

# **ICAC Talk for CUHK Computer Science and Engineering**

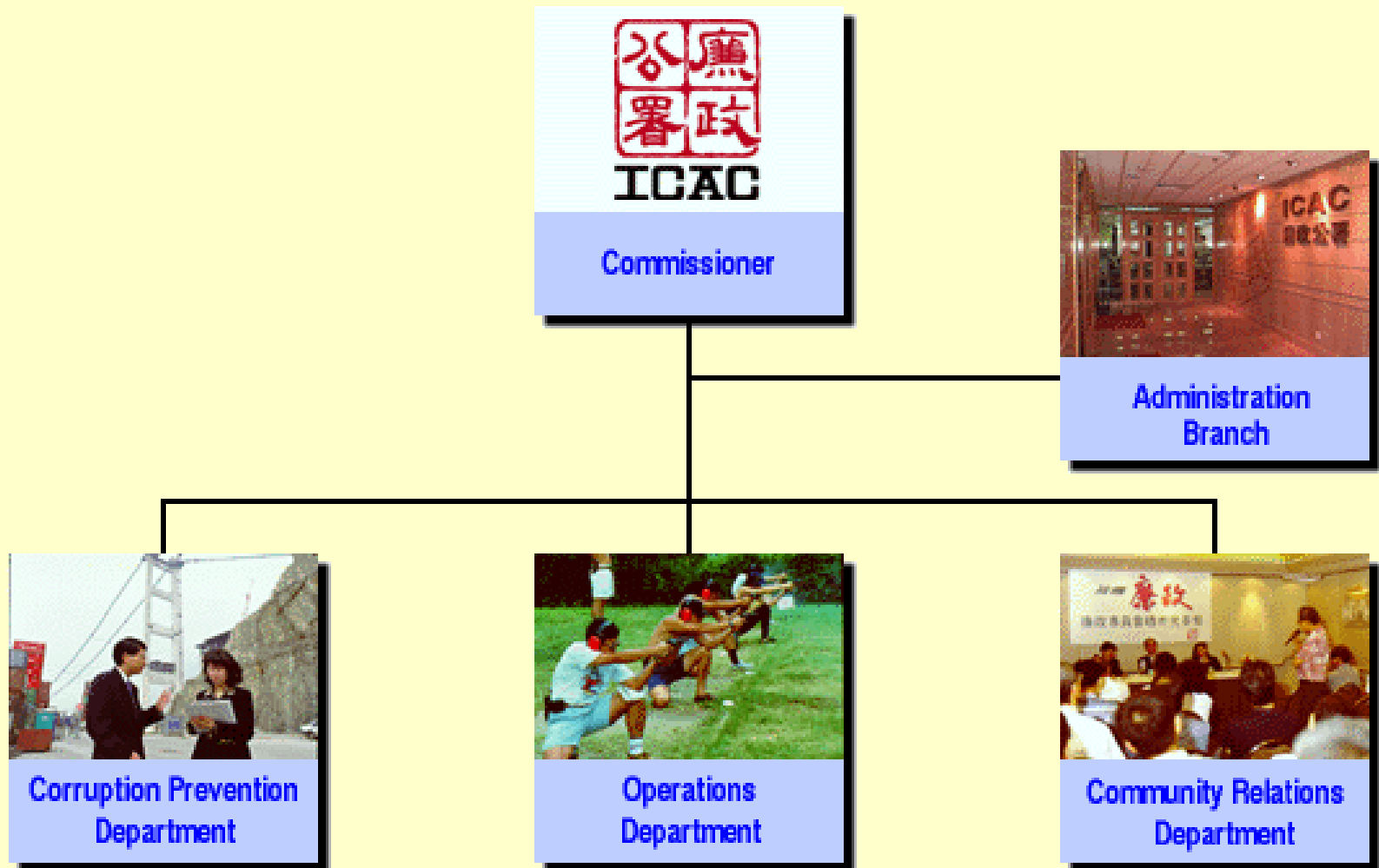
**Debbie Ly**

**Senior Community Relations Officer**

# Talk Outline

- ➡ **Three-pronged Attack on Corruption**
- ➡ **Anti-corruption Laws in Hong Kong**
- ➡ **Corruption Risks in Workplace**
- ➡ **Roles of Engineering Professionals in Corruption Prevention**

# Three-Pronged Strategy



# Ordinances Enforced by the ICAC

- ➡ Prevention of Bribery Ordinance (Cap. 201)
- ➡ Elections (Corrupt and Illegal Conduct) Ordinance (Cap.554)
- ➡ Independent Commission Against Corruption Ordinance (Cap. 204)

