceeding the amount set by the law, shall be fined a sum double the amount of the donations accepted.

A recent notable sanction was imposed on a former City Council Speaker, the lead legislator at the city level. He was found to have received political donations prior to obtaining permission to set up a dedicated account for accepting political donations as required by law and he also failed to deposit the political donations into the dedicated account for specific use after he obtained permission for the account. Thus, he was found guilty and sentenced to imprisonment for six months, which can be converted into a fine.

In this case, the Control Yuan conducted an investigation and imposed a fine of NT\$1 million on the donation giver based on the fact that the amount of the political donation made by the giver exceeded the maximum limitation, and that the giver violated the regulation stipulating that a monetary donation that exceeds NT\$100,000 must be paid by cheque or bank transfer. Although the giver launched an appeal, the Taipei High Administrative Court upheld the Control Yuan's decision.

Law stated - 13 January 2023

UPDATE AND TRENDS

Key developments of the past year

Are there any emerging trends or hot topics in government relations, lobbying or related law and regulation? Have changes occurred recently or are changes expected in the near future (through either legislation or court decisions) that will have an impact on the practice of government relations or lobbying disclosure?

Regarding the ineffectiveness of the Lobbying Act, including the low number of lobbying registration and absence of actual punishment, the Ministry of Internal Affairs submitted a draft amendment to the Executive Yuan in April 2021. The draft includes: (1) expanded scope of the lobbied party to include legislator's assistant, government chiefs' secretaries and the chiefs of third-level government agencies such as the police department, the immigration department and the banking bureau, etc; (2) if a foreign government, legal person or organisation engages in lobbying in Taiwan without commissioning a Taiwanese lobbyist, it will be fined NT\$500,000 to NT\$5 million. However, this draft is still subject to Executive Yuan's approval and must be passed by the Legislative Yuan. The Bureau of Law under Legislative Yuan submitted a research report to the legislators in 2022. Nevertheless, the draft is still under the review of the Executive Yuan and Legislative Yuan.

Law stated - 13 January 2023

Jurisdictions

| | | |
|---|--------------------------------|--|
|  | Brazil | MJ Alves & Burle Advogados e Consultores |
|  | Eurasian Economic Union | Kesarev |
|  | European Union | Loyens & Loeff |
|  | Italy | Gianni & Origoni |
|  | Japan | Miura & Partners |
|  | Kazakhstan | Aretera Public Affairs |
|  | Qatar | SHE Institute |
|  | Russia | Kesarev |
|  | Taiwan | Formosa Transnational Attorneys at Law |
|  | Ukraine | Aretera Public Affairs |
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