

## MESSAGE

Hong Kong went through one of its most difficult times in 1998. With the downturn of the economy, the community faced some unprecedented challenges. Corruption reports rose to a 25-year high. The “Quick Buck” syndrome seemed to grow in strength in some parts of the community. However, through our proactive strategy of detection, prevention and education, we were able to convince the community that the Independent Commission Against Corruption (ICAC) remained an effective anti-graft agency.

We do not take the community’s faith in the ICAC for granted. We understand that we have to continue to be responsive to the changing social and economic environment to instil public confidence. While Hong Kong is on the road to economic recovery, both the public and private sectors are still feeling the pressure of financial constraints. The ICAC has always been very careful in the deployment of resources, but the Enhanced Productivity Programme introduced by the Government last year means that we have to be even more critical in maximising our efficiency. To achieve this, on the detection front, we will improve our case management procedures. And on the prevention and education aspects, we will sharpen our target-oriented approach.

This booklet contains details of what we achieved last year and particulars of the initiatives we have put together for the coming year. I welcome your views and suggestions on how we can achieve the goals set out in the following pages. I firmly believe that it is through this partnership we have with the community that we make headway in reducing corruption.



(Alan N Lai)  
Commissioner,

Independent Commission Against Corruption

# FIGHTING CORRUPTION

Our Policy Objective is to pursue the corrupt through effective detection, investigation and prosecution, eliminate opportunities for corruption by introducing corruption resistant practices, educate the public on the evils of corruption and foster their support in fighting corruption.

Our targets this year in pursuing this Policy Objective are –

- to investigate all pursuable corruption complaints
- to seek out unreported corruption
- to make corruption a high risk crime
- to reduce corruption opportunities in public sector practices and procedures
- to enhance private sector corruption prevention awareness
- to promote intolerance of corruption in the community
- to maintain community confidence in and support for the Independent Commission Against Corruption (ICAC)

## Progress Made

The 1998 targets were the same as those set out above. In the year to June 1999, we received a total of 3 414 corruption reports, among which 2 428 were pursuable. Some 200 of these cases were generated through our proactive approach. During the same period, we completed investigation on 2 363 cases. The caseload as at 1 July 1999 was 1 571.

We carried out studies of the practices and procedures of government departments and public bodies to reduce opportunities for corruption. In selecting areas for examination, we gave priority to those organisations which were subjects of corruption complaints. We provided timely corruption prevention advice to government departments to ensure that the necessary safeguards would be incorporated into new policies or procedures before they took effect. We also produced Best Practice Packages on corruption-prone areas for distribution to private organisations.

On the education front, we stepped up the appeal for public support by organising seminars, conferences and publicity campaigns. Educational programmes for various sectors including government servants, private companies, professional groups, youths and new arrivals were launched.

In March 1999, we hosted an international conference on Fighting Corruption Into The 21<sup>st</sup> Century. All major world players in anti-corruption attended the event which underlined the importance of international co-operation.

Some indicators of our effectiveness can be found in the results of our 1999 annual survey. 83.4% of respondents indicated that they would not tolerate corruption and 71% said that the ICAC was effective. Nearly all surveyed (98.9%) considered the ICAC deserved their support.

# KEY RESULT AREAS (KRAs)

To ensure that this Policy Objective can be achieved, we must deliver results in a number of key areas, that is, we must –

<b>1</b>	<b>Seek out and eradicate corruption through professional and effective investigation</b>	<b>Page 4</b>
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# 1

## Seek out and eradicate corruption through professional and effective investigation

Corruption, by its very nature, is an insidious and secretive crime. The parties to a corrupt deed are invariably “satisfied customers”, each securing what he/she requires from the transaction. For this reason, corruption is notoriously difficult to investigate. Moreover, although corruption corrodes the very fabric of society, the victim is not always easy to identify, and thus its occurrence often goes unreported. We have therefore developed over the last few years a pro-active strategy to combat corruption and related crime where conventional methods have failed.

The growing complexity and sophistication in commerce, aided by rapid advances in information technology, has rendered our investigation work ever more difficult. In order to maintain our effectiveness, we must continue to keep pace with this changing environment. This, in turn, means that we need to ensure that our investigators receive the very best available training in professional skills and core competencies.

