Professional Integrity to Testing & Certification Practitioners

Integrity Training for PCSTP Candidates

Hong Kong Ethics Development Centre
Independent Commission Against Corruption
Competence Requirement

**Integrity Management**

- Prevention of Bribery Ordinance
  - Corruption
  - Acceptance of Advantage
- Confidentiality and Proprietary Right
- Outside Employment
- Use of Company Assets
- Conflict of Interest
- PCSTP01 “Regulations – Professional Certification Scheme of Testing Personnel”
  - Code of Ethics
Content

• Legal Control over Bribery:
  – Prevention of Bribery Ordinance

• Administrative Control over Malpractice:
  – HKTIC’s Regulations and Code of Ethics

• Ethical Decision Making
Legal Control over Bribery

Prevention of Bribery Ordinance (PBO)

• Ensure fair-play
• Protect interest of stakeholders
• Prevent breach of trust between agent and principal
• Both the offeror and acceptor of a bribe are guilty
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
Common Integrity Pitfalls in Testing and Certification Industry

• Acceptance of advantage
  - Fabricate test results / forge test reports
  - Meddle with samples
  - Expedite testing and certification process
  - Subcontract testing and certification services
  - Procurement

• Offer of advantage
  - Obtain business
  - Guarantee a passing accreditation / certification result
Common Integrity Pitfalls in Testing and Certification Industry

• Other areas of concern:
  - Entertainment
  - Confidentiality and proprietary rights
  - Use of company assets
  - Conflict of interest
  - False claim of reimbursement
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
What is the lower monetary limit of “advantage” in the legal definition under PBO?

A. No monetary limit  
B. $200 and above  
C. $500 and above  
D. $1000 and above
Section 2 of PBO - 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
Section 2 of PBO - Entertainment

• Food or drink for immediate consumption on any occasion

• Also includes other entertainment connected with the occasion
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
Professional Integrity

Professional Integrity
(Highest requirement)

Law
(Minimum requirement)
Certified testing personnel shall at all times maintain his conduct as to uphold the dignity and reputation of the Scheme and act with fairness and integrity towards all the people with whom his work is connected and towards other members.
Administrative Control over Malpractices

Code of Ethics of HKTIC

Certified testing personnel shall:

• 9.4 (b) avoid real or perceived conflict of interest
• 9.4(d) not divulge information provided to him / her in confidence
• 9.4 (e) reject bribery in the conduct of their professional responsibilities
• 9.4(f) report immediately … any attempt to pressurize or force … to violate code of ethics
Certified testing personnel shall … report immediately any corrupt practice to the ICAC (or similar authority or the police when outside the jurisdiction of the HKSAR).
Administrative Control over Malpractices

- HKAS Accreditation Criteria
- International Standards, e.g. ISO 17025 / 17021
- Company Code of Conduct
Ethical Decision Making

- Legal Test
- Compliance Test
- Sunshine Test
“Sunshine Test”

Disclose decisions openly without misgivings?
Hong Kong Ethics Development Centre: Professionals’ Partner

Address: ICAC Building, 303 Java Road, North Point
Hotline: 2587-9812
Website: www.hkedc.icac.hk
E-mail: hkedc@crd.icac.org.hk
Corruption Prevention Guide

Report Corruption

Report Centre/
7 Regional Offices

GPO Box 1000

24-hr Report Hotline
25-266-366
THANK YOU!