



CODE OF ETHICS FOR PROCUREMENT¹

Fraudulent Activity is not uncommon in commercial life in many countries where the ICRC operates. Any improper approaches, whether in the form of inducements or threats, must be reported even if they are sufficiently ambiguous to allow of an innocent construction. We, when undertaking any procurement activity, should consider ourselves bound by the code of Ethics.

1. Purpose

The ICRC intends that the highest ethical and professional standards apply to its procurement activities to ensure the optimal use of ICRC funds for the purposes for which these funds were provided and to project a positive image of the ICRC.

This Code of Ethics in Procurement sets out the principles that govern the behavior and actions of ICRC employees when involved in the procurement of goods or services by or on behalf of the ICRC.

2. Scope

Any procurement of goods or services, and any action or process carried out in the context of such procurement, will be conducted in accordance with this Code of Ethics.

This Code of Ethics applies to all ICRC employees, officers, consultants and agents who are directly or indirectly involved in the procurement for or on behalf of the ICRC. Further, suppliers with which the ICRC enters into contracts are expected to adhere to the principles established herein, in performance of their contracts.

3. Loyalty and prohibition of fraud (reminder)

All individuals active for the ICRC must comply with the Code of Conduct for employees of the ICRC (CoC). The following rules of the CoC are of particular relevance in the context of procurement activities:

ICRC employees' conduct must be characterized by integrity, respect and loyalty to the ICRC's interests and must not in any way harm or compromise the ICRC's reputation (Article 3).

Fraud in any form is strictly prohibited. Fraud is defined as any action aimed at obtaining an unauthorized benefit, such as money, goods, services or other personal or commercial advantages, regardless of whether such advantage benefits the employee(s) concerned, the ICRC or a third party (Article 8).

4. Procurement principles

All procurement activities carried out by the ICRC and/or in relation with the ICRC shall be guided by the following rules of action and behavior:

4.1 Ethics and compliance

All individuals engaged in procurement activities have a duty to act in a manner which maintains and enhances the reputation of the ICRC and preserves the trust in the ICRC by:

Enhancing and protecting the standing of the procurement activity, by:

- never engaging in conduct, either professional or personal, which would bring the ICRC into disrepute;
- not accepting inducements or gifts (other than as considered acceptable; see below Section 4.2);
- not allowing offers of hospitality or those with vested interests to influence, or be perceived to influence, business decisions (see below Section 4.3);
- being aware that their behavior outside their professional life may have an effect on how they are perceived as a professional.

Maintaining the highest standard of integrity in all business relationships, by:

- rejecting any business practice which might reasonably be deemed improper;
- never using their authority or position for their own financial gain (see below Section 4.2);
- declaring to their line manager any personal interest that might affect, or be seen by others to affect, their impartiality or loyalty in decision making (see below Section 4.3);
- ensuring that the information they give in the course of their work is accurate and not misleading;
- never breaching the confidentiality of information they receive in a professional capacity;
- striving for genuine, fair and transparent competition;
- being truthful about their skills, experience and qualifications.

Promoting the eradication of unethical business practices, by:

- fostering awareness of human rights, fraud and corruption issues in all my business relationships;
- responsibly managing any business relationships where unethical practices may come to light, and taking appropriate action to report and remedy them;
- undertaking due diligence on appropriate supplier relationships in relation to forced labor (modern slavery) and other human rights abuses, fraud and corruption;
- continually developing their knowledge of forced labor (modern slavery), human rights, fraud and corruption issues, and applying this in their professional life.

Enhancing the proficiency and stature of the procurement activity, by:

- continually developing and applying knowledge to increase their personal skills and those of the ICRC;
- fostering the highest standards of professional competence amongst those for whom they are responsible;
- optimizing the responsible use of resources which they have influence over for the benefit of the ICRC.

Ensuring full compliance with laws and regulations, by:

- complying with the law of countries in which they practice, and in countries where there is no relevant law in place they will apply the standards inherent in this code
- fulfilling agreed contractual obligations; and
- complying with all ICRC internal rules and guidelines.

