



CODE OF CONDUCT AND ETHICS

1. Background

1.1 Introduction

The Code of Conduct and Ethics for the State Corporations (SCs) focuses on ethical conduct and integrity at the workplace. It defines SC's commitment to the highest standards of behaviour so as to contribute to the achievement of the national development goals.

The Code sets out expectations for individual behaviour necessary to meet these standards and includes requirements and guidance to help you to carry out your role with integrity and in compliance with the law.

The Code cannot cover everything; it is therefore essential that you understand applicable laws and detailed policies that are relevant to your role. It is also important that the Code is not used as a substitute for the good judgment expected of Members of the Commission and employees working for the Privatization Commission.

1.2 Objective

By exemplifying the ethical behaviours and corporate values described in the Code, the Privatization Commission will continue to uphold Article 10 of the Constitution of Kenya on National Values and Principles of Governance and Chapter 6 on Leadership and Integrity.

1.3 Application

This code applies to everyone in the SC – every Member of the Commission and employee – and also to contract staff. Adherence to the values in this Code is a condition of Board appointment or employment of staff.

A breach of this Code will result in disciplinary measures being taken, including separation from the SC.

2. Values

2.1 Respect for people

Members of the Commission and employees are entitled to work in an environment in which people are treated with respect. Members of the Commission and employees must therefore avoid actions or behaviours that are or could be viewed as harassment and are required to treat all people with respect, dignity and fairness.

2.2 Integrity

Members of the Commission and employees are expected to act with integrity by consistently upholding the highest standards of honesty and truthfulness. They should not use their positions to inappropriately obtain an advantage for themselves or to advantage or disadvantage others; and should take all possible steps to prevent and resolve any real, apparent or potential conflicts of interest between their official responsibilities and their private affairs.

2.3 Transparency and Accountability

Transparency of operations, planning and reporting and a clear accountability framework are fundamental principles that underlie good governance. It is expected that Members of the Commission and employees will work together in a spirit of openness, honesty and transparency. This will encourage engagement, collaboration and respectful communication.

2.4 Stewardship

Every Member of the Commission and employee is responsible for using appropriately the assets entrusted to them. They are responsible for safeguarding the assets against waste, loss, damage, misuse, theft, misappropriation or infringement, in order to protect their value.

All transactions of the Privatization Commission must be reflected accurately and fairly in the books of accounts. Falsification of asset records or misrepresentation of facts will constitute fraud.

2.5 Excellence

Members of the Commission and employees shall demonstrate excellence by providing fair, timely, efficient and effective services to the public. They should exercise high levels of discipline and commitment in the performance of their duties. They are also required to continually improve the quality of policies, programs and services by fostering a work environment that promotes teamwork, learning and innovation.

3. Conflict of interest

Members of the Commission and employees must avoid conflict of interest between their private activities and their part in the conduct of the Privatization Commission's business.

A conflict of interest may arise where a Member of the Commission, employee or close family member such as a spouse, child, parent or sibling has private interests that could improperly influence the performance of the Commission Member's or employee's official duties and responsibilities. Conflict may also arise where a Member of the Commission or employee uses their office for personal gain.

A real conflict of interest exists at the present time. An apparent conflict of interest could be perceived by a reasonable observer to exist, whether or not it is the case, and a potential conflict of interest could reasonably be foreseen to exist in the future. A conflict of duty arises, not because of an employee's private interests, but as a result of one or more concurrent or competing official roles. For example, these roles could include the employee's primary employment and his

or her responsibilities in an outside role that forms part of their official duties, such as an appointment to a board of directors, or other outside function.

3.1 Prevention of Conflict of Interest

Members of the Commission and employees maintain public confidence in the objectivity of their service by preventing and avoiding situations that could give the appearance of a conflict of interest or result in a potential or actual conflict of interest. In addition, Members of the Commission and employees are required to observe any specific conduct requirements contained in the statutes governing ethical behaviour and their profession, where applicable.