We are conscious of our obligations to the community in more routine respects. For the majority of members of the public who make a corruption report to the Independent Commission Against Corruption (ICAC), this will be their first contact with the Commission and its work. We understand that such an experience can be bewildering and, perhaps, unsettling. For this reason, we are committed to providing a customer service aimed at easing their anxieties and doubts, and at causing them as little inconvenience as possible during their dealings with us.

### Progress Made

For our baseline activities in the past 12 months, we aimed to increase our operational effectiveness by enhancing the level and intensity of professional training of our investigative workforce, and by stepping up liaison and co-operation between the ICAC and other local and overseas law enforcement agencies.

Progress in the past year was substantial. Induction training was provided for 62 newly-recruited investigators. 45 in-house and overseas training courses, seminars and workshops were organised for investigators in a variety of professional skills, including criminal law, interview technique development, undercover operations, witness protection, computer forensics and financial investigation. 67 courses in management and leadership were provided to officers with supervisory responsibility. We have also enhanced the ICAC Chief Investigator’s Command Course by incorporating certain modules run by Leicester University in the United Kingdom.

In addition to direct working contact, we have strengthened our liaison with law enforcement agencies in Hong Kong, the Mainland and overseas through the production and circulation of a quarterly Regional Anti-corruption Newsletter to 52 agencies in 39 different jurisdictions.

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative *	Target #	Present Position +
To develop professional capability to investigate complex financial aspects of corruption and related crime by setting up a Financial Investigation Section <i>(Operations Department, Independent Commission Against Corruption (Op D, ICAC))</i>	To establish the Section in the first quarter of 1999-2000 <i>(1998)</i>	The Section was established in December 1998. <i>(Action Completed)</i>
To develop professional capability to investigate corruption involving advanced IT by establishing a Computer Forensic and IT Research Section <i>(Op D, ICAC)</i>	To establish the Section in the first quarter of 1999-2000 <i>(1998)</i>	The Section was established in April 1999. <i>(Action Completed)</i>

## Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

Indicator	1999 Target
The percentage of complainants making pursuable corruption reports contacted for interview within 48 hours	100% of complainants making pursuable corruption reports contacted for interview within 48 hours
The percentage of complainants making non-corruption reports contacted within two working days	100% of complainants making non-corruption reports contacted within two working days

\* the bracketed information denotes the agency with lead responsibility for the initiative

# the bracketed information denotes the year in which the target was set

+ the bracketed information denotes the status of the target

Indicator	1999 Target
The percentage of pursuable corruption investigations completed within 12 months	90% of pursuable corruption investigations completed within 12 months

We will undertake the following initiatives to deliver results in this area –

Initiative	1999 Target
To enhance our case management capability through a comprehensive review of case preparation and prosecution, with a view to identifying opportunities and strategies <i>(Op D, ICAC)</i>	<ul style="list-style-type: none"> <li>● To conduct a research project aimed at establishing in 2000-2001, a standardised system for the collation and preparation of evidence, with a capability for electronic processing of documentary exhibits</li> <li>● To formalise procedures for the assessment and disclosure of relevant “unused material” and to set guidelines in 2000-2001</li> </ul>
To promote operational efficiency by upgrading IT facilities for investigation <i>(Op D, ICAC)</i>	<ul style="list-style-type: none"> <li>● To replace existing database operations with a new, user friendly system by June 2000</li> <li>● To have all new IT applications including case tracking system, electronic reference library, and form filling system in place by 2000-2001</li> <li>● To provide a computer workstation to each officer engaged in day-to-day investigation of corruption reports by 2000-2001</li> </ul>
To improve career development of new recruits through the setting up of a “mentor system” <i>(Op D, ICAC)</i>	To implement a pilot scheme in 2000 in order to achieve full implementation by 2001
To upgrade customer service for victims of corruption and ICAC witnesses by ensuring that customers receive relevant information and support throughout the course of investigation and thorough familiarisation with court procedures prior to their giving evidence <i>(Op D, ICAC)</i>	To commence review of procedures in late 1999 with a view to introducing improved service in 2000-2001

