October 9, 2006

ICAC Response Statement

In response to press enquiries about the results of a survey released by Control Risks Group, an ICAC spokesman today made the following statement:

"We note that the sample size of this survey is relatively small while the results in regard to Hong Kong's perceived corruption situation are inconsistent with a number of other authoritative regional and international surveys which found Hong Kong has a clean and fair business environment.

For example, in the World Economic Forum's Global Competitiveness Report 2006, among the 11,000 business executives surveyed, a vast majority did not consider corruption a problematic factor for doing business in Hong Kong.

The Corruption Perceptions Index (CPI), released by the Berlin-based Transparency International (TI) on October 18, 2005, ranked Hong Kong as the **15**th least corrupt place among **159** places surveyed. In this Index, 12 regional and international surveys were used to assess Hong Kong's perceived corruption situation.

Meanwhile, the ICAC Annual Survey 2005 also found that about 95% of the over 1,500 respondents said they had not come across corruption in the past 12 months.

Hong Kong has very strong anti-corruption laws covering bribery in the public and private sectors, which have been vigorously and effectively enforced by the anti-corruption agency.

According to ICAC intelligence, there is no sign showing corruption of a serious scale in both the public and private sectors. We will continue to closely monitor the situation and take relentless actions against anyone breaching the anti-bribery laws in Hong Kong."

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October 11, 2006

ICAC Statement: Recent corruption survey results clarified

According to a survey released by the Control Risks Group on Monday, 76% of the 50 Hong Kong companies polled said that they believed they had lost business in the last five years because a competitor had paid a bribe.

In order to better understand the meaning of the survey finding, the ICAC had subsequently contacted the Control Risks based in London for more detailed information.

The Group's consultant clarified that the respondents were "primarily referring to <u>encountering corruption when doing business in other places/countries"</u> outside Hong Kong as the survey was concerned with "international business transactions".

The consultant also pointed out that it was misleading to refer Hong Kong as a "corrupt market place". "That is <u>not</u> what the respondents were saying."

An ICAC spokesman reiterates that the Commission will continue to combat corruption vigorously and effectively through investigation, prevention and education.

"The public can rest assured that every effort will be made to ensure Hong Kong will remain a clean city with a clean government and a level playing field for doing business."

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