# Application of Prevention of Bribery Ordinance (PBO)

- Government
- Public Sector
- Private Sector

# Gist of PBO

- **Agent** (employee)
- Solicits/accepts any **advantage**
- An **act** in relation to the principal's affairs
- Without principal's (employer's) **approval**

# Gist of PBO

- Anyone who **offers** such advantages
- Will be guilty of the same offence

# Penalty

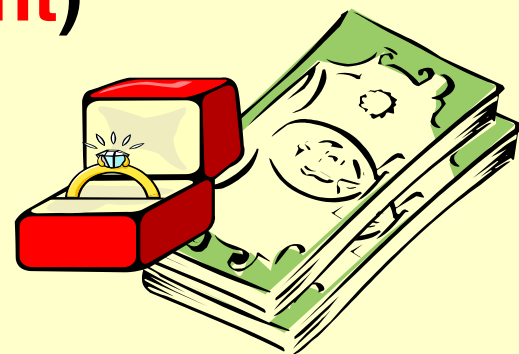
- Offeror and Acceptor of a bribe are both guilty
- Maximum : a fine of **\$500,000** and an imprisonment of **7 years**



# Advantages

- ➡ Gift, loan, fee, reward or commission
- ➡ Office, employment or contract
- ➡ Payment, release or discharge of loan, obligation or liability
- ➡ Service or favour

(except **entertainment**)



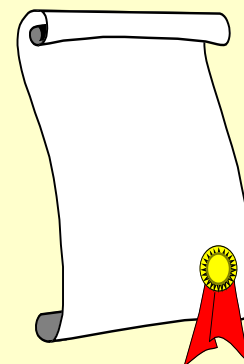
# Entertainment

**Food or drink provided for  
consumption on the occasion and  
any other connected entertainment**



# Principal's Approval

- ◆ Permission must be given by the recipient's principal
- ◆ Retrospective permission must be given as soon as reasonably possible
- ◆ Observe code of conduct



# No Defence Even if

## Section 11 of PBO

**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 PBO

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



# PBO Section 9(3)

- 👉 **An agent**
- 👉 **Intends to deceive his principal**  
行騙
- 👉 **Using false / erroneous / defective accounts / documents / receipts**

