



I. Preamble

The Baseball Association of Hong Kong, China (the Association) is fully committed to the principle of honesty, integrity and fair play in the conduct of its business, including selection of athletes for competitions, management of coaches and umpires, administration of membership and general administration such as procurement and staff administration. To uphold public trust and protect public interest, it is important for all Board Members to handle the Association's business in a just and impartial manner so that the Association's reputation will not be tarnished by dishonesty, impropriety or corruption. To this end, this Code of Conduct sets out the standard of behaviour expected of all Board Members.

II. General Standards

1. A Board Member shall ensure that his conduct would not bring the Association into disrepute.
2. A Board Member shall not at any time or in any respect do anything which may compromise or impair his integrity, impartiality, objectivity or ability to perform Board duties.
3. A Board Member shall adhere to the spirit and the letter of any rules or orders made for the Association's practices and procedures or for Board Members' behaviour in relation to the business of the Association.

III. Specific Standards

1. Provisions of Prevention of Bribery Ordinance

Members of the Board are agents of the Association governed by Section 9 of the Prevention of Bribery Ordinance (POBO, Cap. 201) (and other provisions where appropriate). A Board Member commits an offence under POBO if he, without the Board's permission, solicits or accepts any advantage in connection with the Board's business. **Appendix 1** provides the full text of POBO Section 9 and the legal definition of an advantage.

2. Acceptance of Advantages

2.1 Gifts/souvenirs presented to Board Members in their capacity as such

- (a) A gift/souvenir presented to a Board Member in his capacity as such should be regarded as a gift/souvenir to the Board (e.g. a gift/souvenir presented by the organisers to a Board Member invited in his capacity as such or representing the Board to officiate at ceremonies).
- (b) A Board Member shall follow the procedures set out in **Appendix 2** for the disposal of gifts/souvenirs received in the above circumstances.

2.2 Sponsorships offered to Board Members in their capacity as such

- A. Board Members may be offered sponsorships in their capacity as such by persons/organisations other than the Board itself for official purposes such as attending local/overseas conferences, conventions, product trial activities, etc. Such sponsorships should be regarded as sponsorships offered to the Board and referred to the Board for consideration of acceptance.
- B. The Board should consider whether it is appropriate to accept the offer based on the following general criteria : -
 - (i) acceptance of the sponsorship will benefit the Association as a whole and not bring the Association into any disrepute;
 - (ii) the Board will not feel obliged to do something in return for the offeror; and
 - (iii) acceptance will not give rise to any actual or perceived conflict of interest (e.g. the offeror is a supplier/contractor bidding for the Board's contracts).
- C. If the Board decides to accept the sponsorship, it should then select a suitable Member to attend the sponsored activity on its behalf.

2.3 Advantages offered to Board Members in their private capacity

- (a) Where a Board Member is offered an advantage in his private capacity, he may accept it if : -
 - (i) the acceptance will not affect the performance of his duties as a Board Member; and
 - (ii) he will not feel obliged to do something in return in connection with Board business for the offeror.
- (b) If a Board Member feels that he would be obliged to reciprocate an advantage by returning to the offeror a favour connected with any Board business, he should decline the offer.
- (c) When a Board Member is in doubt as to whether he should accept an offer of advantage, it is advisable for him to apply the “sunshine test”^{Note} and consult the Board Chairman/Secretary.

3. **Acceptance of Entertainment**

Board Member should not accept frequent or lavish entertainment from persons/organisations who/which have an interest in any matters under consideration by the Board or with whom/which he has official dealings, in order to avoid embarrassment or loss of objectivity when considering or giving his views on matters concerning these persons/organisations.

Note

In the sunshine test, the person concerned should ask himself if he would be happy to openly discuss with the general public what he is doing. If he feels uncomfortable about that, what he is doing is probably conflicting with the ethical standard generally expected by society.

4. **Offer of Advantage**

Board Members are prohibited from offering advantages to any director, or staff of any company or organisation, for the purpose of influencing such person or company in any dealings, or any public official, whether directly or indirectly through a third party, when conducting the business of the Association.

