

Professional Integrity and Corruption Prevention

Ms Anna Lam

Deputy Executive Director

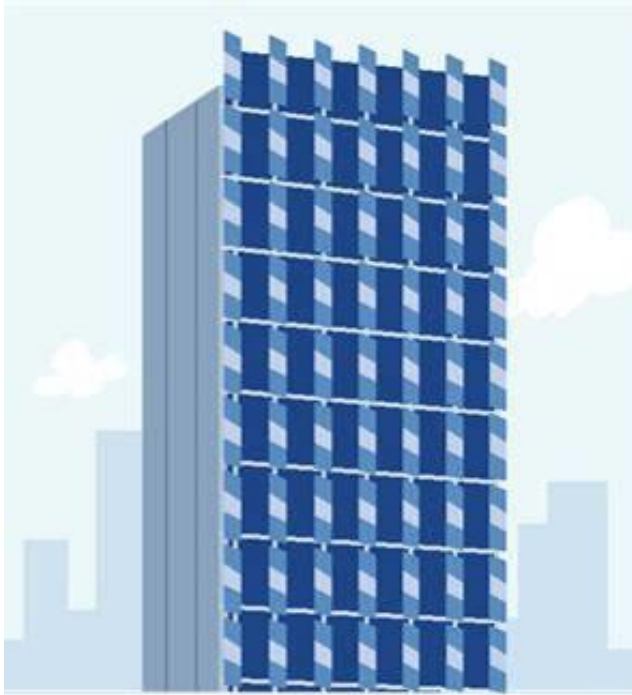
Hong Kong Business Ethics Development Centre
Independent Commission Against Corruption



Contents

- ❑ Importance of Professional Integrity
- ❑ Common Corruption Risks in T&C Industry
- ❑ Three Tests of Professional Integrity
 - Legal Test
 - Compliance Test
 - Sunshine Test
- ❑ Corruption Prevention Services of ICAC

Professional Integrity



Professional Integrity

(Highest requirement)

Law

(Minimum requirement)

Common Integrity Risks

- ☐ Fake test reports / results
- ☐ Tamper with test samples
- ☐ Lax inspection / audit
- ☐ Expedite testing / inspection / certification processes
- ☐ Handle confidential information
- ☐ Entertainment
- ☐ Conflict of interest

3 Tests of Professional Integrity

Highest
standard



Sunshine Test



Compliance Test



Legal Test

Minimum
Requirement

Legal Control over Corruption

Prevention of Bribery Ordinance

- ☐ Ensure fair-play
- ☐ Protect interest of stakeholders
- ☐ Prevent breach of trust between agent and principal



Prevention of Bribery Ordinance

Section 9 – Corrupt transactions in private sector

Agent (Employee)

Solicits / accepts an Advantage

An Act in relation to
principal's (employer's) business

Without Approval from the principal

Maximum penalty :
a fine of \$500,000 and imprisonment for 7 years

Prevention of Bribery Ordinance

Section 9 – Corrupt transactions in private sector

Both the offeror and acceptor of bribes are guilty of an offence.



Prevention of Bribery Ordinance

Sections 11 and 19

No defence to solicit / accept any advantage even if:

- ☐ the recipient
 - did not actually have such power or right to do so
 - did not in fact do so
 - had no intention to do so
- ☐ such advantage is customary in profession, trade, vocation or calling

Prevention of Bribery Ordinance

Section 9 – Corrupt transactions in private sector

Agent (Employee)

Solicits / accepts an Advantage

An Act in relation to
principal's (employer's) business

Without Approval from the principal

Maximum penalty :
a fine of \$500,000 and imprisonment for 7 years

Advantages



Gift, loan,
fee, reward
or
commission



Employment
or contract



Payment,
release or
discharge of
loan or
liability



Service or
favour
(except
entertainment)



Exercise of
any right or
power



Entertainment

- ❑ The provision of food or drink for consumption on the occasion
- ❑ Any other entertainment provided at the same time



Prevention of Bribery Ordinance

Section 8 – Offering advantage to public servants during official dealings

Any person

while having dealings with
government departments / public bodies

without lawful authority or
reasonable excuse

offers any advantage to public servant

Maximum penalty :
a fine of \$500,000 and imprisonment for 7 years

Prevention of Bribery Ordinance

Section 9(3) – Use of False documents

It is an offence:

- ❑ If an agent intends to deceive his principal by using
- ❑ False / erroneous / defective accounts / documents / receipts



***Maximum penalty :
a fine of \$500,000 and imprisonment for 7 years***


Cross-boundary operations: Points-to-note

- ❑ Observe the laws and regulations in respective jurisdictions
- ❑ Observe internal guidelines on acceptance of entertainment, passage and accommodation from organisations under assessment
- ❑ PBO can apply when part of the corrupt act takes place in Hong Kong
- ❑ Report attempted bribery to respective law enforcement agencies



Compliance Test

Administrative Control over Malpractices



**HKAS
Accreditation
Criteria**

**International
Standards e.g. ISO
17025/ 17020/ 17021/
37001**

**Professional Code of
Ethics e.g. HKTIC,
HKICA, HKIE**

**Company Code
of Conduct**

Company Code of Conduct

- Offer of advantage
- Acceptance of advantage
 - Entertainment
 - Conflict of interest
 - Confidentiality
 - Outside employment

.....

