

Integrity - Our Winning Edge

CORRUPTION PREVENTION

TIPS FOR AIRLINE INDUSTRY



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The tourism industry is one of the important pillars of Hong Kong's economy. To maintain the city's competitive edge as an international tourist destination, every practitioner should put customers first and serve them with sincerity. In addition to delivering high-quality services to enhance their travel experience, upholding professional integrity is essential for earning tourists' trust and confidence. This commitment ensures the healthy and sustainable development of the tourism industry and strengthens Hong Kong's position as a world-class premier destination.

To enhance the integrity of practitioners in the airline industry, this pamphlet uses simple and easy-to-understand scenarios to illustrate common corruption and malpractice pitfalls in the industry, anti-corruption laws and practical tips for preventing corruption. It aims to raise awareness of corruption risks and encourage practitioners to uphold integrity in their work, collectively safeguarding the good reputation of Hong Kong's tourism industry.



Sales and marketing

A manager of a forwarding company often offers goods samples to an airline sales staff for his help in allocating cargo space. Given a sudden increase in forwarding orders to Europe, the manager requests for the sales staff's "usual support" in allocating sufficient space. He also implies that he will properly reciprocate him with a 5% rebate on the freight charges.

✦ Smart tips

If an airline staff accepts advantages, whether in the form of goods samples or rebate, to assist in allocating cargo space without the company's permission, both the offeror and recipient of a bribe are guilty of an offence under the Prevention of Bribery Ordinance (POBO). Airline staff must adhere to the law and their company's code of conduct when accepting advantages in relation to their duties to avoid influencing their objectivity in discharging official duties and undermining fair play in the airline business.



Administration

Christmas is a peak season for travel, but an airline customer service officer would like to skip night duties. She therefore offers free concert tickets as Christmas gift to her supervisor as an inducement for the latter to show favour in preparing the duty roster.

✦ Smart tips

According to the POBO, any gift with value, including concert tickets, is regarded as an advantage. Although the ticket is a gift given to the supervisor during Christmas, it is not a defence in court. If an employee accepts gifts in relation to his official duty without the employer's approval, he would be liable under the POBO. When encountering any offering or solicitation of bribe, staff should report it to the ICAC immediately.

Procurement

An airline purchasing staff accepts illegal commission from a supplier of cleaning services as a reward for placing orders with the latter on behalf of the airline company and conniving at the deliberate exaggeration of the amount of service fee in the invoice.



✦ Smart tips

Purchasing staff should not disregard the interests of the airline company for personal gain. If a staff member accepts advantages from supplier for assisting in obtaining the orders and inflating the amount of the service fee in the invoice, he is liable for an offence under the POBO and conspiracy to defraud. Staff should adhere strictly to company guidelines and procedures during purchasing and tendering processes.

Staff travel benefits

A company proprietor, who frequently travels to source overseas products, asks her friend, a ground attendant, to nominate her as a travel companion to procure air tickets at a concessionary rate. In return, she promises to reward him with 30% of the price difference of the tickets.



✦ Smart tips

Airline staff should stand firm in resisting temptations. If an airline staff abuses his staff privilege without the employer's approval, he may violate the company policy. If acceptance of advantages is involved, both the offeror and recipient of a bribe are guilty of an offence under the POBO.

INTEGRITY QUIZ

1. If someone in your company has committed an act of corruption, you will:
A. turn a blind eye
B. gossip with your “buddies” in the company and secretly look for another job
C. report to your supervisor and the ICAC
2. You attended a client’s spring gathering on behalf of your company and won a \$5,000 cash coupon in a lucky draw. You will:
A. treat your colleagues to dinner
B. report the cash coupon to your company for disposal
C. keep the cash coupon for yourself
3. When asked to lie to the supervisor to cover up for your colleague, who left the office earlier in order to moonlight, you will:
A. hesitate to give a definite answer
B. agree to help
C. turn him down right away
4. You are responsible for receiving goods in your daily work. Recently, the supplier often treated you to dinner, and offered samples of goods and concert tickets, you will:
A. accept them happily because treating others and offering gifts are common social practices in the business world
B. handle the entertainment and gifts in accordance with your company’s code of conduct
C. join the feast since entertainment is not counted as an advantage, but reject the other gifts

Scores: 1. A(1) B(2) C(3) 2. A(2) B(3) C(1)
3. A(2) B(1) C(3) 4. A(1) B(3) C(2)

Quiz Results (Add up your scores for the four questions and see the following analysis)

12 marks	Based on the score you attain, you are a prudent and cautious person who is able to adhere to the professional code of conduct, legal requirements and company rules when making decisions. Keep this up and continue to put professional ethics into your daily practice.
9-11 marks	According to your score, you incline to judge from your intuition and your decisions can easily be influenced by others. You are advised to make reference to the relevant Ordinances and company code of conduct before taking any action.
4-8 marks	Your score reflects that you are vulnerable to temptation and will easily fall prey to the persuasion of those behaving unlawfully. You are strongly advised to revisit the related Ordinances and your company’s code of conduct immediately because you tend to focus too much on personal benefits and pay too little attention to the requirements of Ordinances and company rules. Beware not to breach the law inadvertently and clarify with your company or the ICAC if in doubt.

Model Answer: 1-C, 2-B, 3-C, 4-B

WHAT IS BRIBERY?

Section 9 of the Prevention of Bribery Ordinance (POBO)

- Any agent (e.g. employee of a airline staff)
- Without the principal’s approval (e.g. airline company)
- Solicits or accepts any advantage
- An act in relation to his principal’s affairs or business
- Both the offeror and recipient shall be guilty of the offence



Advantage

Includes, irrespective of the value, any gift, loan, fee, reward, commission, office, contract, service, favour and discharge of loan or liability, but does not include entertainment.



Entertainment

Refers to the provision of food or drink, for consumption on the occasion when it is provided, and of any other entertainment connected with, or provided at the same time.

Section 9(3) of the Prevention of Bribery Ordinance (POBO)

Any agent who, with intent to deceive his principal, uses false, erroneous or defective receipt, account or other document shall be guilty of an offence.



Penalty

The maximum penalty is a fine of HK\$500,000 and 7 years’ imprisonment.

Tips for being a professional and smart staff -

**BE
SMART**

Be alert to corruption risks

Enquire if in doubt

Say no to temptations

Must declare conflict of interest

Avoid over-socialisation with business associates

Report any suspected corruption

Total compliance with the law and company code of conduct

Adopt zero tolerance! Report corruption!

In Person: ICAC Report Centre (24-hour service); or any Regional Offices

By Phone: 25 266 366 (24-hour hotline)

By Mail: G.P.O. Box 1000, Hong Kong



Regional Offices