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The Effectiveness Of Corporate Governance In Preventing Tunneling Activities After Covid-19

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Article Info	ABSTRACT
Keywords: corporate governance, tunneling, covid pandemic .	The purpose of this study is to determine the application of corporate governance principles affecting the prevention of tunneling activities after the COVID-19 pandemic and to determine the role of digital technology in supporting effective corporate governance to prevent tunneling activities after the pandemic. The method used in this study is a qualitative method using the literature review method. The results of this study are that the success of corporate governance regulations and policies in preventing post-pandemic tunneling will depend on collaboration between governments, regulatory agencies, companies, and other stakeholders. This collaboration is needed to create a strong governance ecosystem, where the principles of transparency, accountability, fairness, and responsibility can be consistently enforced. In addition, adaptation to changes in the global business environment and ever-evolving technology will be a determining factor in maintaining corporate integrity and protecting the interests of all stakeholders in the future.
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INTRODUCTION

The effectiveness of corporate governance in preventing tunneling activities after the COVID-19 pandemic has become a major concern in the literature and business practices around the world. Tunneling, or the diversion of corporate resources by controlling shareholders for personal gain, often leads to a decline in corporate value and harms minority shareholders. Following the pandemic, many companies are facing tremendous economic pressures, which increases the risk of such activities. The implementation of effective corporate governance becomes crucial in maintaining corporate integrity and ensuring that the interests of all stakeholders are protected. (Setyawan et al., 2022) . Good corporate governance is based on the principles of transparency, accountability, fairness, and responsibility. These principles are important to ensure that company management acts in the best interests of shareholders and does not abuse their power. One of the main mechanisms in corporate governance is the existence of an independent and strong board of directors. (Siek & Murhardi, 2015) .

An effective board of directors acts as a check on management decisions and prevents unethical diversion of resources. In the wake of COVID-19, the role of the board of directors has become even more crucial as companies have to navigate a rapidly changing economic landscape, where opportunities for abuse of power may increase. According to (Assrianti et al., 2021) in addition to the board of directors, external oversight also plays an important role in preventing tunneling activities. Market regulators, external auditors, and other stakeholders must work together to ensure that companies adhere to high governance standards. The COVID-19 pandemic has highlighted the need for a stronger regulatory framework to protect investors from increased risks, including tunneling risks. Governments and regulatory bodies in various countries have introduced a number of measures to strengthen corporate governance, such as increasing the transparency of financial statements and stricter disclosure requirements. (Apriyanti et al., 2020) .

These measures aim to minimize the opportunities for controlling shareholders to take actions that are detrimental to the company. However, despite increased awareness and stricter oversight measures, the effectiveness of corporate governance in preventing tunneling cannot be seen as a guarantee. There are various factors that influence how well a company can uphold good governance principles. According to (Yulianty et al., 2021) f cultural factors, for example, play an important role in determining how corporate governance is carried out. In some countries, a business culture that tends to be less transparent and prioritizes personal relationships can make efforts to prevent tunneling more difficult. The ownership structure of the company also affects the effectiveness of governance. Companies dominated by controlling shareholders may be more vulnerable to tunneling risks due to the high concentration of power. On the other hand, the pandemic has also accelerated the adoption of digital technology in corporate governance practices (Bramasto & Suhardianto, 2022) .

The use of this technology can increase transparency and accountability in the decision-making process, as well as facilitate oversight by stakeholders. For example, the use of big data and algorithmic analysis can help detect anomalies in financial transactions that may indicate tunneling activity. According to (Br Damanik, 2021) virtual board of directors meetings allow wider access for board members to participate, thereby improving the quality of oversight. Technology also has limitations. Although technology can assist in oversight, its effectiveness depends on the extent to which the humans who manage and interpret the data can do their jobs well. Technology cannot completely replace the need for integrity and moral commitment from corporate governance actors. Companies must ensure that the use of technology is in line with efforts to improve the quality of humans in governance (Krisyadi & Anita, 2022) .