A stylized handwritten signature in grey ink, appearing to be 'Shaf'.A stylized handwritten signature in grey ink, appearing to be 'Raf'.



“Sunshine Test”

**Disclose decisions
openly without
misgivings?**



Corruption Prevention Plan: “Corporate Ethics Compass”

Navigating the right course –

Leadership

Walking the talk –

Code of Conduct



*Enhancing staff
competence – **Training***

*Strengthening **control systems** –*

Best Practices

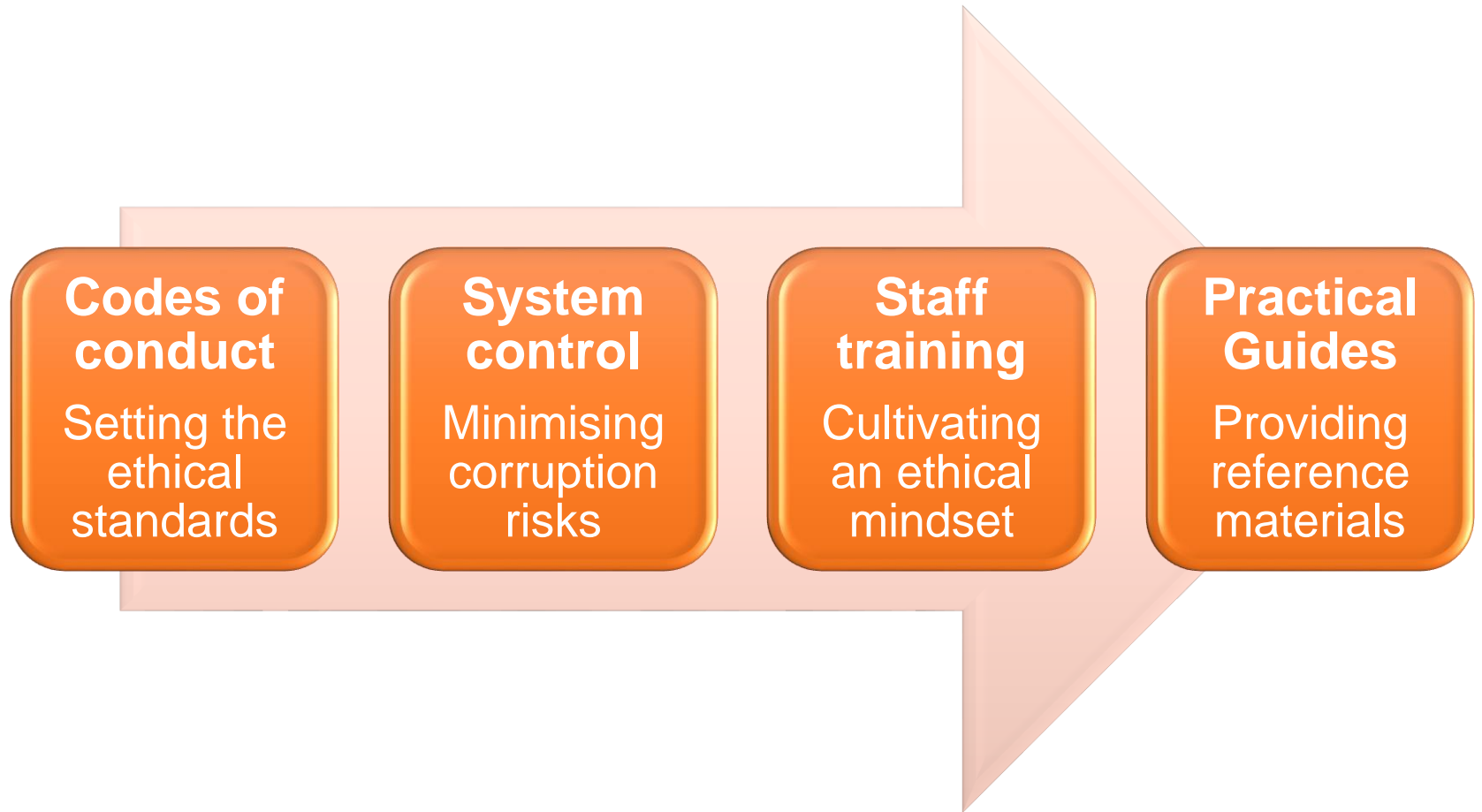
Hong Kong Business Ethics Development Centre (HKBEDC)