4.2 Gifts, hospitality, and other inducements

No one will use his/her authority, position or office for personal gain, which is defined as soliciting, accepting or otherwise benefiting from any advantage, favor or gift, or promise thereof of material value, in any form, either in person or indirectly through close relatives or associates, as an inducement or reward for doing or refraining from doing anything, or showing favor or disfavor to any person or company in the context of procurement financed by the ICRC.

The recipient of a gifts must return it to the supplier with a polite explanation of why the offer is unacceptable. Suppliers who persist in making such offers must be informed that the ICRC will cease to deal with them.

Gifts of small intrinsic value (pens, desk diary, coffee mug and the like), may be accepted from actual or potential suppliers. It is occasionally acceptable both to give and to receive hospitality. However, any hospitality offered or accepted must be modest and proportional to the occasion and of appropriate type and scale.

Invitation to visit manufacturers, attend specialist conferences, association annual dinners and the like as the guest of a supplier is subject to written approval by the line manager of the person invited. Invitations extended to a spouse or other guest must be declined except in exceptional circumstances which should be approved in writing by the line manager. All invitations to sporting occasions and other functions with little or no business content must be declined.

The above rules are applicable at all times, not exclusively during working hours.

4.3 Impartiality and conflict of interests

All decision-making and actions related to procurement must be impartial, unbiased and aimed at serving the ICRC's best interests.

A conflict of interests arises when a person has a private, financial or professional interest that can influence or be perceived as influencing the impartiality or loyalty that is required from him/her in a given context. Such interests may result notably from personal relations, financial participation or public or private involvement of the person or of his/her close relatives. When dealing with suppliers, potential conflicts of interests may arise. For example, relatives may be employed by the supplier company or personal friendship may grow over time.

Employees must report in writing to their line manager any potential or actual conflict of interests affecting them or any supplier and specify the nature of such conflict as soon as they are aware of it, believe it is likely to arise or that a situation may be perceived as such.

The line manager will decide on appropriate measures to deal with the conflict of interests, such as arranging for the expenditure to be handled by a different employee. In order not to create conflict of interests, employees shall, to the greatest possible extent, not deal with suppliers in their private affairs, particularly if this is likely to create an obligation for the ICRC towards the supplier. Where such arrangements are unavoidable, employees shall ensure that any deal concluded is commonly available and is appropriate for the ICRC, and shall not act in any way which could be construed or perceived as a reward for actions taken in the course of employment.

4.4 Accountability

Everyone involved in procurement activities is accountable for his/her actions and decisions with respect to procurement to ensure that the funds are used solely for the purposes for which they have been provided.

4.5 Reporting and disciplinary measures

Any person who is aware of an action or a situation which is incompatible or not compliant with this Code of Ethics (such as inducements, threats, fraud, etc.) or suspects the existence of such an action or situation must report it to the line manager as soon as possible in accordance with applicable internal rules.

Any breach of this Code of Ethics may lead to disciplinary measures against the author and or decision of non-renewal or termination of the contract.

Family name:

First name:

Signature:

Date:

APPENDIX A

DEFINITION

Key terms used in this Code of Ethics have the following meanings as per the Appendix B of the ICRC Code of Conduct Policies dated February 21, 2019:

“Fraudulent Activity” means any of the following types of practice:

“Corrupt practice”: the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party (bribery is the classic form of a “corrupt practice”).

“Fraudulent practice”: any act or omission whereby an individual or entity knowingly misrepresents or conceals a fact (a) in order to obtain an undue benefit or advantage or avoid an obligation for himself, herself, itself or a third party and/or (b) in such a way as to cause an individual or entity to act, or fail to act, to his, her or its detriment.

“Collusive practice”: an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.

“Coercive practice”: impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.

“Obstructive practice”: acts or omissions intended materially to impede the exercise of contractual rights of audit, investigation and access to information, including destruction, falsification, alteration or concealment of evidence material to an investigation into allegations of fraud and corruption.