In order to improve the effectiveness of corporate governance in preventing tunneling, it is important for companies to continue to adapt to changes in the post-pandemic business environment. This includes strengthening internal governance mechanisms, increasing stakeholder engagement, and ensuring that all actions taken by management are in line with the company's long-term interests. According to (Sipayung, 2023) education and training for the board of directors and senior management on the importance of good governance is also a crucial step. The effectiveness of corporate governance in preventing tunneling activities after COVID-19 is highly dependent on the implementation of good governance principles, strict supervision from external parties, adoption of appropriate technology, and awareness and commitment from all stakeholders. Although challenges remain, companies that successfully implement effective governance will be better prepared to face risks and ensure their long-term sustainability amidst global economic uncertainty.

Based on the background above, problems can be formulated, namely: (1) to determine the application of corporate governance principles by preventing tunneling activities after Covid-19; (2) knowing the role of digital technology in supporting effective corporate governance to prevent tunneling activities after the pandemic.

METHODS

In the study on "The Effectiveness of Corporate Governance in Preventing Tunneling Activities After COVID-19" which uses a qualitative method based on literature review, this approach allows researchers to collect, analyze, and interpret data from various relevant written sources without the need for direct interviews. Literature review focuses on collecting secondary data from various previous studies, company reports, journal articles, books, and other academic sources that have studied the topic of corporate governance and tunneling activities, especially in the post-COVID-19 pandemic context. This qualitative approach through literature review provides several advantages in studying the effectiveness of corporate governance. First, this method allows researchers to obtain a broad and comprehensive picture of how corporate governance has been implemented in various contexts and how it affects the prevention of tunneling activities. Second, by reviewing existing literature, researchers can identify gaps in previous research and provide new contributions by contextualizing the findings in the current situation, especially after the COVID-19 pandemic.

The literature review process begins with a comprehensive literature search, which involves searching for academic articles and related documents published within a specific time period, such as the last five to ten years. This is followed by a critical analysis of the literature found, in which the researcher evaluates the validity, relevance, and contribution of each source to the research topic. This analysis not only includes summarizing the results of existing research, but also identifying trends, patterns, and relationships that may exist between studies. (Widijaya & Romitha, 2021) . Through this approach, researchers can develop an in-depth understanding of how corporate governance principles, such as transparency, accountability, and responsibility, have played a role in preventing tunneling after the pandemic. The literature review also allows researchers to explore various governance mechanisms that have been proposed or implemented in various jurisdictions and industries, and assess their effectiveness in different contexts. The results of this literature review are then used to develop conclusions and recommendations regarding the most effective governance practices in preventing tunneling activities in the future .

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RESULTS AND DISCUSSION

Principles of Corporate Governance

The application of corporate governance principles has become increasingly important in preventing tunneling activities after the COVID-19 pandemic. Tunneling, or the transfer of company assets by controlling shareholders for personal gain, is a form of abuse of power that can harm the company and minority shareholders. The COVID-19 pandemic has brought new challenges to companies around the world, including increased economic pressure and uncertainty that exacerbate the risk of such activities. According to (Wahyuni, 2018) the application of good corporate governance principles is crucial to maintaining the integrity of the company and protecting the interests of all stakeholders. The main principles of corporate governance, namely transparency, accountability, fairness, and responsibility, play an important role in reducing the chances of tunneling. Transparency is a principle that requires companies to provide clear, complete, and accessible information to all stakeholders (Liu et al., 2019) .