Hotline : 2587 9812
Website : www.hkbedc.icac.hk
e-mail : hkbedc@crd.icac.org.hk



Corruption Prevention Services

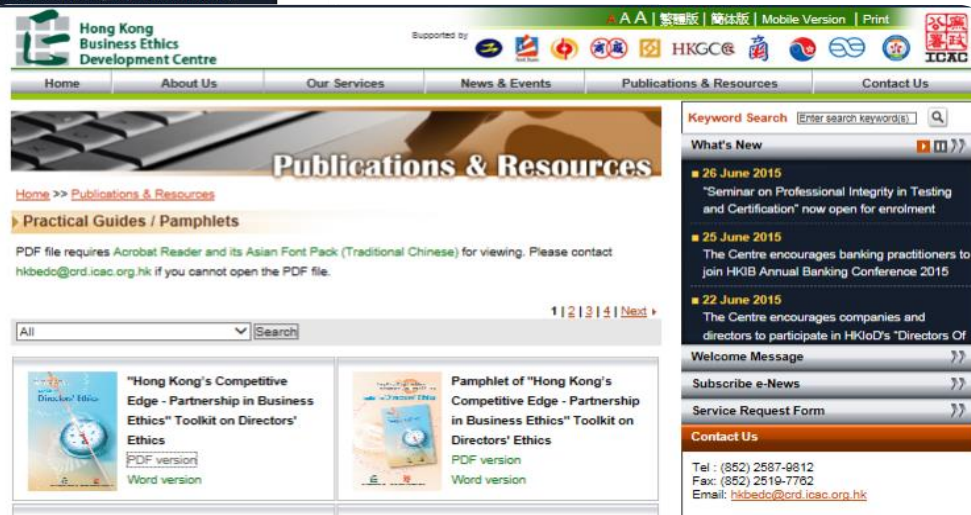
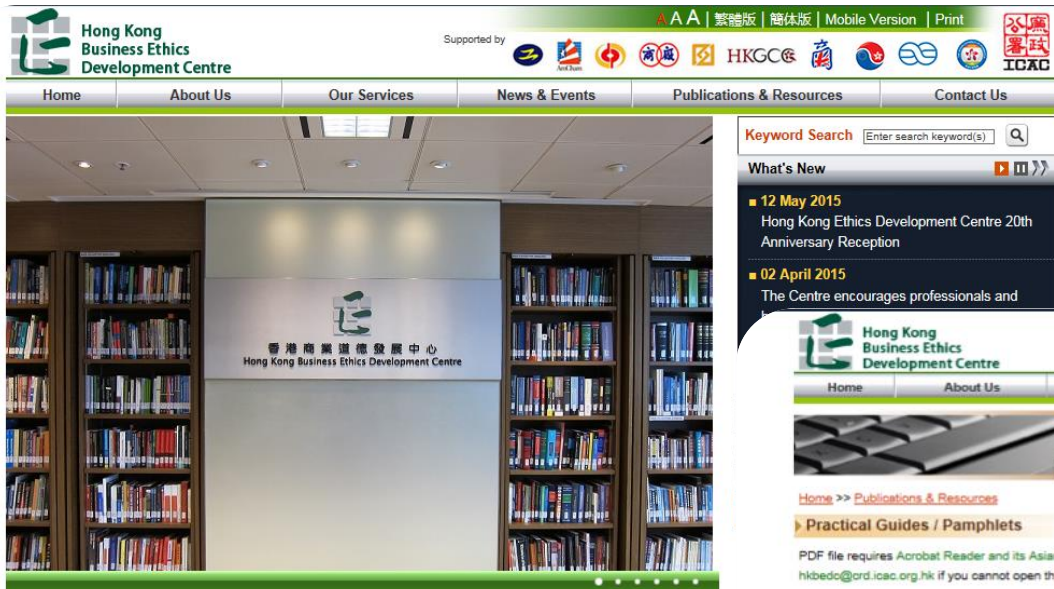


Corruption Prevention Guide



<http://cpas.icac.hk/>

HKBEDC Website (www.hkbedc.icac.hk)



Enquiry and Report Corruption



**Report Centre /
7 Regional Offices**



GPO Box 1000



**24-hr Report Hotline
25-266-366**



THANK YOU!