## 2

### Educate the public on the anti-corruption legislation and the consequences of corruption, as well as enlist public support

The success of the Independent Commission Against Corruption (ICAC) hinges on public support. The public's readiness to help eradicate corruption through abiding by the law and reporting corruption-related crime makes a big difference to our work. Therefore, it is essential that the community is fully alert to the consequences of corruption. We have designed a comprehensive educational and publicity plan to enhance public knowledge of the evils of corruption. It comprises television shows, radio programmes and advertisements, as well as intensive, direct contacts with members of the public. Through this educational and publicity plan, we hope that the public will learn more about the anti-corruption laws and understand better the importance of our work.

Young people are our future. Therefore it is of paramount importance that the message about corruption should reach them. To achieve this, we continue to arouse young people's awareness of the corruption problem and motivate them to play an active role in the fight against corruption through school talks and activities. We encourage teachers to use teaching aids provided by the ICAC to reinforce our messages. At the district level, our regional offices co-organise youth projects with related bodies to further promote positive values among youngsters.

To maintain our prominence in the districts and provide a forum for enlisting community support, we conduct intensive liaison activities with district organisations and personalities. Besides co-organising anti-corruption programmes with them, we also launch different district projects aiming at enhancing the knowledge of selected targets on the anti-corruption work of the ICAC. Meet-the-public sessions, preventive education briefings for new arrivals and building management corruption prevention seminars for office bearers of Owners' Corporations are organised at our regional offices on a regular basis. These projects also enhance the transparency of the ICAC.

A clean and fair electoral system is important to Hong Kong. We organise briefing sessions for candidates and their agents as well as helpers before and during each election. In partnership with the Registration and Electoral Office, we also launch a series of activities to promote clean elections.

### Progress Made

In the past 12 months, we continued to publicise the anti-corruption messages and deepen community support through intensive contact with different strata of the community. We also continued to keep corruption issues in the public eye through extensive use of the mass media.



Progress over the year was satisfactory. A total of 266 000 people were reached through 8 600 liaison activities. The majority of the participants (around 70%) found the activities relevant to them and useful in enhancing their understanding of anti-corruption legislation. Additionally, we sent our messages to about 1 800 000 people through 250 special projects. These projects included a joint territory-wide youth programme with a number of related organisations and a “Support Clean Elections” educational programme for the first Legislative Council elections of the Hong Kong Special Administrative Region.

The 1998 ICAC Drama Series broadcast on TVB from 25 October to 29 November 1998 reached an average of 1 300 000 viewers per episode. The five-minute spot series broadcast from 3 December 1998 to 4 March 1999 to educate young people on how to handle ethical dilemmas also attracted an average viewership of 1 041 990 per episode.

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
<p>To provide input into the formulation of a policy aimed at fortifying young people’s positive values <i>(Community Relations Department, Independent Commission Against Corruption (CRD, ICAC))</i></p>	<p>To participate in joint meetings of the Board of Education, the Commission on Youth, the Committee on the Promotion of Civic Education and the Social Welfare Advisory Committee with a view to working out a co-ordinated and integrated youth policy <i>(1998)</i></p>	<p>An integrated youth policy was drawn up and implemented in 1998-1999. A territory-wide youth project was organised, reaching 680 000 young people. <i>(Action Completed)</i></p>
<p>To launch a multi-media programme for young people through –</p> <ul style="list-style-type: none"> <li>● interactive computer games on anti-corruption; and</li> <li>● a cartoon series on positive values <i>(CRD, ICAC)</i></li> </ul>	<p>To launch the programme in 1999 <i>(1998)</i></p>	<ul style="list-style-type: none"> <li>● The games were launched in the 1999-2000 School Year.</li> <li>● The TV cartoon series was broadcast on TVB Jade in August 1999. <i>(Action Completed)</i></li> </ul>

