The CCAC has finished the first phase of investigation on the alleged corruption case of the ex-Secretary for Transport and Public Works, Ao Man Long. Thirty people, twenty-one male and nine female, were involved in the case. Ao was the only civil servant among the involved while the others were his relatives and businessmen in the construction field. They were suspected of giving bribes, receiving bribes and laundering money. Ao had also allegedly made false declaration of his incomes and properties and possessed unjustified source of properties (wealth disproportionate to his official income). The case will be transferred to the Public Prosecutions Office.

After the arrest of Ao Man Long and other suspects last December, the Commission Against Corruption launched an in-depth investigation based on the evidence gathered in the past 12 months. During the past four months, the CCAC investigated over 2,000 local bank accounts, checked over 10,000 bank documents and thousands of other documents, and inquired into dozens of people. It was found that Ao had abused his authority and taken bribes from a number of public work project contractors between 2002 and 2006.

The present case involved three construction companies, two local and one from mainland China. One of the local companies had participated in 12 public projects. Over the years, this company had paid as much as 160 million patacas as bribes, while the other local company and the mainland Chinese company had given bribes amounting to 7 million patacas and 20 million patacas respectively. Besides, it was suspected that Ao had taken considerable amounts of commissions after recommending some construction companies for private construction contracts.

Ao’s office, residency, and a number of construction companies were ransacked during the 4-month investigation and a large quantity of account books, documents and assets allegedly relevant to this case were seized.
The CCAC investigation showed that Ao and his wife possessed more than 150 million patacas in cash, which was kept in his residency and in 3 safe-deposit boxes in Macao and Hong Kong. Piles of cash in US dollars, Euros, Hong Kong dollars and patacas, equivalent to about 43 million patacas in total, were found in the safes and bookcase in his residency. Until December 2006, the total savings in their bank accounts in Hong Kong and Macao were equivalent to over 350 million patacas; the cash and bonds in Britain and other countries were equivalent to 275 million patacas. The properties totaled over 790 million patacas.

At the same time, the CCAC also seized from Ao’s residency a huge amount of luxury items, including over 100 pieces of jewelry and expensive watches, 300 bottles of wine and luxurious goods like dried abalone, shark fin, cigars, birds’ nest and Chinese caterpillar fungus, etc. The items were worth over 9 million patacas in total. It was calculated that the combined official income of Ao and his wife from 2000 to 2006 was only about 14 million.

The suspects used sophisticated methods to conceal the corrupt activities. Someone first registered a number of shell companies in an island state and then opened bank accounts in Hong Kong in the name of these companies. Ao and his relatives had allegedly controlled these companies and bank accounts through authorization from their sole proprietors of these shell companies. The sole proprietors had already signed letters of resignation while the letters were in the hands of the suspects.

On the other hand, the bribers had allegedly opened a number of bank accounts in Macao and Hong Kong themselves or through their relatives, subcontractors, employees of their companies and the relatives of the employees. The bribes were first deposited into the bank accounts in Macao and then remitted to the bank accounts in Hong Kong, which were later transferred to the bank accounts of Ao’s relatives. The bribes were then further transferred to the bank accounts registered by the shell companies and finally to the bribe...
receiver.

Investigation shows that there were frequent remittances from the bank accounts in Hong Kong to those in other countries. It was particularly difficult for the CCAC to grasp the whole picture and identify the relations between bribe givers and receivers, due to the complex money laundering process and the fact that the shell companies were protected by special law of the place of registry. The whole corruption process can only be revealed through co-operations with international law enforcement agencies. With the assistance of Hong Kong ICAC and its counterparts in other countries, the CCAC managed to identify the situation and flow of the suspects’ assets overseas. The case reflects the importance of international and regional co-operation in fighting corruption.

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