



## THE UNDP SUPPLIER CODE OF CONDUCT

### I. THE UN CHARTER

The values enshrined in the United Nations (UN) Charter, *respect for fundamental human rights, social justice and human dignity, and respect for the equal rights of men and women*, serve as the overarching goals that suppliers to the UN are expected to achieve and live by.

The United Nations Development Programme (UNDP) is the UN's global development network, an organization advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. We are on the ground in 166 countries, working with them on their own solutions to global and national development challenges. As countries develop, they draw on the people of UNDP and our wide range of partners, which includes Governments, Civil Society, the private sector, among others.

### II. THE GLOBAL COMPACT

The Global Compact (<http://www.unglobalcompact.org>) is a United Nations inter-agency initiative which intends to challenge businesses around the world to take greater responsibility in society and act upon a set of universally recognized principles in the areas of human rights, labor rights and the environment. It also encourages businesses to engage with the United Nations and other organizations concerned with peace and development in concrete projects to promote the principles and broader societal challenges.

The United Nations Development Programme (UNDP) is one of four UN agencies supporting the implementation of the Global Compact. Through its worldwide network of country offices and its role as the overall coordinator of UN activities at the country level, UNDP holds the primary responsibility for introducing and operationalizing the Global Compact at the field level in developing countries and countries with emerging economies.

To that end, this UNDP Supplier Code of Conduct ("*Code of Conduct*") has been developed with recognition of the importance of the key issues that the UN Global Compact aims to address. These key issues mainly include human rights, labour, environment, and transparency and anti-corruption.

### **III. SUPPLIER CODE OF CONDUCT**

#### **A. General Principles**

The provisions as set forth in this Code of Conduct provide the minimum standards expected of suppliers to UNDP. UNDP recognizes that reaching the standards established in this Code of Conduct is a dynamic rather than static process and encourages suppliers to continually improve, to the extent that they can adhere to, or exceed, these standards.

All principles contained in this Code of Conduct are of equal importance independently of their order of appearance.

It is important to note that the principles and expectations of this Code of Conduct are aspirational in nature, and are not to be misconstrued as a condition for a supplier's or service provider's engagement or conduct of business with UNDP.

Notwithstanding the aspirational character of this Code of Conduct, UNDP Suppliers must understand that if they are awarded a contract by UNDP, the essential elements of the UNDP General Conditions of Contract, which contains a majority of the principles embodied in this Code of Conduct, become legally enforceable against UNDP contractors.

#### **B. Scope of Application**

UNDP expects that these principles shall apply to suppliers, parent entities and subsidiary or affiliate entities, as well as all others with whom they do business including employees, subcontractors and other third-parties. UNDP expects that its suppliers encourage and work with their own suppliers and subcontractors to ensure that they also strive to meet the principles of this Code of Conduct or equivalent set of principles.

#### **C. Respect for Laws, Rules and Regulations**

It is the expectation of the UNDP that suppliers adhere to all laws of proper jurisdiction, rules and regulations, and strive to exceed international, national and industry best practices.

#### **D. Management Systems**

The UNDP expects that its suppliers will establish and maintain appropriate management systems whose scope is aligned with the contents of this Code of Conduct, identify and mitigate related operational deviations from this Code. They shall define their own clearly written standards, performance objectives, targets, strategies, training programmes, and communication plan towards their alignment to these principles, actively reviewing them, monitoring and modifying their management processes and business operations, and conducting self-evaluations to ensure they align with the principles set forth in this Code of Conduct. They shall therefore clearly identify accountability to this effect.

They shall communicate this Code of Conduct to all employees through the all possible medium that will make these information accessible to as many employees as possible.

UNDP suppliers are committed to help foster social and economic development, by conducting business in a manner that, in itself, contribute to the sustainability of the communities in which they operate.

## E. Labour

1. **Freedom of Association and Collective Bargaining.** UNDP expects its suppliers to recognize and respect the rights of employees to freely associate, organize and bargain collectively in accordance with the laws of the countries in which they are employed, as well as core ILO conventions on *Freedom of Association and Protection of the Right to Organise Convention*, (C87, 1948 <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C087>) and *Right to Organise and Collective Bargaining Convention*, (C98-1949 <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C098>).

UNDP recognizes the importance of open communication and direct engagement between workers and management, and suppliers are to respect the rights of workers to associate freely and communicate openly with management regarding working conditions without fear of harassment, intimidation, penalty, interference or reprisal.

2. **Forced Labor.** The UNDP expects its suppliers to prohibit any use of forced, bonded or indentured labor or involuntary prison labor, and embrace employment practices consistent with ILO conventions pertaining to forced labor, such as the *Forced Labour Convention*, (c.29-1930 <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C029>) and *Abolition of Forced Labour Convention*, (c.105-1957 <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C105>).

All work, including overtime work, will be voluntary and workers should be free to leave upon reasonable notice. Suppliers should also not mandate that workers hand over government-issued identification; passports or work permits as a condition of employment.

3. **Child Labor.** The UNDP expects its suppliers, at a minimum, not to engage in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child (<http://www.unhchr.ch/html/menu3/b/k2crc.htm>), the Prohibition and Immediate Elimination of the Worst Forms of Child Labor Convention (C.182-1999 <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C182>) or the ILO Minimum Age Convention (C.138-1973 <http://www.ohchr.org/english/law/ageconvention.htm>).

The minimum admission to employment or work shall not be less than the age of completion of compulsory schooling, normally not less than 15 years or 14 where the local law of the country permits, deferring to the greatest age.

Additionally, all young workers must be protected from performing any work that is likely to be hazardous or to interfere with the child's education or that may

be harmful to the child's health, physical, mental, social, spiritual or moral development.

