



The Commonwealth

CODE OF ETHICS

Owner: Procurement

Version: 1.0

Date: November 2019

1 Definitions

- “Secretariat” is the Commonwealth Secretariat, Marlborough House, Pall Mall, SW1Y 5HX, London;
- A “corrupt practice” is the offering, giving, receiving or soliciting, directly or indirectly, anything of value to improperly influence the actions of another party;
- A “fraudulent practice” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- A “collusive practice” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
- A “coercive practice” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to improperly influence the actions of a party;
- An “obstructive practice” is;
 - Deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede an investigation authorised by the Secretariat into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or
 - Acts intended to materially impede the exercise of the Secretariat’s contractual rights of audit or access to information.
- A “contractor” is any individual, company, organisation, donor, supplier or agency.
- A “partner” is any recipient of funding, payments or any non-financial benefits which includes Governments, civil society and the wider community that works with the Secretariat.

2 Preamble

The Secretariat has a reputation for integrity, openness, non-discrimination and respect for others. Therefore, the trust and confidence of those the Secretariat deals with is essential. The protection of its reputation and relationships is of fundamental importance to its long term sustainability and compliance with the Commonwealth Charter. The Secretariat recognises its obligations to all those with whom it has a direct relationship.

This document covers fraud and corruption in the use of funds for unauthorised or ineligible expenditures, as well as fraud and corruption engaged in for the purpose of influencing any decision as to the use of funds. All such fraud and corruption are deemed to occur in connection with the use of the Secretariat’s funds. Where the Secretariat has sufficient evidence of fraud and corruption, it shall request a refund of funds from the contractor or partner involved and may refer the issue to law enforcement authorities.

Finally, all partners are required to sign the last page of this document signifying they have read and understood this Code of Ethics (the “Code”) and their commitment to adhere to the Code, which is an integral part of the engagement document with the Secretariat.

3 Code of Ethics

The Secretariat’s reputation depends on the way in which it works. It will treat its contractors and partners with respect, honesty and fairness. Confidential information relating to its relationship with all contractors and partners shall be respected. It shall also respect copyright and other intellectual property rights.

Where contractors and other third parties are contracted by the Secretariat to provide services, they will be expected to act in accordance with this code. The obligation to comply with this code forms an integral part of the engagement.

Decisions to hire a contractor or source materials from a particular vendor or supplier are made on the basis of objective criteria such as quality, reliability, technical expertise, pricing and service. Purchasing decisions will never be made on the basis of personal relationships, discrimination or the opportunity for personal financial gain. Where applicable, contractors and partners undertake to conduct human rights due diligence and to pay suppliers, sub-contractors and agents in accordance with agreed terms.

The receipt of gifts or favours by contractors and partners can give rise to embarrassing situations and may be seen as improper inducement. Gifts and favours must not be solicited. In the event that any offers of gifts or favours are received, contractors and partners shall report this immediately using their organisation’s internal reporting channels.

Contractors and partners shall not avoid tax liabilities and shall record and report all transactions, including those where payment is made in cash. All taxable perquisites to which contractors and partners’ staff are entitled will be listed and declared for tax purposes.

It is expected that contractors and partners will recruit and promote their staff on the basis of their suitability for the job and organisation’s needs without discrimination as to sex, race, ethnicity, religion, political persuasion, disability, sexual orientation or any other ground. Gender Equality and Diversity of staff and sub-contractors is immensely valued and central to the operations of the Secretariat. The Secretariat expects contractors and partners to conduct their business activities with utmost respect for all and with honesty, integrity and courtesy. The Secretariat expects contractors and partners to forbid the harassment, mistreatment or bullying of their staff.

4 Fraud and corruption

Contractors and partners shall conduct their business with utmost integrity and good faith and shall not canvass, influence or solicit any member, officer or employee of the Secretariat in connection with any work, service, tender contract or proposed contract.

No staff, employee or sub-contractor of contractors or partners shall undertake any activity through the Secretariat for personal gain. Any personal interests or interests of a member of one's immediate family in relation to the organisation's business must be fully disclosed. Any conflicts of interest shall promptly be discussed with the Secretariat who will in turn take action to deal with, resolve and/or mitigate any real or apparent conflict whatsoever.

Contractors and partners undertake to:

- 4.1 Take all appropriate measures to prevent corrupt, fraudulent, collusive, coercive and obstructive practices in connection with the use of Secretariat funds, including (but not limited to):
 - adopting appropriate fiduciary and administrative practices and institutional arrangements to ensure that the funds are used only for the purposes for which they were intended, and;
 - ensuring that all of its representatives involved with the project, and all recipients of funds with which it enters into an agreement related to the Project, receive a copy of this code of conduct and are made aware of its contents;
- 4.2 Immediately report to the Secretariat any allegations of fraud and corruption;
- 4.3 Cooperate fully with representatives of the Secretariat or its appointed agent/s in any investigation into allegations of fraud and corruption. If the Secretariat determines that any person or entity referred to in 4.1 above has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices, it may suspend further funding/disbursement/payment. Should investigations reveal that there was fraudulent activity, the Secretariat reserves the right to demand a refund and may terminate the contract/ agreement in place. The Secretariat may also hand over the reports from any investigations to the law enforcement authorities for appropriate action;
- 4.4 Take all necessary and appropriate action against any representative declared ineligible, as described below, from duties and responsibilities;
 - If the Secretariat determines that a contractor or partner or any of their staff or sub-contractors have committed any of the practices set out in this code, it shall declare that contractor or partner ineligible;
 - The Secretariat shall declare a contractor or partner ineligible under this code if such a contractor or partner has been declared ineligible under Secretariat procurement guidelines or those of the respective government, any other international organisation; and
- 4.5 A contractor or partner is expected to assist or enable the Secretariat obtain a refund of any resources (assets, monies, materials among other benefits) that have been used inappropriately, including returning any unutilised funds especially where the Secretariat is not content with progress.