In the post-pandemic situation, transparency becomes even more important because it allows shareholders and other external parties to monitor the decisions taken by management. With good transparency, suspicious or unethical actions, including tunneling attempts, can be more easily detected and prevented. According to (Martín Sabanés et al., 2022) companies that consistently implement transparency in their operations and financial reporting tend to be better able to maintain shareholder trust and avoid conflicts of interest that can lead to tunneling. Accountability is also a key element in preventing tunneling activities. This principle emphasizes the importance of the responsibility of company management for the decisions taken and their impact on all stakeholders. After COVID-19, companies are faced with the need to make quick and strategic decisions in order to survive in a difficult economic situation. In this condition, management accountability becomes vital. Accountable management will be more careful in making decisions, ensuring that their actions not only benefit a few parties but are also in line with the long-term interests of the company (Roehlecke & Schmidt, 2020) .

The board of directors, as part of the governance structure, serves to oversee management and enforce accountability. With strong accountability, the board of directors can be an effective barrier to tunneling efforts, ensuring that management acts in accordance with the mandate that has been given. The principle of fairness in corporate governance relates to the fair treatment of all stakeholders, especially minority shareholders (Wulandari & Setiawan, 2023) . This fairness includes equal access to information and voting rights in corporate decision-making. Post-pandemic, the issue of fairness has become increasingly important because the economic crisis that occurred has increased the power imbalance between controlling and minority shareholders. Companies that consistently apply the principle of fairness can reduce the risk of abuse of power by majority shareholders, who are often the main perpetrators of tunneling activities. Protection of the rights of minority shareholders through mechanisms such as cumulative voting rights and disclosure of conflicts of interest also plays a role in preventing tunneling activities. (Bian et al., 2023) .

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The principle of responsibility emphasizes the obligation of companies to act in the best interests of all stakeholders and the wider community. Corporate social responsibility becomes increasingly relevant in the post-COVID-19 context, where companies are expected to not only focus on short-term profits but also consider the social and economic impacts of their actions. According to (Mulenga, 2019) by emphasizing social responsibility, companies can create a culture that prioritizes ethics and integrity, which in turn will reduce the motivation to tunnel. Responsible companies tend to have policies and practices that support the welfare of employees, shareholders, and communities, thereby creating a fairer and more sustainable business environment. However, although the implementation of corporate governance principles can significantly reduce the risk of tunneling activities, their effectiveness cannot be separated from the context of the business environment and company culture. In some countries, for example, weaknesses in law enforcement and regulation can hinder the implementation of good governance. A corporate culture that does not support transparency and accountability can create loopholes for tunneling activities (Prasad et al., 2022) .

Effectiveness

To achieve maximum effectiveness, corporate governance principles must be thoroughly integrated into a company's culture and operational practices, and supported by strong regulation and adequate external oversight. Post-pandemic, many companies are facing significant financial pressures, which can trigger opportunistic actions by controlling shareholders (AlQadasi & Abidin, 2018) . In such situations, implementing strong corporate governance becomes the main line of defense in preventing abuse of power and ensuring that the company's long-term interests are not sacrificed for personal gain. The pandemic has also accelerated the adoption of digital technologies in corporate governance, which can improve the effectiveness of oversight and accountability. Technologies such as big data and algorithmic analysis can be used to monitor company activities in real-time, detecting anomalies that may indicate tunneling attempts.

In order to improve the implementation of corporate governance principles, it is important for companies to continuously update and adapt their governance policies to changes in the global business environment. Training and education for the board of directors and senior management on the importance of good governance is also a crucial step in preventing tunneling activities (Habbash, 2020) . Companies that are able to implement effective governance will not only succeed in preventing tunneling but will also strengthen their position in the market and build a reputation as a responsible and trusted entity in the eyes of stakeholders. The implementation of good corporate governance principles is a key element in preventing tunneling activities after the COVID-19 pandemic. By integrating transparency, accountability, fairness, and responsibility into all aspects of a company's operations, and by utilizing existing technology and regulations, companies can create an environment that supports integrity, protects shareholder interests, and ensures their long-term sustainability amidst global economic uncertainty. (Wati et al., 2020) .