Initiative	Target	Present Position
<p>To launch a radio phone-in programme to explain to new arrivals the anti-corruption legislation in relation to their daily lives and to produce a moral education package for young new immigrants at school</p> <p><i>(CRD, ICAC)</i></p>	<p>To launch the programme and the education package in 1999</p> <p><i>(1998)</i></p>	<p>A radio phone-in programme for new arrivals was co-organised with the RTHK Putonghua channel in August 1999. A package for young new arrivals had been produced and was put on loan to schools and voluntary agencies in early May 1999.</p> <p><i>(Action Completed)</i></p>
<p>To intensify liaison with various sectors of the community through organising inter-district activities and seminars for community leaders</p> <p><i>(CRD, ICAC)</i></p>	<p>To hold four inter-district seminars and four inter-district activities in 1999-2000</p> <p><i>(1998)</i></p>	<ul style="list-style-type: none"> <li>● Four inter-district seminars on corruption prevention in building management for Owners' Corporations were held between June and July 1999.</li> <li>● Four inter-district activities will be organised for community leaders later in 1999-2000.</li> </ul> <p><i>(Action in Progress: On Schedule)</i></p>
<p>Upon the implementation of the Building Safety Inspection Scheme, to encourage Owners' Corporations of private buildings to make use of our corruption prevention services on building management</p> <p><i>(CRD, ICAC)</i></p>	<ul style="list-style-type: none"> <li>● To provide anti-corruption advice to 200 Owners' Corporations in 1999-2000</li> <li><i>(1998)</i></li> <li>● To hold 50 training seminars in 1999-2000</li> <li><i>(1998)</i></li> </ul>	<ul style="list-style-type: none"> <li>● Notwithstanding the delay in implementing the Building Safety Inspection Scheme, CRD has been actively promoting clean building management jointly with Home Affairs Department. CRD has also produced a checklist for Owners' Corporations to help them minimise corruption opportunities when carrying out repair and renovation work.</li> </ul> <p><i>(Action in Progress: Under Review)</i></p> <ul style="list-style-type: none"> <li>● 38 training seminars on corruption prevention in building management for Owners' Corporations were held by end September 1999.</li> </ul> <p><i>(Action in Progress: On Schedule)</i></p>

Initiative	Target	Present Position
<p>To publicise the evils of corruption through a multi-media programme (CRD, ICAC)</p>	<p>To launch the multi-media programme in 1998-1999 (1997)</p>	<p>The ICAC drama series “ICAC Investigators 1998” was launched in November 1998. A TV spot series for young people was broadcast from December 1998 to March 1999. A radio drama series was broadcast in Commercial Radio 1 in March 1999. The 1994-1996 ICAC drama series was re-run on Star TV in June 1998. In addition, three new advertising packages were broadcast in 1998-1999.  (Action Completed)</p>
<p>To review our strategy for cultivating positive values amongst young people (CRD, ICAC)</p>	<p>To complete the review by 1998-1999 (1997)</p>	<p>The review was completed in December 1998. We have reviewed our strategy and will henceforth work more closely with schools, youth organisations, media and government departments in promoting positive values amongst young people.  (Action Completed)</p>
<p>To step up in 1998-1999 preventive education for recent immigrants from the Mainland through face to face contact and suitable publicity programmes (CRD, ICAC)</p>	<p>To incorporate ICAC sessions into programmes organised by government and non-government organisations for new arrivals, initiate special activities and produce a radio programme for new arrivals in 1998-1999 (1997)</p>	<p>We have taken part in over 400 talks organised by government departments and non-government organisations. 17 special activities, two radio programmes and one newspaper project have also been launched.  (Action Completed)</p>

Initiative	Target	Present Position
To work more closely with the news media in 1998-1999 to enhance public understanding of our objectives and work methods (CRD, ICAC)	To arrange press interviews, issue press releases, and arrange other special features for local dailies and produce a number of short programmes for television and radio on the work of the ICAC in 1998-1999 (1997)	We arranged five newspaper series to tie in with various ICAC educational initiatives and over 80 press interviews to publicise selected aspects of ICAC work. We issued 400 press releases. A TV special on ICAC's 25th Anniversary and an ICAC documentary were telecast on TVB Jade and Star TV respectively. Two short radio programmes were also broadcast in 1998-1999. (Action Completed)
To further enhance our presence in the community by stepping up liaison with district organisations (CRD, ICAC)	To organise 18 joint projects with Provisional District Boards and 48 Meet-the-Public Sessions in 1998-1999 (1997)	We organised the 18 joint projects with Provisional District Boards as scheduled. We also organised 51 Meet-the-Public Sessions in 1998-1999. (Action Completed)
To encourage selected business organisations, public bodies and youth groups to play a more active role in preventing corruption (CRD, ICAC)	To approach selected business organisations, public bodies and youth groups in 1998-1999 (1997)	With our assistance, over 90 organisations have organised programmes to publicise ICAC messages in 1998-1999. (Action Completed)

## Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

Indicator	1999 Target
The number of people who attend liaison activities and projects on anti-corruption measures	420 000 people attending liaison activities and projects on anti-corruption measures
The percentage of people having a better understanding of anti-corruption legislation after training or direct contact	70% of people having a better understanding of anti-corruption legislation after training or direct contact

Indicator	1999 Target
Percentage share of audience watching Chinese channels	<ul style="list-style-type: none"> <li>● 70% share of audience watching our TV drama series</li> <li>● 75% share of audience watching our TV spot series</li> </ul>

We will undertake the following initiatives to deliver results in this area –

Initiative	1999 Target
To enhance our efforts in educating the younger generation <i>(CRD, ICAC)</i>	<ul style="list-style-type: none"> <li>● To launch a Youth Homepage by April 2000</li> <li>● To organise a youth conference in 2000</li> </ul>
To promote a clean election culture in partnership with the Registration and Electoral Office <i>(CRD, ICAC)</i>	<ul style="list-style-type: none"> <li>● To organise five regional briefing sessions on the new Elections (Corrupt and Illegal Conduct) Ordinance in 2000</li> <li>● To launch a TV spot series in 2000</li> </ul>

# 3

## Promote the integrity of the civil service and of public sector practices and procedures

A clean public sector is important to maintaining Hong Kong's stability. To prevent corruption in the public sector, we examine areas of work in government departments and public bodies which are likely to be corruption-prone. We conduct studies, make recommendations on preventive measures, and follow up with monitoring reviews. Through consultation, we also provide timely corruption prevention advice to government departments and public bodies in the formulation of new initiatives, policies and procedures. This process helps the institutions concerned to incorporate preventive measures before a new policy or system is launched.

A clean and honest civil service is important to Hong Kong's success. To heighten civil servants' sensitivity to the dangers of corruption and remind them of their role in fighting corruption, corruption prevention training is regularly provided to government staff, especially new recruits or those who work in areas which are susceptible to corruption. In planning our corruption prevention strategy for civil servants, we always take into account significant changes and new initiatives in government departments so as to ensure timely corruption prevention training and advice are provided to government staff.

Another target of our educational effort is public bodies. Training sessions on corruption prevention are regularly featured in the induction and refresher courses for staff of public bodies.

### Progress Made

In the past 12 months, we continued to commit much of our corruption preventive educational efforts to the public sector. The progress was satisfactory. Training seminars were delivered to some 26 000 civil servants from 49 government departments. At the same time, we provided similar training to 8 000 employees in public bodies.

To further promote civil service integrity, we launched the first phase of our Civil Service Integrity Programme together with the Civil Service Bureau. This included visiting 20 departments and in-depth discussion with department heads to map out a tailor-made programme for each department. Response to the visits was positive and follow-up activities would be conducted with the full support of these departments.

In the past year, Corruption Prevention Department (CPD) completed 103 assignment studies on government departments and public bodies. In addition, we gave advice to government departments and public bodies through consultation, on no less than 230 occasions.

