



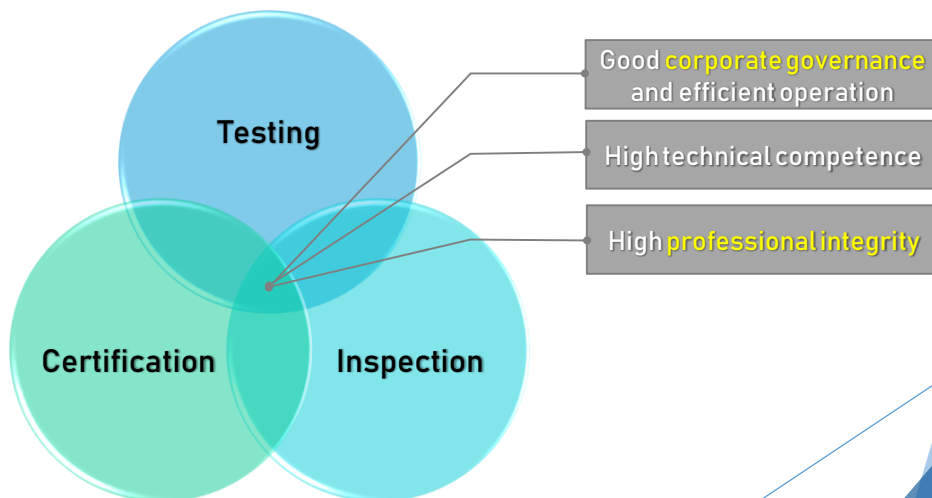
Professional Integrity and Corruption Prevention in Testing and Certification

檢測認證中的專業誠信及防貪



Hong Kong Business Ethics Development Centre, ICAC
廉政公署 香港商業道德發展中心

Testing and Certification in Hong Kong - the Competitive Edge



Corruption Prone Areas in the Testing & Certification Industry

Acceptance of advantage

- Fabricate test results / forge test reports
- Meddle with samples
- Expedite testing and certification process
- Manipulate procurement process (e.g. subcontract testing and certification, and related services)
- Guarantee a passing accreditation / certification result

Offer of advantage

- Obtain business

Other areas of concern

- Accept inappropriate entertainment from clients / contractors
- Leak out company's / clients' confidential information
- Mishandle conflict of interest
- Use false claim of reimbursement

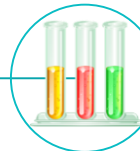
3 Tests of Professional Integrity



Legal Test



Compliance Test



Sunshine Test



What is Corruption?

The Prevention of Bribery Ordinance (POBO)

Prevention of Bribery Ordinance (POBO)



Prevention of Bribery Ordinance – Bribery (Section 9)

Maximum Penalty:
Imprisonment of 7 years
and Fine of \$500,000

Agent
代理人 (僱員)

Both offeror & recipient
of bribe are guilty

Without principal's Approval
未得主事人 (僱主) 同意

Solicits / accepts an Advantage
索取或接受利益

An Act in relation to the principal's affairs
作出/不作出與其主事人業務有關的行為

Agent and Principal

Agent

Principal

Employed by another

Employer

Acting for another person

That other Person

"Trust" and "Loyalty"

Advantage



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

- Provision of food or drink for consumption on the occasion, and any entertainment provided at the same time



Frequent / lavish entertainment may result in:

- obligatory position
- conflict of interest
- sweetening trap

Principal's Approval

- ▶ Principal's approval for receiving advantages
- ▶ Prior approval / declare ASAP to principal afterwards
- ▶ Company code of conduct usually covers handling guidelines & procedures on
 - ▶ Acceptance and offering of advantages
 - ▶ Entertainment
 - ▶ Conflict of Interest



No Defence Even if...

Section 11 of POBO

- The recipient
 - did not actually have such power/right to carry out the act;
 - did not in fact do so; or
 - had no intention to do so

Section 19 of POBO

- The advantage is customary in any profession/trade/vocation/calling

Prevention of Bribery Ordinance – Dealing with Public Servants

Maximum Penalty:
Imprisonment of 7 years
and Fine of \$500,000

Any person	
without lawful authority or reasonable excuse	
offers any advantage to public servant	
for any <u>reciprocal act</u> in relation to the public servant's official duties	<u>while having dealings</u> with the public servant's government department / public body
Section 4 (offeror & recipient both guilty)	Section 8

Prevention of Bribery Ordinance – False Document (Section 9(3))

Maximum Penalty:
Imprisonment of 7 years
and Fine of \$500,000

Any Agent
代理人(僱員)

Using false, erroneous, defective accounts / documents / receipts
使用虛假、錯誤或缺漏不全的收據/帳目/文件

Intends to deceive his principal
意圖欺騙主事人(僱主)



Common examples of false document

- ▶ Procurement of goods or services
- ▶ Reimbursement of expense
- ▶ Job-related allowance or welfare
- ▶ Attendance / leave record



Conflict of Interests

- ▶ A conflict of interest situation arises when the private interests of a staff member conflict with the interests of the company.