The effectiveness of corporate governance in preventing tunneling activities in the post-COVID-19 pandemic era is influenced by various interrelated factors. Tunneling, or the

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diversion of company resources for personal gain by controlling shareholders, can cause significant losses for both the company and minority shareholders. Understanding the factors that influence the effectiveness of corporate governance is essential to ensure that companies can overcome this challenge and maintain their operational integrity (Arya Adhitya Putra & Mulya, 2020) . One of the main factors that influences the effectiveness of corporate governance in preventing tunneling is the structure of the board of directors. An independent and competent board of directors has a key role in overseeing management decisions and preventing abuse of power. After the pandemic, many companies are under pressure to make quick decisions under uncertain economic conditions, increasing the risk of tunneling. According to (Zhang et al., 2023) a board of directors with independent members who do not have personal interests in the company is more likely to act in the best interests of all shareholders. They are also better able to question and reject suspicious or potentially detrimental decisions. The existence of a well-functioning audit committee and remuneration committee in the board structure is also important to improve oversight and accountability.

Corporate culture is another factor that greatly influences the effectiveness of governance in preventing tunneling. A culture that supports transparency, ethics, and accountability creates an environment in which unethical actions such as tunneling cannot thrive. Companies that have a strong culture of integrity are more likely to safeguard the interests of all stakeholders and avoid conflicts of interest. According to (Mertzanis, 2011) Post-pandemic, with rapid changes in corporate operations and work structures, maintaining a healthy corporate culture becomes even more important. This includes open communication between management and employees, as well as an emphasis on ethical values in all aspects of corporate operations. Regulatory and law enforcement factors also play an important role in determining how effective corporate governance is in preventing tunneling. Strong regulation and effective law enforcement mechanisms ensure that companies not only comply with established governance standards but are also held accountable for violations that occur. In many countries, corporate governance regulations have been strengthened after the pandemic to address increased risks, including the risk of tunneling. However, strict regulation alone is not enough without consistent and firm law enforcement. Weak or inconsistent law enforcement can provide opportunities for controlling shareholders to engage in tunneling activities without fear of serious legal consequences (Handajani et al., 2023) .

Digital technology is also becoming an increasingly influential factor in the effectiveness of corporate governance post-pandemic. The adoption of technologies such as big data, algorithmic analysis, and blockchain has helped companies increase transparency and accountability in the decision-making process. According to (Palupi et al., 2021) these technologies enable real-time monitoring of a company's financial and operational transactions, making it easier to detect anomalies that may indicate tunneling attempts. Technology also facilitates wider access for stakeholders to relevant information, thereby increasing participation and oversight. However, technology also brings new challenges, such as cybersecurity risks and difficulties in managing large amounts of data (S. Latif & Abdullah, 2023) . Companies must ensure that they not only adopt technology but also have the right

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strategies to manage the risks associated with its use. Share ownership is another factor that significantly influences the effectiveness of corporate governance. A concentrated ownership structure, where the controlling shareholder has significant power, can increase the risk of tunneling due to imbalanced power.

A more dispersed ownership structure tends to result in more democratic governance, where decisions are made with the interests of all shareholders in mind. In the post-pandemic era, when many companies may experience changes in their ownership structures, it is important to consider how these changes may affect power dynamics within the company and the potential risks they pose. Global economic conditions also affect the effectiveness of corporate governance in preventing tunneling (Obaid & Rajab Amrah, 2020) . In the wake of the pandemic, heightened economic uncertainty may prompt management and controlling shareholders to take extreme measures to protect their own interests, even if it is detrimental to the company as a whole. In such a situation, strong governance becomes even more important to ensure that decisions taken by management remain in the long-term interests of the company. Support from financial institutions and institutional investors who prioritize good governance can also help companies maintain their operational integrity amidst severe economic challenges (Awadallah, 2020) .

