

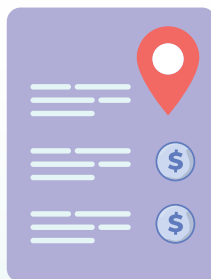
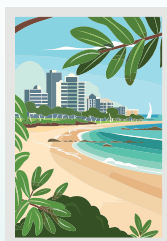
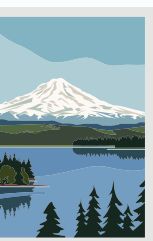
Integrity - Our Winning Edge
CORRUPTION PREVENTION

TIPS FOR
**TRAVEL
AGENT**

Integrity - Our Winning Edge

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 of travel agents, 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.

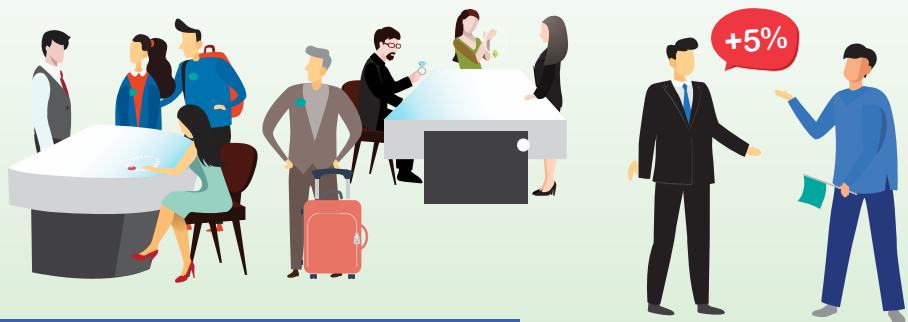


Accepting rebates from shops

In general, travel agents and retail shops have commission agreements based on tourists' purchases. According to the agreement between the travel agent and the jeweler, the jeweler is required to provide the travel agent with a 10% commission on sales revenue from inbound tour groups. However, in order to clear the slow-selling inventory, the jeweler privately offers the tourist guide an additional rebate of 5%, requesting him to proactively promote some high-priced but low-quality jewellery to the tourists.

★ Smart tips

Employees of travel agents who, without the travel agent's approval, privately accept rebates in relation to performing their duties, shall violate the Prevention of Bribery Ordinance (POBO). Employees should comply with the company's policies on the acceptance of advantages in relation to their business.



Recommending for shop registration

A handbag shop owner observes that numerous inbound tour groups frequently visit a nearby watch shop. Recognising tourists as big spenders, the shop owner is interested in tapping into this market. He privately approaches the tourist guide, offering a financial incentive to recommend his shop. The travel agent then applies for shop registration with the Travel Industry Authority to arrange inbound tour groups to patronise the shop.

★ Smart tips

When making recommendations, tour guides should consider factors such as product quality, pricing and services to ensure customer satisfaction and preserve the travel agent's reputation. If any acceptance of advantage is involved, regardless of the recommendation outcome, it would constitute a corruption offence. Besides, travel agents arranging inbound tourists to patronise non-registered shops would violate the "Directives for Licensees".

Staff management

As the Chinese New Year approaches, it is expected that the number of inbound tourists will increase significantly. In order to earn more income during this peak season, a tourist guide offers dried seafood to his supervisor as an inducement for the latter to arrange lucrative tour groups that can earn him more tips.

★ Smart tips

Although the gifts are given during a festive occasion, it is not a defence for offering bribes. If an employee accepts advantages to abuse his official capacity without the travel agent's approval, he would commit an offence under the POBO. Both the offeror and recipient of a bribe are guilty of an offence.



Offering discretionary discounts

During the summer vacation period, there is a high demand from customers for airline tickets, particularly promotional fares. Taking this opportunity, an employee in the ticketing department of a travel agent solicits advantages from customers as a condition for prioritising the sale of discounted tickets to them.

★ Smart tips

Employees of travel agents should handle customer requests impartially. If they accept advantages from a particular customer to provide preferential treatment or even deliberately manipulate computer records of customer bookings, it not only generates complaints from other customers but also violates the POBO.



INTEGRITY QUIZ

- If someone in your company has committed an act of corruption, you will:
 - turn a blind eye
 - gossip with your “buddies” in the company and secretly look for another job
 - report to your supervisor and the ICAC
- 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:
 - treat your colleagues to dinner
 - report the cash coupon to your company for disposal
 - keep the cash coupon for yourself
- When asked to lie to the supervisor to cover up for your colleague, who left the office earlier in order to moonlight, you will:
 - hesitate to give a definite answer
 - agree to help
 - turn him down right away
- You are responsible for guiding a tour group to a designated shop for shopping. The proprietor of the shop treated you to dinner, and offered samples of goods and concert tickets, you will:
 - accept them happily because treating others and offering gifts are common social practices in the business world
 - handle the entertainment and gifts in accordance with your company’s code of conduct
 - 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 travel agent)
- Without the principal’s approval (e.g. travel agent)
- 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