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
To help the Civil Service Bureau (CSB) to review existing regulations and guidelines governing civil service integrity <i>(Corruption Prevention Department, Independent Commission Against Corruption (CPD, ICAC))</i>	To complete a review of the guidelines by the end of 1999 <i>(1998)</i>	We have reviewed Civil Service regulations and guidelines governing declaration of conflict of interest, acceptance of advantages and management of staff indebtedness and provided advice to CSB. <i>(Action Completed)</i>
Together with the CSB, to conduct preventive education programmes for civil servants <i>(Community Relations Department (CRD), ICAC)</i>	<ul style="list-style-type: none"> <li>● To approach 20 government departments in 1999-2000</li> <li>● To conduct 300 training seminars in 1999-2000 <i>(1998)</i></li> </ul>	<ul style="list-style-type: none"> <li>● Visits to government departments were completed in July 1999. Follow-up work is in train. Examples on conflict of interest situations and corruption-prone areas for individual departments are being worked out for inclusion in their codes of conduct.</li> <li>● More than 200 training seminars had been conducted for various government departments by end-September 1999. <i>(Action in Progress: On Schedule)</i></li> </ul>
To assist government departments and public bodies in the effective implementation of corruption prevention recommendations <i>(CPD, ICAC)</i>	To implement successfully 80% of the recommendations within 12 months <i>(1998)</i>	As at 30 September 1999, 90% of agreed recommendations had been successfully implemented within 12 months. <i>(Action Completed)</i>
To give priority to the examination of procedures in the public sector relating to building construction <i>(CPD, ICAC)</i>	To conduct eight studies in 1999 <i>(1998)</i>	All eight studies have been completed. <i>(Action Completed)</i>

Initiative	Target	Present Position
To give priority to the examination of procedures relating to the management of the new Airport and the related passenger and cargo clearing procedures (CPD, ICAC)	To conduct five studies in 1999 (1998)	All five studies have been completed. (Action Completed)
To produce and promote a corruption prevention guide for public bodies (CRD, ICAC)	To issue the guide to 5 000 public servants at managerial level by March 2000 (1998)	Copywriting is in progress. (Action in Progress: On Schedule)

## Looking Forward

In the next 12 months, we will assess our performance against the following indicators –

Initiative	1999 Target
The number of assignment reports completed	To complete 105 assignment reports
The number of occasions on which advice is given to government departments and public bodies through consultation	240 occasions on which advice is given to government departments and public bodies through consultation
The percentage of agreed corruption prevention recommendations implemented in government departments and public bodies within 12 months	80% of agreed corruption prevention recommendations implemented in government departments and public bodies within 12 months
The number of government departments and public bodies arranging ICAC training seminars	90 government departments and public bodies arranging ICAC training seminars
The number of civil servants who have attended ICAC training seminars	25 000 civil servants attending ICAC training seminars
The number of public body employees who have attended ICAC training seminars	8 500 public body employees attending ICAC training seminars



We will undertake the following initiatives to deliver results in this area –

Initiative	1999 Target
<p>To conduct jointly with CSB the second phase of the Civil Service Integrity Programme <i>(CRD, ICAC)</i></p>	<ul style="list-style-type: none"> <li>● To approach the remaining 46 government departments in 2000-2001</li> <li>● To conduct 200 training seminars in 2000-2001</li> </ul>
<p>To assist CSB to build in corruption prevention safeguards in the new staff management systems arising from the Civil Service Reform <i>(CPD, ICAC)</i></p>	<p>To provide prompt corruption prevention input in the formulation of the new management systems</p>
<p>To provide advice and training to Housing Department (HD) staff to tie in with the restructuring of estate management functions <i>(CPD and CRD, ICAC)</i></p>	<ul style="list-style-type: none"> <li>● To provide prompt advice to HD in the drawing up of guidelines for its staff to avoid conflict of interest and minimise opportunities for corruption in the appointment of private management agents</li> <li>● To conduct 50 training sessions for staff responsible for estate management duties</li> </ul>
<p>To give priority to the examination of the procedures of the two new departments to be formed after the re-organisation of the administration of the municipal services <i>(CPD, ICAC)</i></p>	<p>To complete four studies on licensing and enforcement systems, and the procedures relating to the provision of cultural and leisure services within 12 months after re-organisation has taken place</p>
<p>To assist statutory boards and councils receiving sizeable public funds to devise a set of guidelines for fund disbursement and alert their members to these provisions <i>(CPD and CRD, ICAC)</i></p>	<ul style="list-style-type: none"> <li>● To draw up best practice guidelines on fund disbursement by April 2000</li> <li>● To conduct four seminars to promote these guidelines to the boards and councils concerned</li> </ul>

# 4

## Promote best practices, high ethical standards and fairness in the private sector

To maintain Hong Kong's competitiveness as an international business centre and to preserve a level playing field, a high standard of business ethics is important. We encourage and help private organisations to put in place internal controls and safeguards against corruption and malpractice. The Advisory Services Group of the Corruption Prevention Department provides tailor-made corruption prevention advice to private companies. The Group also compiles Best Practice Packages for easy reference by private companies.