Education and training for management and the board of directors on the importance of good governance is another important factor. Post-pandemic, with changes in regulations and business practices, it is important for companies to ensure that management and the board of directors have a thorough understanding of the risks and challenges they face. According to (Sahay, 2016) ongoing education on corporate governance can help them recognize signs of potential tunneling and take necessary actions to prevent it. This includes understanding the importance of transparency, accountability, and fairness in all aspects of a company's operations. The effectiveness of corporate governance in preventing tunneling activities in the post-pandemic era is determined by a combination of factors, including board structure, corporate culture, regulation and enforcement, technology adoption, shareholding structure, global economic conditions, and education and training. Companies that are able to manage these factors well will be better able to maintain the integrity and sustainability of their operations, and protect the interests of all stakeholders from detrimental tunneling risks. (Suwarno et al., 2020) .

Post-COVID-19 pandemic, the corporate world faces a major challenge in adapting corporate governance regulations and policies to mitigate the risk of tunneling activities. Tunneling, which is the practice of diverting company resources or profits by controlling shareholders for personal gain, has become a serious threat to corporate integrity, especially in unstable economic situations such as those caused by the pandemic (Aryan et al., 2022) . To address this risk, many countries and regulatory bodies have updated corporate governance regulations and policies. However, the effectiveness of these measures in mitigating tunneling risks depends largely on a number of factors, including consistent implementation and enforcement. One of the most significant aspects of the updated corporate governance regulations is increased transparency. Following the pandemic, many

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governments and regulatory bodies have adopted stricter policies regarding disclosure of financial and non-financial information.

This transparency not only includes more detailed financial reporting, but also involves disclosure of related party transactions, ownership structures, and executive remuneration policies. Regulations that emphasize transparency serve to prevent tunneling by making it difficult for perpetrators to hide suspicious activities from other stakeholders. According to (Jarne-Jarne et al., 2022) the success of this policy depends largely on the quality and accuracy of the information provided, as well as the ability of stakeholders to access and analyze the data effectively. Increasing accountability through updated regulations also plays a key role in reducing the risk of tunneling. Many post-COVID-19 regulations focus on strengthening the role of the board of directors and audit committees in overseeing management performance. These regulations typically include stricter obligations for board members to avoid conflicts of interest and to act in the best interests of all shareholders, not just the majority shareholder.

This increased accountability is intended to ensure that strategic decisions taken by management and controlling shareholders do not harm minority shareholders or the long-term interests of the company. However, its effectiveness often depends on how independent and competent the board of directors is in carrying out its supervisory duties. Many policies updated after the pandemic also emphasize the importance of fairness in the treatment of all stakeholders, especially minority shareholders (Widani & Bernawati, 2020) . This includes stronger protection of minority shareholders' rights through regulations that provide them with greater access to participate in corporate decision-making. For example, several countries have introduced cumulative voting rights mechanisms and the requirement to obtain minority shareholder approval for certain transactions involving related parties. These policies aim to prevent controlling shareholders from tunneling by diverting company resources without adequate approval from minority shareholders. However, the implementation of these policies often encounters obstacles in countries with weak legal enforcement or where corporate ownership structures are highly concentrated.

The extent to which updated corporate governance regulations and policies are successful in reducing tunneling risks also depends heavily on law enforcement. While strict regulations can provide a strong framework to prevent tunneling activities, without strong law enforcement, they will remain mere rules on paper. Post-pandemic, enforcement of corporate governance violations has become a priority in many countries, with some even introducing tougher sanctions for those found to have committed violations. However, the effectiveness of this enforcement often varies depending on the capacity of law enforcement agencies, their independence, and their ability to act without political or economic interference (Iershova et al., 2022) .