All suppliers should also adhere to legitimate workplace apprenticeship programs and comply with all laws and regulations governing child labor and apprenticeship programs.

4. **Discrimination.** The UNDP does not tolerate any form of discrimination in hiring and employment practices on the ground of race, color, religion, gender, sexual orientation, age, physical ability, health conditions, political opinion, nationality, social or ethnic origin, union membership or civil status.

Consistent with the principles espoused in ILO Conventions on Discrimination, Employment and Occupation (C.111-1958 <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C111>) and Equal Remuneration (C.100-1951 <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C100>), the UNDP also discourages discrimination regarding access to training, promotion, and rewards.

5. **Working Hours.** The UNDP expects its suppliers to comply with all applicable working hour requirements as established by the law, and should never exceed sixty (60) hours per week, including overtime, except in emergency or unusual situations. Suppliers must ensure that all over time work voluntary and compensated at the prevailing overtime rates. Suppliers are encouraged to ensure that workers are provided with one day-off in every seven-day week.
6. **Compensations.** The UNDP expects its suppliers to comply, at a minimum, with all wage and hour laws and regulations, including those pertaining to minimum wages, overtime wages, piece rates, other elements of compensation and to provide legally mandated benefits.

## F. Human Rights

1. **Human Rights.** The UNDP expects its suppliers to support and respect the protection of internationally proclaimed human rights and to ensure that they are not complicit in human rights abuses.
2. **Harassment, Harsh or Inhumane Treatment.** The UNDP expects its suppliers to create and maintain an environment that treats all employees with dignity and respect and will not use any threats of violence, sexual exploitation or abuse, verbal or psychological harassment or abuse. No harsh or inhumane treatment coercion or corporal punishment of any kind is tolerated, nor is there to be the threat of any such treatment.
3. **Health and Safety.** The UNDP expects its suppliers to follow all relevant legislation, regulations and directives in country in which they operate to ensure a safe and healthy workplace or any other location where production or work is undertaken. At a minimum, suppliers should strive to implement recognize management systems and guidelines, such as the *ILO Guidelines on Occupational Safety and Health (ILO-OSH-2001* <http://www.ilo.org/public/english/protection/safework/cops/english/download/e00013.pdf>), and ensure at a minimum, reasonable access to potable water and

sanitary facilities; fire safety; emergency preparedness and response; industrial hygiene; adequate lighting and ventilation; occupational injury and illness and machine safeguarding. Suppliers will also ensure these same standards apply to any dormitory or canteen facilities.

4. **Mines.** UNDP expect suppliers to strive not to engage in the sale or manufacture of anti-personnel mines or components utilized in the manufacture of anti-personnel mines.

#### **G. Environment**

1. **Environmental.** UNDP expects its suppliers to have an effective environmental policy and to comply with existing legislation and regulations regarding the protection of the environment. Suppliers should, wherever possible, must support a precautionary approach to environmental matters, undertake initiatives to promote greater environmental responsibility and encourage the diffusion of environmentally friendly technologies implementing sound life-cycle practices.
2. **Chemical and Hazardous Materials.** Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and disposal.
3. **Wastewater and Solid Waste.** Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be monitored, controlled and treated as required prior to discharge or disposal.
4. **Air Emissions.** Air emissions of volatile organic chemical, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by products generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge.
5. **Minimize Waste, Maximize Recycling.** Waste of all types, including water and energy, are to be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

#### **H. Transparency, Anti-Corruption and Ethics**

1. **Corruption.** The UNDP expects UNDP suppliers to adhere to the highest standard or moral and ethical conduct, to respect local laws and not engage in any form of corrupt practices, including extortion, fraud, or bribery, at a minimum.
2. **Integrity and Honesty.** UNDP expects its suppliers to not, nor attempt to, engage in any fraudulent practices in the course of conducting business with UNDP. Such practices may include, among others, any attempt to tamper or forge official documents (licenses, permits, certification, financial statements, guarantees, performance bonds, etc.), insert or modify facts and information (false company credentials, financial declarations, etc.) or misrepresent in exchange for any unwarranted favour or special treatment.

They shall also uphold fair business standards and complete honesty in advertising and sales strategies.

3. ***Conflict of Interests.*** UNDP suppliers are expected to disclose to UNDP any situation that may appear as a conflict of interest, and disclose to UNDP if any UNDP official or professional under any form of contract with the UNDP may have an interest of any kind in the supplier's business or any kind of economic ties with the supplier.
4. ***Protection of Intellectual Property.*** UNDP Suppliers shall consistently respect all intellectual property rights.
5. ***Transparency and Disclosure.*** UNDP suppliers shall disclose, with full confidence and trust on UNDP's handling of, full information on its business activities, financial conditions, and performance against applicable regulations, standards and practices. They shall also endeavour to supply goods and services at the most reasonable and explainable prices, disclosing all cost factors involved in its overall pricing strategy, and shall be willing to consider adjustments where necessary and feasible. They shall also put in place programmes that will protect whistleblowers.
6. ***Gifts and Hospitality.*** The UNDP has a "zero tolerance" policy and does not accept any type of gift or any offer of hospitality beyond that of a representational nature. The UNDP will not accept any recreational trips to sporting or cultural events, theme parks or offers of holidays, transportation, or invitations to extravagant lunches or dinners. The UNDP expects UNDP suppliers not to offer any benefit such as free goods or services or a work position or sales opportunity to a UNDP staff member or a former UNDP staff member in order to facilitate the suppliers business with UNDP.

#### **IV. MONITORING AND EVALUATION**

UNDP may, from time to time and without prior notice, conduct on-site evaluations and inspections of its supplier's facilities and those of their subcontractors to review their status and progress towards these principles.

It is the expectation of UNDP that suppliers, at a minimum, have established clear goals towards meeting the standards set forth in this Code of Conduct.