Staff of our eight regional offices visit business enterprises regularly to market our services and encourage their management to take positive action in corruption prevention. We provide training for staff of different ranks to hammer home our anti-corruption messages and promote ethics. We also keep close contact with related professional bodies as well as trade associations and organise conferences for their members and business executives in related fields. In parallel, the Hong Kong Ethics Development Centre, set up with the support of leading chambers of commerce and professional bodies to promote business ethics on a long-term basis, will continue to provide corruption prevention services to businessmen through newsletters, training videos, courses and tailor-made packages.

### Progress Made

In the past 12 months, we aimed at promoting ethics in the private sector and encouraging small and medium size enterprises to prevent corruption from taking root in their organisations. Progress was satisfactory. During the year, about 350 business organisations lent their support to the Independent Commission Against Corruption (ICAC) in conducting training seminars for their staff and 33 000 private sector employees were reached. We also successfully approached 1 320 small and medium size enterprises to alert them to the consequences of corruption and the importance of taking positive action to prevent corruption.

Apart from training seminars, we launched 11 special programmes for the business sector. These included a seminar on business ethics for the management staff of Mainland-funded companies in conjunction with the Hong Kong Chinese Enterprises Association and a joint seminar for engineers with the Hong Kong Institution of Engineers.

With regard to private sector companies seeking corruption prevention advice on their systems and operations, we responded on some 240 occasions in the past year, all within two working days as pledged. So far we have compiled 15 Best Practice Packages.

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
<p>To offer corruption prevention services to companies and organisations which have been a victim of corruption</p> <p><i>(Corruption Prevention Department, Independent Commission Against Corruption (CPD, ICAC))</i></p>	<p>To offer such services to all companies and organisations which have suffered corruption</p> <p><i>(1998)</i></p>	<p>We have set up a system whereby every investigated complaint involving the private sector is evaluated by CPD. Where there is indication that a company or organisation has been a victim of corruption, we will approach it and offer our corruption prevention service.</p> <p><i>(Action Completed)</i></p>
<p>To approach telecommunication companies to offer our advice on safeguards against abuse of customers' personal data and to alert them to the provisions of anti-corruption laws</p> <p><i>(CPD and Community Relations Department (CRD), ICAC)</i></p>	<ul style="list-style-type: none"> <li>● To offer advice and training to all companies providing fixed-line and mobile telephone services in 1999</li> <li><i>(1998)</i></li> <li>● To conduct 50 training seminars in 1999-2000</li> <li><i>(1998)</i></li> </ul>	<ul style="list-style-type: none"> <li>● We have approached and presented ICAC's services to all companies providing fixed-line and mobile telephone services in Hong Kong. They have also been given guidelines on the protection of customer data.</li> <li><i>(Action Completed)</i></li> <li>● So far 45 seminars have been conducted for some 950 managers and staff.</li> <li><i>(Action in Progress: On Schedule)</i></li> </ul>
<p>To offer building professionals and construction contractors advisory services and training to enhance their understanding of the anti-corruption laws</p> <p><i>(CPD and CRD, ICAC)</i></p>	<ul style="list-style-type: none"> <li>● To approach 1 000 companies to offer advisory and training services in 1999-2000</li> <li>● To conduct 200 training seminars in 1999-2000</li> <li><i>(1998)</i></li> </ul>	<ul style="list-style-type: none"> <li>● We have approached 1 000 companies.</li> <li>● We have conducted 220 seminars.</li> <li><i>(Action Completed)</i></li> </ul>
<p>To conduct a survey on the views of businessmen on the standard of business ethics in Hong Kong</p> <p><i>(CRD, ICAC)</i></p>	<p>To complete the survey in 1999</p> <p><i>(1998)</i></p>	<p>Fieldwork of the survey is in the pipeline.</p> <p><i>(Action in Progress: On Schedule)</i></p>