Conflict of Interests & Corruption



3 Tests of Professional Integrity

- The Prevention of Bribery Ordinance
- and other legislations

Legal Test



- HKAS regulations and supplementary criteria
- International standards (e.g. ISO 17025/17020/17021/37001)
- Professional code of ethics (e.g. HKTIC, HKICA, HKIE)
- Company's code of conduct

Compliance Test

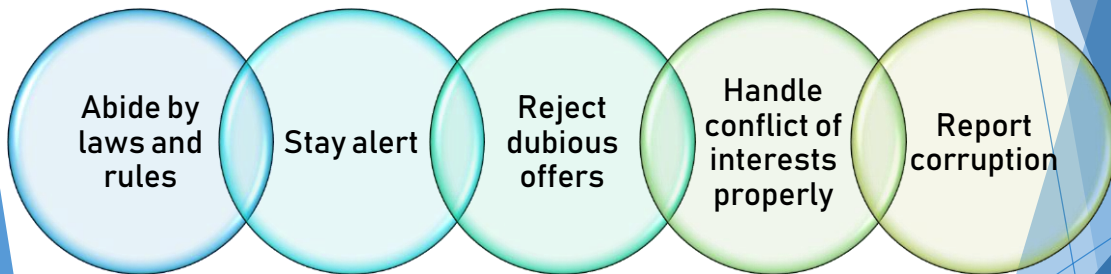


- Can I disclose to or openly discuss the situation with others (e.g. supervisor, colleagues)?
- Would others doubt my integrity or accuse me of abuse or impropriety?

Sunshine Test



Your Role as Professional



Report & Enquiries

In-person
Report Centre /
7 Regional Offices



24-hour
Hotline
25 266 366

By mail
G.P.O Box 1000,
Hong Kong



Dual Responsibility of Managers



2 Factors Leading to Integrity Problems in Companies

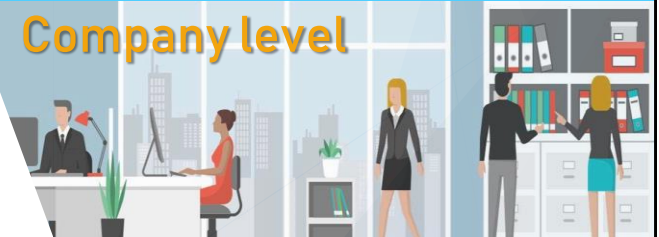
Staff level



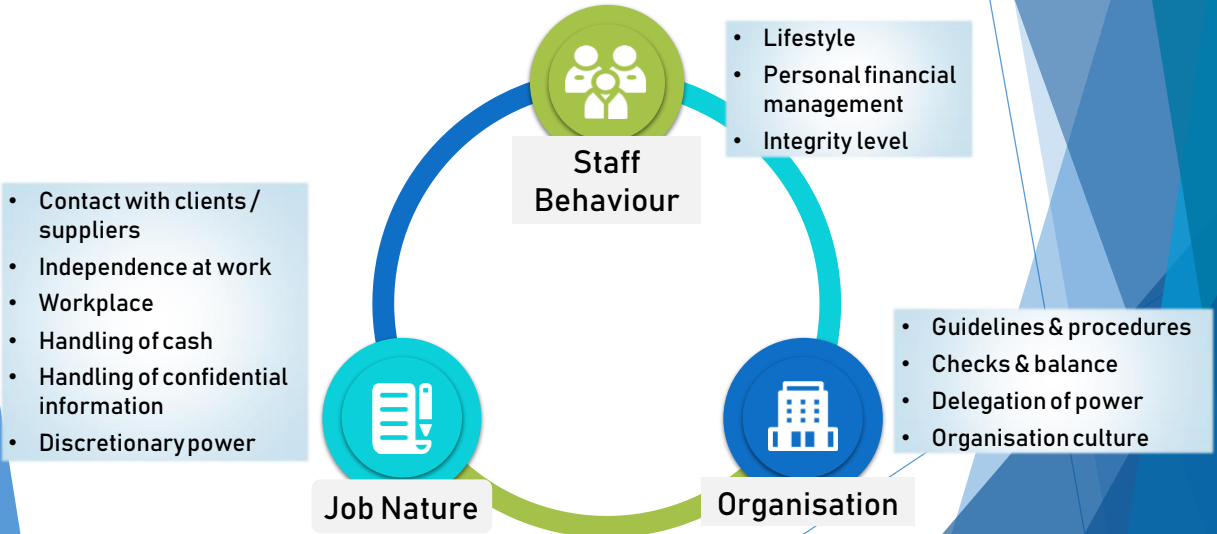
- Lack of knowledge
- Lack of fortitude or help
- Lack of integrity

- Lack of clear guidelines / procedures
- Ineffective communication
- Lax supervision

Company level



3 Corruption Risk Analysis



Integrity Management in Action - 4 Tips

Ethical Leadership
Cultivating a
virtuous mind



Integrity Training
Nurturing the
good heart

Code of Conduct
Defining the
moral backbone



System Controls
Boosting **immunity**
against ethical risks

Ethics Resources by the HKBEDC



 **香港商業道德發展中心**
Hong Kong Business Ethics Development Centre

Hotline: 2826-3288

Website: <https://hkbedc.icac.hk>

E-mail: hkbedc@crd.icac.org.hk



ICAC Corruption Prevention Services

Integrity Training
Cultivating an ethical culture



Code of Conduct
Setting the ethical standards



System Control
Minimising corruption
loopholes



Practical Guides
Providing reference
materials



Thank you!



香港
商業道德
發展中心
HKBEDC



► Connect with us:

E-News
Subscription



LinkedIn



YouTube