**Maximum penalty:**  
**\$500,000 fine & imprisonment for 7 years**

# On the Mainland ...

**Corruption  $\neq$  Bribery**

**Maximum Penalty:**

- Death Sentence**
- Life Imprisonment**

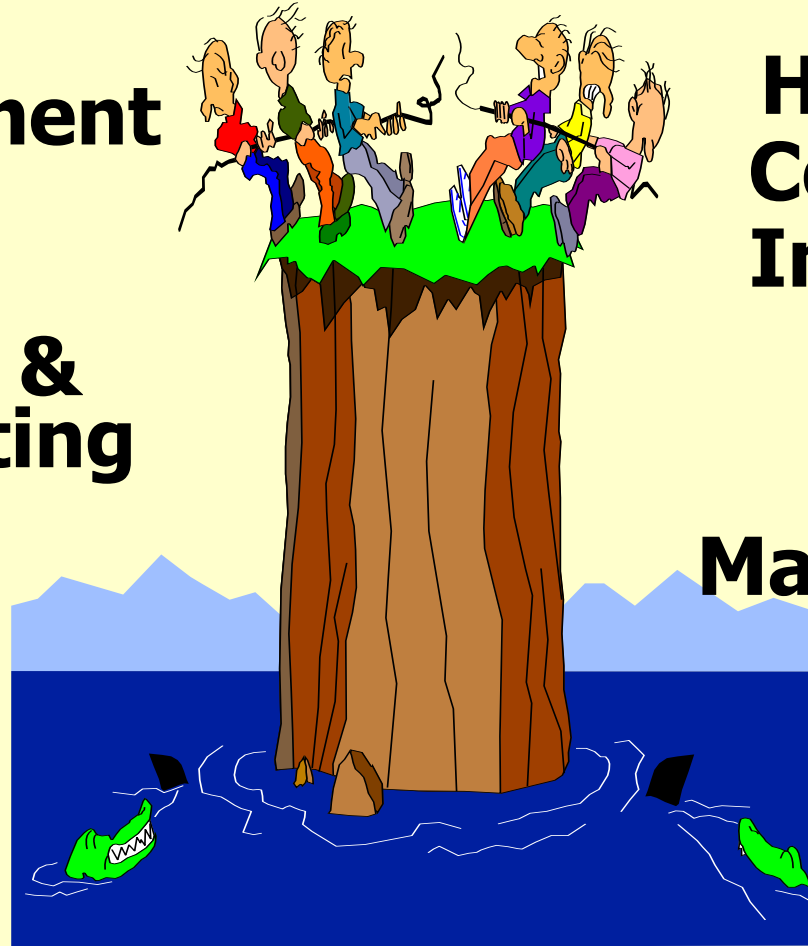
# Corruption Risks in Workplace

**Procurement**

**Handling of  
Confidential  
Information**

**Sales &  
Marketing**

**Staff  
Management**



# Procurement

採購

- ➡ **Solicit commissions for placing orders**
- ➡ **Tolerate substandard goods or services**
- ➡ **Appoint contractors or vendors who are relatives or friends**






# Sales & Marketing

- ➡ **Divert companies' business to competitors**
- ➡ **Show favour to particular clients  
e.g. offer special discounts**

# Handling of Confidential Information

- ➡ **Disclose tender/quotation prices**
- ➡ **Reveal customers' information to others**
- ➡ **Leak product designs**

# Staff Management

-  **Show favour in appointments, promotions and transfers**
-  **Turn a blind eye on poor performance**
-  **Bias in deployment of work**

# Think about it . . .

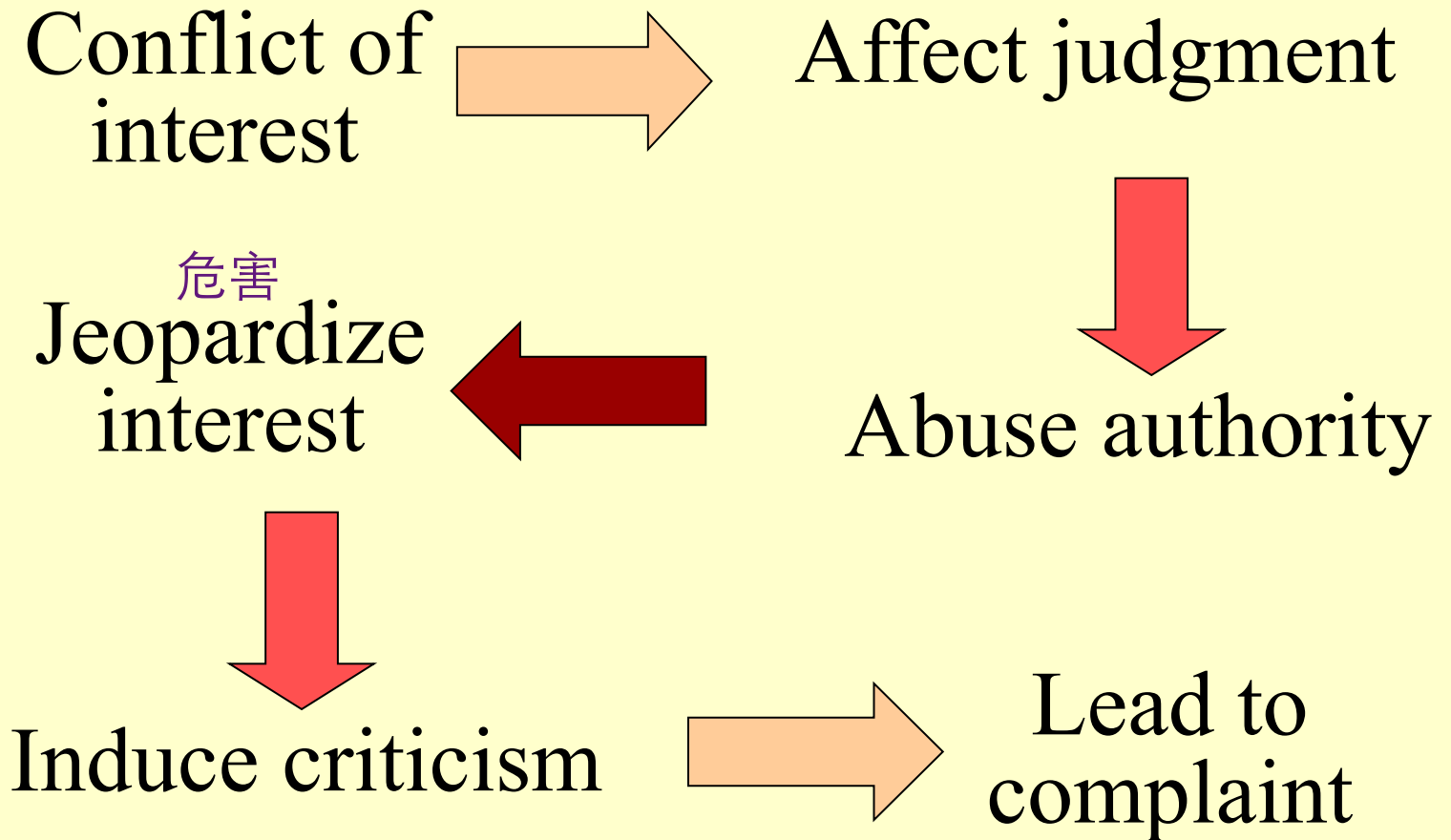
- **Disclose company's new product design to a friend who works in a rival company**
- **Frequently accept contractors' invitations to dinner**
- **Receive \$1,000 lai see from a contractor at your birthday**