The Role of Digital Technology

The use of digital technologies in enforcing corporate governance regulations has also been an important factor in reducing tunneling risks post-pandemic. Technologies such as blockchain and big data analytics enable more effective oversight of a company's financial transactions and operations. With this technology, regulators can monitor company activities in real-time, detect suspicious patterns, and take action more quickly if indications of tunneling are found. However, the adoption of this technology also requires significant investment and cross-sector collaboration between governments, companies, and technology providers, which is not always easy to achieve. The economic and political context in each country also affects the effectiveness of updated regulations in preventing tunneling. In countries with stable economies and strong governments, updated regulations and governance policies tend to be more effective because they are supported by an environment that is conducive to law enforcement and corporate accountability. Conversely, in countries facing economic instability or where corruption is rampant, even good regulations may be less effective in preventing tunneling due to weak law enforcement and the presence of political forces that hinder governance reform (S. Latif & Abdullah, 2023) .

While the updated corporate governance regulations and policies post-pandemic have provided a stronger framework to prevent tunneling, there are still challenges to be overcome to ensure their effectiveness. One of the biggest challenges is ensuring that these regulations are applied consistently across all sectors and sizes of companies, including small and medium-sized companies that may have limited resources to comply with high governance standards. It is important to ensure that these policies do not simply focus on meeting formalities, but also encourage a cultural change within companies that prioritizes ethics and integrity (Sahay, 2016) . The updated corporate governance regulations and policies post-COVID-19 have succeeded in providing additional protection against tunneling risks, primarily through increased transparency, accountability, and fairness. However, this success is highly dependent on consistent enforcement, adoption of appropriate technologies, and support from a stable economic and political context. To ensure that these regulations are truly effective in the long term, companies need to continue to adapt to changes in the business environment, while regulators must remain proactive in enforcing rules and updating policies in line with developments.

The role of digital technology in supporting effective corporate governance to prevent tunneling activities has become even more crucial after the COVID-19 pandemic. Digital technology has accelerated transformation in various business sectors, providing tools and systems that enable companies to strengthen transparency, accountability, and oversight, which are key elements in preventing tunneling practices. In the context of corporate governance, digital technology is not only a supporting tool, but also a key driver of change in how companies operate and how risks, such as tunneling, can be minimized. According to (Suwarno et al., 2020) one of the main contributions of digital technology in corporate governance is through increased transparency. With technologies such as big data and blockchain, companies can record and track every transaction in real-time, creating a digital footprint that is difficult to manipulate or hide. Blockchain, for example, allows for immutable recording of transactions, thus providing assurance that the recorded data is accurate and reliable. This technology is crucial in preventing tunneling because all relevant parties, including regulators and minority shareholders, can independently verify transactions without having to rely solely on information provided by company management (Aryan et al., 2022) .

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Big data enables in-depth data analysis that can identify patterns or anomalies that may indicate tunneling attempts. This data analysis helps in early detection of suspicious activity, so that companies can immediately take corrective action before greater losses occur. Digital technology also plays an important role in strengthening accountability in corporate governance. The use of technology-based risk management systems, such as Enterprise Risk Management (ERM) software, allows companies to monitor and manage risks more effectively (Jarne-Jarne et al., 2022) . ERM can integrate various types of risks, including financial and operational risks, and provide comprehensive reports to management and the board of directors. With more complete and timely information, the board of directors can make more informed and responsible decisions, reducing the likelihood of tunneling. Technology also allows for tighter tracking of decisions made by executives and management, ensuring that every action taken is accountable and in accordance with applicable governance policies (Widani & Bernawati, 2020) .

Digital technology enables more effective oversight by external stakeholders, including regulators and shareholders. For example, by using digital platforms, companies can easily share financial and operational reports with shareholders and the public in a transparent manner. This technology also enables a more interactive dialogue between management and shareholders through virtual general meetings of shareholders (GMS). Post-pandemic, many companies have shifted to virtual GMS supported by digital technology, which allows for broader participation from shareholders, including those in different geographical locations. (Mulenga, 2019) . This not only increases shareholder engagement but also makes it difficult for any party to carry out suspicious actions without the knowledge of other stakeholders. Digital technology also enables automation in the monitoring and auditing process, which plays a role in preventing tunneling. By using automation tools, many manual processes that were previously prone to human error or manipulation can be replaced with more efficient and reliable systems. For example, the use of artificial intelligence (AI)-based audit software can help auditors examine thousands of transactions in a short time, identifying patterns or anomalies that might have been missed in a manual audit (Prasad et al., 2022) .

