

# G20 MEMBER

# CHINA



## Enhancing the role of audit in tackling corruption

**External indicator** Open Budget Index: 20/100

Qualitative indicators of good practice:

- » The [National Audit Office](#) is the Supreme Audit Institution in China. The Supreme Audit Institutions Independence Index notes that China [has a high level of SAI independence](#).
- » The [International Budget Partnership](#) 2021 SAI oversight score for China is 56 compared to a global average score of 63 although it notes that legislative oversight is generally much weaker than SAI oversight.



## Promoting public participation and anti-corruption education

**External indicator** World Justice Project, Open Government Score: 0.43/1

Qualitative indicators of good practice:

- » [Training seminars and roundtables](#) have been established to raise awareness of anti-bribery issues in the private sector. Training and capacity building is also provided by professional organisations such as the China International Contractors Association.
- » There is a trend towards more aggressive anti-corruption enforcement, such as the [proposal to blacklist foreign companies found to have paid bribes in China](#).



## Professional enablers of money laundering

**External indicator** Financial Action Task Force (FATF) IO4: Low effectiveness

Qualitative indicators of good practice:

- » The 2019 Mutual Evaluation identified China has having Low Effectiveness in relation to AML supervision, noting that [‘there are no effective supervisory measures in respect of the DNFBP sector’](#).
- » The [2021 follow up review from FATF](#) noted that the revisions to the Chinese AML Law will include general provisions and supervision of Designated Non Financial Businesses and Professions (DNFBPs). However it remains to be seen how this will be implemented.



## Promoting anti-corruption in the renewable energy sector

**External indicator** Resource Governance Index: 71/100 (Satisfactory)

Qualitative indicators of good practice:

- » The [Resource Governance Index](#) notes that state-owned and state-controlled companies dominate the extractives sector in China and that China scores highly for government effectiveness and control of corruption.
- » Although China is not a member of Extractives Industries Transparency Initiative (EITI), Chinese companies operating in EITI countries are required to disclose information including about payments to governments. [China has also established internal standards in some areas aligned to the principles of the EITI standards](#).