5. **Conflict of Interest**

5.1 Definition

A conflict of interest situation arises when the private interest of a Board Member competes or conflicts with the interest of the Association. “Private interest” includes both the financial and other interests of Members and those of their connections, including family members, relatives, friends, clubs and societies to which they belong, as well as people to whom they owe a favour or are obligated in any way.

5.2 Managing conflict of interest

Board Members should avoid any conflict of interest situation (i.e. situation where their private interest conflicts with the interest of the Association) or the perception of such conflicts. They should not use their official position or any information made available to them in the course of their duties to benefit themselves, their relations or any other persons with whom they have personal or social ties. They should avoid putting themselves in a position that may lead to an actual or perceived conflict of interest. Failure to avoid or declare such conflict may give rise to criticisms of favouritism, abuse of authority or even allegations of corruption. In this connection, Board Members shall comply with the guidelines on declaration of interests in **Appendix 3**.

5.3 Board Members bidding for the Association’s contracts

As a matter of principle, Board Members should avoid entering into any business contract (e.g. for the supply of goods or services) with the Association in their personal capacity to prevent the public perception of Board Members using their capacity to obtain financial gains from the Association. Where this is unavoidable, Board Members shall adhere to the guidelines on managing possible conflict of interest in bidding for the Association’s business contracts as set out in **Appendix 4**.

6. **Use of Confidential or Privileged Information**

- (a) A Board Member shall not take advantage of, or let any person or organisation benefit from, the confidential or privileged information obtained in his capacity as a Board Member.
- (b) A Board Member shall not disclose any confidential or privileged information of the Association to any party unless he is authorised to do so.

7. Use of Funds

- (a) Board Members shall ensure that all the Association's funds are used in a prudent and responsible manner to safeguard the Association's interest. They should only approve funds for any project/activity/expenditure item which falls within the ambit of the funds and can achieve the purpose of the funds.
- (b) Board Members shall particularly ensure that an open, fair and competitive mechanism is adopted for the procurement of goods/services and recruitment of staff for the Board.

8. Misuse of Capacity as a Board Member

Board Members shall not misuse their official capacity as such to gain benefit for themselves or others, or render favour to any person/organisation.

9. Records, Accounts and Other Documents

Board Members should ensure, to the best of their knowledge, that any record, receipt, account or other document they submit to the Association gives a true representation of the events or transactions reported in the document. Intentional use of documents containing false information to deceive or mislead the Association may constitute an offence under the POBO.

10. Compliance with Local Laws in Other Jurisdictions

Board Members must comply with all local laws and regulations when conducting the Association's business, and also those in other jurisdictions, when conducting business there.

Extracts from the Prevention of Bribery Ordinance
(Cap. 201, Laws of Hong Kong)

Section 9 - Corrupt transaction with agents

- (1) Any agent who, without lawful authority or reasonable excuse, solicits or accepts any advantage as an inducement to or reward for or otherwise on account of his –
- (a) doing or forbearing to do, or having done or forborne to do, any act in relation to his principal's affairs or business; or
 - (b) showing or forbearing to show, or having shown or forborne to show, favour or disfavour to any person in relation to his principal's affairs or business,

shall be guilty of an offence.

- (2) Any person who, without lawful authority or reasonable excuse, offers any advantage to any agent as an inducement to or reward for or otherwise on account of the agent's –
- (a) doing or forbearing to do, or having done or forborne to do, any act in relation to his principal's affairs or business; or
 - (b) showing or forbearing to show, or having shown or forborne to show, favour or disfavour to any person in relation to his principal's affairs or business,

shall be guilty of an offence.

- (3) Any agent who, with intent to deceive his principal, uses any receipt, account or other document –
- (a) in respect of which the principal is interested; and
 - (b) which contains any statement which is false or erroneous or defective in any material particular; and
 - (c) which to his knowledge is intended to mislead the principal,

shall be guilty of an offence.

- (4) If an agent solicits or accepts an advantage with the permission of his principal, being permission which complies with subsection (5), neither he nor the person who offered the advantage shall be guilty of an offence under subsection (1) or (2).