AI can also be used to predict risks based on historical data and current trends, giving companies the ability to be more proactive in preventing suspicious activity before it becomes a bigger problem. In addition to these benefits, the use of digital technology in corporate governance also brings its own challenges. One of them is the increasing cybersecurity risk along with digitalization (Habbash, 2020) . Data generated and stored in digital systems is a potential target for cyber attacks, which can result in data theft or even information manipulation that poses a high risk to corporate governance. Companies need to ensure that investments in digital technology are also accompanied by adequate cybersecurity measures. This includes the use of data encryption, multi-factor authentication systems, and ongoing security monitoring to detect and prevent potential threats.

Effective adoption of digital technologies requires changes in organizational culture and structure. Not all companies, especially small and medium-sized companies, have the resources or expertise needed to adopt advanced technologies. It is important for companies to develop a realistic and sustainable technology adoption strategy, including training for

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employees and management on the use of these technologies. Support from the board of directors and company leaders is also crucial to ensure that this digital transformation runs smoothly and provides maximum benefits in corporate governance (Wati et al., 2020) . In the future, the role of digital technology in corporate governance is likely to become increasingly important as technology advances and the complexity of business operations increases. Technologies such as AI, machine learning, and the Internet of Things (IoT) are expected to become increasingly integrated into business processes and corporate governance, providing more sophisticated tools to prevent and detect tunneling activities. However, the success of these technologies in supporting effective governance depends heavily on the company's commitment to implementing them correctly and ensuring that they are used ethically and in accordance with applicable regulations (Arya Adhitya Putra & Mulya, 2020) .

Digital technologies have had a significant impact in strengthening corporate governance after the pandemic, particularly in preventing tunneling activities. By increasing transparency, accountability, and oversight, as well as enabling greater automation and efficiency in governance processes, digital technologies help companies maintain integrity and stakeholder trust. However, the successful implementation of these technologies also requires attention to the risks that arise, particularly in terms of cybersecurity and inclusive technology adoption across the enterprise. With the right approach, digital technologies can be a very effective tool in creating stronger corporate governance that is resilient to various forms of abuse. (Zhang et al., 2023) .

CONCLUSION

Implementing good corporate governance principles will at least reduce tunneling activities. There is a principle of transparency which makes the company provide all company information clearly, completely and can be accessed by all stakeholders. strong accountability, the board of directors can be an effective barrier against tunneling efforts, ensuring that management acts in accordance with the mandate it has been given. Companies that consistently apply the principles of justice can reduce the risk of abuse of power by majority shareholders, who are often the main perpetrators of tunneling. By implementing the principle of responsibility, companies can create a culture that prioritizes ethics and integrity, which in turn will reduce the motivation to tunnel. Using these technologies, regulators and stakeholders can monitor company activity in real-time, detecting anomalies or suspicious patterns that may indicate tunneling activity. For example, blockchain can be used to ensure transparency in transactions and asset ownership, while big data analytics can help identify potential risks based on historical patterns and other indicators. However, the implementation of these technologies also faces its own challenges, such as the need for adequate infrastructure, as well as potential cybersecurity threats that could compromise data integrity. Furthermore, the adoption rate of these technologies varies across countries and companies, meaning that their effectiveness in preventing tunneling will also vary. Ongoing education and training for the board of directors and management is also a key factor in ensuring that updated corporate governance regulations and policies are effectively implemented. Post-pandemic, changes in regulations and market dynamics require corporate leaders to continually improve their understanding of good governance and the associated risks. Training programs that focus on business ethics, risk management, and transparency can help ensure that the board and management have the tools and knowledge necessary to prevent tunneling activities .

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