5 Gender mainstreaming

Gender equality is a key value of the Commonwealth Charter and we demand our contractors and partners to take this into consideration and be able to demonstrate where efforts are being made to advance gender equality principles, within their business practices.

6 Non-Discrimination

The Secretariat, its contractors and its partners will not discriminate against anyone or group, especially, marginalised groups including women, men, persons with disabilities, religious groups, lesbian, gay, bisexual, transgender and intersex (LGBTI) persons, ethnic minorities or any other group and will strive to ensure that they work with contractors and partners who are committed to the prohibition of discrimination in whatever form.

7 Environmental Sustainability

Supporting the achievement of environmentally sustainable development in its member states is one of the Secretariat's primary goals and an essential value of the Commonwealth Charter. The Secretariat is committed to ensuring that environmental best practice permeates through the day-to-day and strategic operations of its premises, facilities, procedures and practices and it expect its partners to adopt similar or better standards.

At the headquarters of the Secretariat, its commitment to environmental sustainability in its operations is to be carried out through a range of activities such as: -

- Energy management through the principles of ISO 50001;
- Attaining carbon neutral operations;
- Encouraging virtual meetings over travel;
- Improved waste management; and
- Staff training and awareness.

We expect our contractors and partners to be able to demonstrate, within their business practices, where efforts are being made to embed Environmental Sustainability.

8 Commitment to address Ethical Issues

The Secretariat actively seeks opportunities to work with external organisations to achieve shared objectives. Therefore, it is vital that it maintains its neutrality and does not allow business relationships to bring the name of the Secretariat into disrepute.

The Secretariat therefore seeks, as far as is practical and within the constraints of relevant national legislation and International law: -

- To ensure that initiatives do not compromise the neutrality of the Secretariat;
- To ensure that contractors and partners activities are consistent with our organisational values;

- To enhance gender equality and non-discrimination through a monitoring process (where applicable), diversity and inclusion on Management Boards;
- To encourage SMEs to apply for relevant tenders;
- To monitor the environmental awareness of our contractors and partners with a view to only doing business with ISO 14001 Environmental Management or ISO 50001 Energy Management accredited organisations by 2022; and
- For Suppliers to have a turn over that is, as a minimum, twice the value of the contract they are applying for.

9 Prohibited suppliers

The Secretariat does not work with contractors and partners involved in any of the following activities:

- Tobacco manufacture, promotion, distribution or sales;
- Weapons manufacture, promotion, distribution or sales;
- Child labour and/or not working to implement International Labour Organisation conventions;
- Modern day slavery/ domestic servitude/ trafficking/ exploitation of women and girls;
- Suppliers that do not adhere to living wage standards for the country in which they operate;
- Suppliers with a poor credit rating;
- Suppliers generating revenue from the sale of pornography;
- Illegal drugs trade
- Terrorism/extremism
- Harmful exploitation of natural resources (e.g. illegal logging, unethical gas/oil extraction etc.)

By signing this code, contractors and partners confirm they are not involved in any of the above activities. Should contractors or partners, their staff, subsidiaries or sub-contractors not declare such interests at the proposal stage, or immediately when they become known to them, the Secretariat reserves the right to terminate any contracts or agreements in accordance with the appropriate termination clause under fundamental breach.

10 Product endorsements for contractors and partners

The Secretariat does not endorse or approve products.

11 Implementing and monitoring this document

This document is not an exhaustive description of the Secretariat's requirements of adherence to ethical policies and standards. The Secretariat aims to create a culture in which it is normal for partners to 'do the right thing' and to voice genuinely held concerns about

behaviour or decisions that they perceive to be unethical. Adherence to the provisions of this code is a condition of partnership.

The Secretariat is available to ensure that all contractors and partners receive guidance on this code and understand the values that underpin its usage. Contractors and partners should strive to create an environment that encourages open discussion about any concerns.

The Secretariat may, at regular intervals, check with contractors and partners to ensure that the situation from when this Code was signed has not changed.

Contractual disputes involving the Secretariat which cannot be resolved informally will be resolved by the Commonwealth Secretariat Arbitral Tribunal (CSAT). Matters giving rise to a dispute must be raised in the first instance with the contracting party and escalated through the relevant Director to the Commonwealth Secretariat’s Legal Counsel. Upon review of the case, Legal Counsel may either choose to resolve the matter or refer the matter to the CSAT.

12 Miscellaneous

The provisions of this code do not limit any other rights, remedies or obligations of the Secretariat or its partners under any other document to which the Secretariat and its contractors or partners are both parties.

13 Commitment to the Code of Ethics

I have read this Code of Ethics and hereby sign it as a confirmation of my commitment to ensuring the principles are incorporated in my activities and are fully adhered to.

Name of Organisation: _____ (*where applicable*)

Name of Signatory*: _____

Title of Signatory: _____

Signature: _____

Date: _____

*** Only a Partner/Director/ authorised signatory, in his/her own name, should sign this document on behalf of the contractor or partner.**