- (5) For the purposes of subsection (4) permission shall –

- (a) be given before the advantage is offered, solicited or accepted; or
- (b) in any case where an advantage has been offered or accepted without prior permission, be applied for and given as soon as reasonably possible after such offer or acceptance,

and for such permission to be effective for the purposes of subsection (4), the principal shall, before giving such permission, have regard to the circumstances in which it is sought.

Definition of an Advantage (Section 2)

“Advantage” means : -

- (a) any gift, loan, fee, reward or commission consisting of money or of any valuable security or of other property or interest in property of any description;
- (b) any office, employment or contract;
- (c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- (d) any other service, or favour (other than entertainment), including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted;
- (e) the exercise or forbearance from the exercise of any right or any power or duty; and
- (f) any offer, undertaking or promise, whether conditional or unconditional, of any advantage within the meaning of any of the preceding paragraphs (a), (b), (c), (d) and (e).

but does not include an election donation within the meaning of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap 554), particulars of which are included in an election return in accordance with that Ordinance.

Definition of Entertainment (Section 2)

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 as, such provisions.

Section 19 – Custom not to be a defence

In any proceedings for an offence under the Ordinance, it shall not be a defence to show that any such advantage as is mentioned in the Ordinance is customary in any profession, trade, vocation or calling.

**Procedures for Handling Gifts/Souvenirs
Given to Board Members in their Capacity as such**

All gifts/souvenirs received by Board Members of the Association in their official capacity should be forwarded to the Secretary of the Board for disposal in the following manner: -

- (a) If the gift/souvenir is of perishable nature (e.g. food or drink, etc.), it may be shared among Board Members and staff on a suitable occasion, or donated to another charitable organisation.
- (b) If the gift/souvenir is a useful item, it may be retained and used by the Association, or donated to another charitable organisation.
- (c) If the gift/souvenir is suitable for display (e.g. a painting, vase, etc), it may be displayed at appropriate locations of the Association's office or premises.
- (d) If the gift/souvenir has a value below HK\$500, it may be donated as a prize in functions organised by the Association.
- (e) If the gift/souvenir is a personal item with a value below HK\$500, such as a plaque or pen inscribed with the name of the recipient, it may be retained by the recipient.
- (f) If the gift/souvenir is distributed to all participants in public activities, such as a ball pen, file folder or key clasp, etc, it may be retained by the recipient.

Guidelines on Declaration of Interests by Board Members – a Two-tier Reporting System

General Principles

Some public boards/committees are autonomous and have extensive powers over policy and financial matters. To maintain public confidence in the integrity of members (including the chairman), as well as in the impartiality of their advice tendered to the board/committee, it is important that all members of such boards/committees should disclose their general pecuniary interests on appointment to the board/committee, in addition to the report of conflicts of interests as and when they arise. To achieve greater transparency, such declarations should be made available for public inspection. By adopting this two-tier reporting system, members of these boards/committees can be protected from criticism or embarrassment arising from the existence of any undeclared general financial interest which may have potential conflict with the work of the board/committee. The two-tier reporting system consists of the following:

A. Register of Members' Interests

- (1) The chairman and members shall register in writing their personal interests, direct or indirect, pecuniary or otherwise, when they first join the committee, and annually thereafter, to the secretary of the committee. The registration shall be made on a standard form, a sample is at the Appendix 5(i).
- (2) The types of interests required for registration shall include:
 - (i) Proprietorships, partnerships or directorships of companies;
 - (ii) Remunerated employments, offices, trades, professions or vocations; and
 - (iii) Shareholdings in a publicly listed or private company (e.g. 1% or more of the company's issued share capital); and/or
 - (iv) Other declarable interests, taking into consideration the nature of work of individual committees.
- (3) A register of members' interests shall be kept by the secretary which should be made available for inspection on request by any member of the public.