# What is Conflict of Interest?

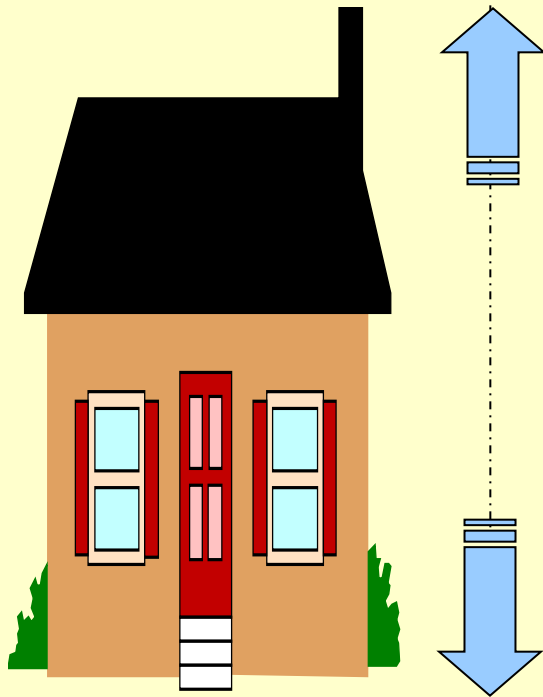
- ➡ A situation in which a staff member's personal interests interfere with the proper discharge of his official duties
- ➡ Actions or decisions of a staff member are influenced by his personal interests



# Consequences



# Ethics – 1st line of defence against corruption



Ethics principles

Professional / Company's  
Code of Conduct

Law

# Professional Code of Conduct

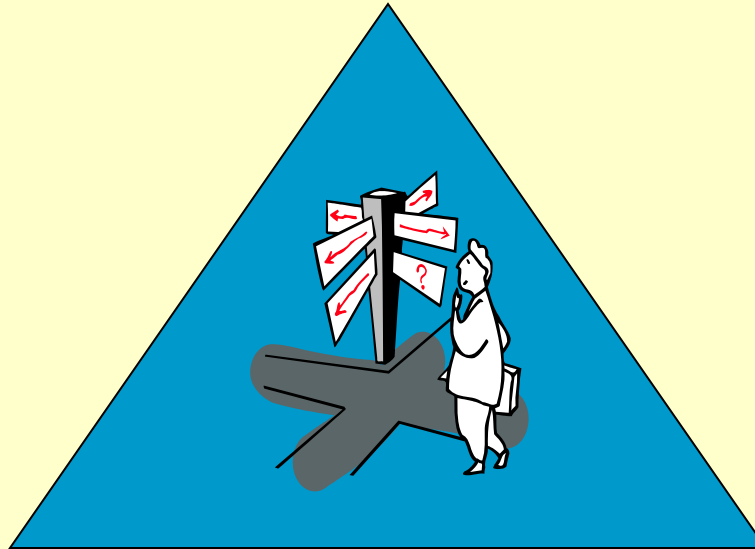
- ➡ Discharge professional responsibilities with dignity, fairness and integrity
- ➡ Give opinions that are to the best of your ability, objective, reliable and honest
- ➡ Avoid any conflict on interest
- ➡ Safeguard confidential information



# How to Tackle Ethical Challenges?

## Three-Dimensional Approach

### Sunshine Test



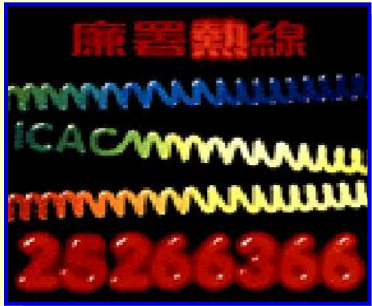
Ethics Principles/  
Self Values

Legal/Professional/  
Company Requirements

# Reports



ICAC Report Centre



25 266 366 (24 hrs)



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