Initiative	Target	Present Position
<p>To organise a conference on business ethics to promote fairness and high ethical standards in the Asia Pacific Region <i>(CRD, ICAC)</i></p>	<p>To organise the conference in 2000 <i>(1998)</i></p>	<p>The conference is tentatively scheduled for March 2000. Preparation work is underway. <i>(Action in Progress: On Schedule)</i></p>
<p>To enhance the understanding of those business organisations newly established in Hong Kong of the anti-corruption laws and the objectives of the ICAC <i>(CRD, ICAC)</i></p>	<p>To approach in 1998-1999 those business organisations newly established in Hong Kong <i>(1997)</i></p>	<p>Publicity material on ICAC services has been included in the Industry Department's Business Licence Information Centre and the Hong Kong Trade Development Council Business Library. Ten major foreign chambers of commerce have publicised ICAC services to their 7 000 members. In addition, 170 talks have been conducted for 5 400 staff members recently posted to 128 major Mainland-funded companies. <i>(Action Completed)</i></p>
<p>To promote corruption prevention awareness in the financial sector in 1998-1999 with the support of professional associations and regulatory bodies <i>(CRD, ICAC)</i></p>	<p>To conduct a seminar for banking sector and a conference for the securities, futures and investments sectors <i>(1997)</i></p>	<p>We have conducted three seminars for 330 internal auditors and security officers from 140 banks. We have also jointly organised a conference with ten organisations in the securities, futures and investments sectors, including regulators and trade/professional associations, reaching 179 senior managers from over 80 companies. <i>(Action Completed)</i></p>

Initiative	Target	Present Position
To encourage through visits and seminars, small and medium size businesses to make use of our corruption prevention advisory service <i>(CRD, ICAC)</i>	To contact in 1998-1999 1 000 small and medium size businesses <i>(1997)</i>	We have contacted 1 200 small and medium size businesses to promote our corruption prevention advisory service. We have also conducted four workshops and eight seminars with the Hong Kong Productivity Council, the Hong Kong Trade Development Council, the Hong Kong Vocational Training Council and the Chinese Manufacturers' Association of Hong Kong, reaching more than 350 small and medium size entrepreneurs.  <i>(Action Completed)</i>

## Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

Indicator	1999 Target
The number of occasions on which private sector organisations are given corruption prevention advice	240 occasions on which private sector organisations are given corruption prevention advice
The response time to private sector requests for advice	To respond to private sector requests for advice within two working days
The percentage of organisations which have been a victim of corruption offered corruption prevention service	100% of organisations which have been a victim of corruption offered corruption prevention service
The number of private sector organisations arranging ICAC training seminars	400 private sector organisations arranging ICAC training seminars
The number of private sector employers/employees who have attended training seminars	35 000 private sector employers/employees attending training seminars

We will undertake the following initiatives to deliver results in this area –

Initiative	1999 Target
<p>To promote anti-corruption efforts in small and medium size enterprises by producing a TV spot series <i>(CRD, ICAC)</i></p>	<p>To launch the TV spot series in 2000</p>
<p>Together with the Education Department, to promote corruption prevention practices in all aided schools and school management committees in the light of the implementation of the School Based Management Initiatives (under which schools will assume more management responsibilities)  <i>(CPD and CRD, ICAC)</i></p>	<p>To approach 500 schools in 2000-2001</p>
<p>To encourage service providers of the Mandatory Provident Fund Scheme to develop codes of conduct and strengthen their internal controls in the management and custody of funds  <i>(CPD and CRD, ICAC)</i></p>	<ul style="list-style-type: none"> <li>● To offer advisory service to all registered service providers</li> <li>● To conduct 50 training seminars for employees of service providers</li> </ul>
<p>To provide corruption prevention advice and training to Owners' Corporations formed in former public housing estates arising from the implementation of the Tenant Purchase Scheme  <i>(CPD and CRD, ICAC)</i></p>	<p>To approach all such Owners' Corporations</p>