B. Declaration of Interests at Meetings

The following are guidelines governing declaration of interests at meetings:

- (1) If a Member (including the Chairman) has any direct personal or pecuniary interest in any matter under consideration by the Board, he must, as soon as practicable after he has become

aware of it, disclose to the Chairman (or the Board) prior to the discussion of the item. The declaration form is at Appendix 5(ii).

- (2) The Chairman (or the Board) shall decide whether the Member disclosing an interest may speak or vote on the matter, may remain in the meeting as an observer, or should withdraw from the meeting.
- (3) If the Chairman declares an interest in a matter under consideration, his chairmanship may be temporarily taken over by the Vice-Chairman, or a Member appointed by a majority of votes if the Vice-Chairman is not present.
- (4) When a known direct pecuniary interest exists, the Secretary may withhold circulation of relevant papers to the Member concerned. Where a Member is in receipt of a paper for discussion which he knows presents a direct conflict of interest, he should immediately inform the Secretary and return the paper.
- (5) All cases of declaration of interests shall be recorded in the minutes of the meeting.

**Guidelines on Managing Possible Conflict of Interest
Arising from Board Members
Bidding for Contracts of the Association**

- (1) When the need for a business contract is discussed, Board Members should be asked at the outset to declare whether they or any companies associated with them are interested in bidding for the contract.
- (2) The Board Members who have declared an interest to bid should not take part or be present at any subsequent discussions or meetings concerning the proposed contract, and should be prohibited from access to any information in relation to the contract (other than in the capacity of a bidder).
- (3) The Board Members who have not declared an interest to bid (and the companies concerned) should not be allowed to bid subsequently.
- (4) When a Board Member (or a company associated with him) has expressed an interest to bid, the Association should ascertain whether any information relating to the contract has already come to the possession of the Board Member in the course of his duties as a Member. If so, such information should be made available to other bidders as well to ensure a level playing field.
- (5) If a Board Member (or a company associated with him) has put in a bid, care should be taken to ensure that he subsequently has no access to the submitted tender documents which may contain commercially sensitive information.
- (6) Bidders' identities should be anonymised before the evaluation of bids if a Board Member (or a company associated with him) is one of the bidders.
- (7) If a Board Member (or a company associated with him) is successful in bidding for the contract, he should withdraw from all discussions relating to the contract, except when attending in the capacity of a supplier or a service-provider.
- (8) The fact of any Board Member being awarded a contract of the Association will be published in the Association's website and annual report for public information where practicable.

The Baseball Association of Hong Kong, China

Register of interests

(Name _____) requests that interests as listed below should be included in the Register of Members' Interests.

- A. Proprietorships, partnerships or directorships of companies, public or private

- B. Remunerated employments, offices, trades, professions or vocations

- C. Shareholdings in companies, public or private (1% or more of the company's issued share capital)

- D. Other declarable interests (to be specified)

Signed : _____

Date : _____

Note : The information provided in this form may be disclosed to the public in connection with your appointment as a member/the chairman of (name of the National Sports Associations).



Declaration of Conflict of Interest by Board Members and Appointed Officials

Part A: Declaration (To be completed by Declaring Member)

To: **Chairman of the Board**

I would like to report the following existing / potential * conflict of interest situation in relation to the discussion item:

i)	Matter to be discussed by the Board
ii)	Brief description of my connection with the matter in (i) above

Signature of Declaring Member: _____

Name of Declaring Member: _____

Position of Declaring Member: _____

Date: _____

Part B: Acknowledgement (To be completed by Chairman)

To: _____ (Name of Declaring Member)

Acknowledgement of Declaration

The information contained in your declaration form dated _____ is noted. It has been decided that:

- ☐ You may continue to speak and vote on the matter as described in Part A, provided that there is no change in the information declared above.
- ☐ You may continue to speak but should not vote on the matter as described in Part A, provided that there is no change in the information declared above.
- ☐ You may remain in the meeting as an observer on the matter described in Part A, provided that there is no change in the information declared above.
- ☐ You should withdraw from the meeting and immediately return to the Secretariat any documents regarding the matter sent to you earlier.
- ☐ Others (please specify):

Signature of Chairman: _____

Name of Chairman: _____

Date: _____