It is not possible to foresee every situation that could give rise to real, apparent or potential conflict of interest, however, where conflict arises, the Member of the Commission or employee should:

Excuse themselves, or anyone who works for them, from any decision-making that may create a conflict of interest with their private interests;

- (a) Disclose in writing, to the relevant authority the facts and explain the circumstances that create or could create the conflict of interest;
- (b) Seek guidance from the immediate authority;
- (c) Seek additional legal or financial guidance if you are a Member of the Commission;
- (d) Conduct your relationship with contractors and suppliers in a professional, impartial and competitive manner;
- (e) Refrain from the direct or indirect use of, or allowing the direct or indirect use of Privatization Commission's property, for anything other than officially approved activities;
- (f) Maintain the impartiality of the public service and not engage in any outside or political activities that impair or could be seen to impair their ability to perform their duties in an objective or impartial manner;
- (g) Be aware that the acceptance of any offer of future employment including consultancy or directorship with a contractor, supplier, customer or business partner constitutes a potential conflict of interest;
- (h) Ensure that concurrent outside appointments, such as to a Board of directors, are managed appropriately and that any resulting conflicts of duties are resolved in the public interest;

- (i) Declare to the relevant authority, a benefit or income received either directly or indirectly from a contract with external parties on contractual or other arrangements. The relevant authority will determine whether the arrangement presents a real, apparent or potential conflict of interest, and may require that the contract be modified or terminated;
- (j) Similarly, a Member of the Commission or employee should not;
 - o Get involved in the hire, supervision, management or career planning of any relative;
 - o Make improper use of one's position or of confidential information gained in that position to achieve personal interests or direct gain;
 - o Allow relationships with contractors and suppliers to influence business decisions made on behalf of the Privatization Commission; and
 - o Accept gifts or inducements, including hospitality that may place you under an obligation.

3.2 Use of Information Communication Technology

The Privatization Commission recognizes the importance of the use of Information Communication Technology (ICT) tools to conduct business and interact with stakeholders. Use of social networks in an official capacity must comply with the legislative requirements and the Privatization Commission's policy on the use of the internet and electronic networks. Members of the Commission and employees using ICT for personal or professional use are expected to exercise the same kind of judgment and criteria as would be applied to any other workplace decision.

3.3 Gifts, Hospitality and other Benefits

Members of the Commission and employees should not accept any gifts, hospitality or other benefits that may have a real, apparent or potential influence on their objectivity in carrying out their official duties and responsibilities or that may place them under obligation to the donor.

As a general rule, Members of the Commission and employees should not accept gifts or other advantages except as set out in the Public Officer Ethics Act, 2003 and any other relevant statutes and policies.

3.4 Solicitation

With the exception of fundraising for officially supported activities such as those relating to corporate social responsibility, Members of the Commission or employees may not solicit gifts, hospitality, other benefits or transfers of economic value from a person, group or company who has dealings with the Privatization Commission. When fundraising for supported official activities, Members of the Commission or employees should ensure that they have prior written authorization from the relevant authority in order to solicit donations, prizes or contributions in kind from external organizations or individuals.

3.5 Register of Conflict of Interests

The Privatization Commission shall maintain a register to record conflict of interests.

4. Whistle-Blowing

Any person who has reason to believe that a Member of the Commission or employee has not acted in accordance with this Code should bring the matter to the relevant authority or the appropriate government agency.

The Privatization Commission should not retaliate nor tolerate retaliation against any person who brings an issue to its attention in good faith.

5. Resolution

Members of the Commission and employees are expected to adhere to this Code. The Members of the Commission and employees are expected to resolve issues in a fair and respectful manner and consider informal processes such as dialogue or mediation.

In the event of an ethical dilemma or dispute, Members of the Commission and management may seek advice and support from other appropriate sources such as the Ethics and Anti-corruption Commission (EACC), and any other oversight body.

ACCEPTANCE

I agree to the terms of the Privatization Commission's Code of Conduct and Ethics, which forms part of my Board appointment or contract of employment. I have read and understood the Code and agree to abide by its provisions.

I understand that any breach of its provisions will render me liable to appropriate disciplinary action.

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Full Name of Member of the Commission/Employee

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Signature

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Position

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Date