

SUPPLIER CODE OF CONDUCT & ETHICS

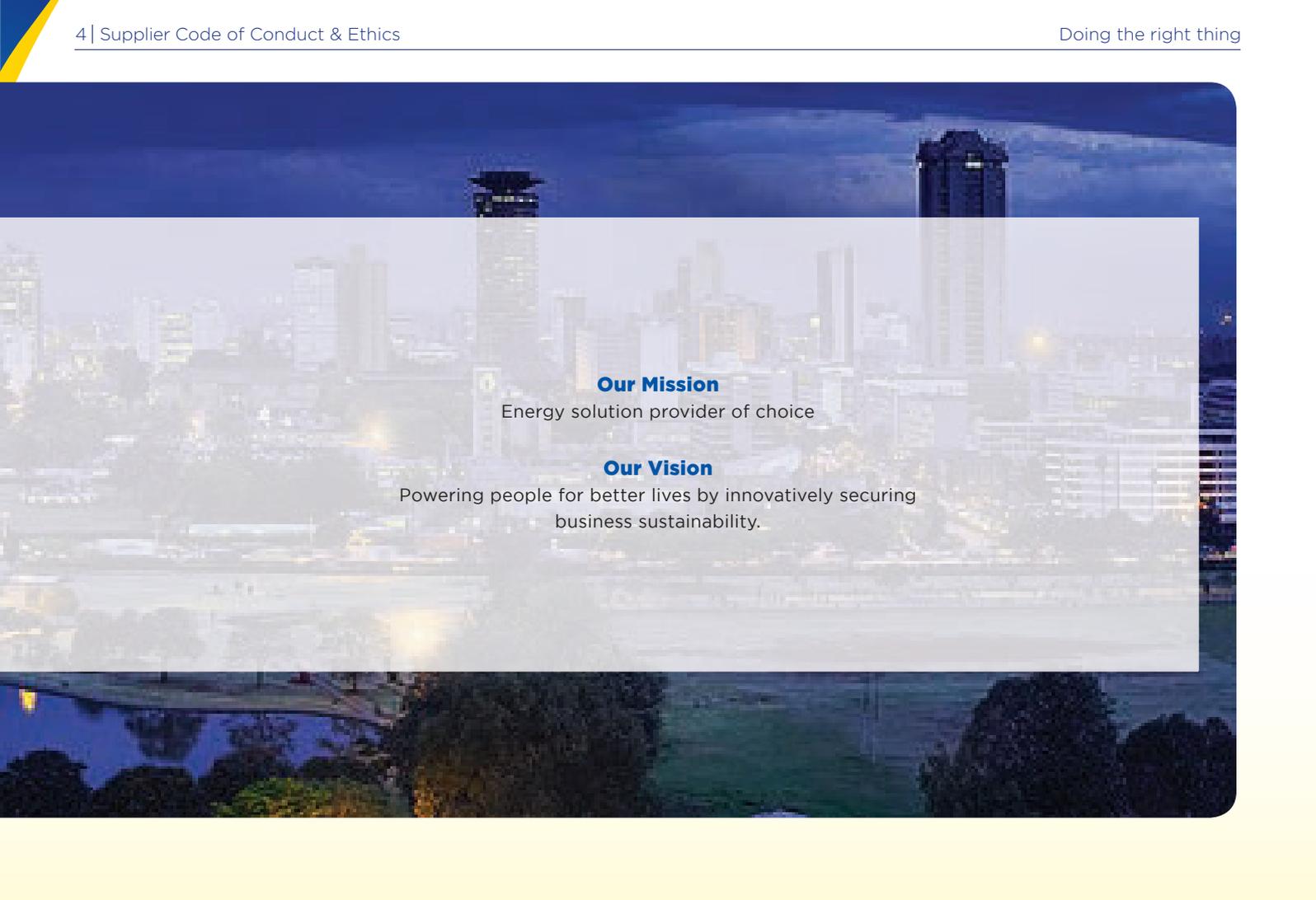
Doing the right thing



Kenya Power

Contents

Our Mission.....	4	13. Duty to report impropriety/corruption.....	10
Our Vision.....	4	PART III - OVERSIGHT BY KENYA POWER.....	10
Our Core Values.....	5	PART IV - COMPLIANCE & MONITORING.....	10
PREAMBLE.....	6	PART V - ENFORCEMENT OF THE CODE.....	11
PART I: PRELIMINARY.....	6	COMMITMENT TO THE SUPPLIER CODE OF ETHICS.....	12
1. Title.....	6		
2. Interpretation.....	6		
3. Application of the Code	7		
PART II-REQUIREMENTS/OBLIGATIONS OF THE SUPPLIERS.....	7		
4. Laws, Regulations and Standards.....	7		
5. Professionalism.....	8		
6. Impartiality.....	8		
7. Gifts, Favors and Corrupt practices	8		
8. Conflict of Interest.....	8		
9. Performance of Duties.....	9		
10. Communication and Accuracy of Information.....	9		
12. Confidentiality.....	10		



Our Mission

Energy solution provider of choice

Our Vision

Powering people for better lives by innovatively securing
business sustainability.



OUR CORE VALUES

Customer First

The customer is our top priority and should always be our first thought. Our customers, whether internal or external are treated as our first priority. We are individually dependable to continuously provide high quality service that exceeds our customers' expectations.

Team work

We are interdependent in all aspects of our work. We appreciate that as teams we can achieve much more than as individuals. We value teams within and across functions as a means to achieve the corporate vision. We all must work as a team to achieve a common goal.

Passion

We must serve with enthusiasm, self-drive and total commitment enabling us to remain focused and to deliver exceptional performance at all times.

Integrity

Our business practices are based on openness, transparency, trust, honesty, keeping promises and strong moral principles as perceived by our customers and other stakeholders. And in adherence to applicable laws, regulations and standards, We are safe custodians of our business and are responsible for the protection of the environment and societies within which we operate.

Excellence

We persistently strive to attain the highest levels of achievement. We benchmark to ensure best practice and ensure life-long learning for continuous improvement.

Accountability

We believe in being accountable for our actions, products, decisions and policies.

PREAMBLE

This policy document sets out the obligations of all Suppliers in Procurement and disposal of Goods and Services at Kenya Power & Lighting Company Limited. It sets out the minimum standards of ethical behaviour for suppliers to ensure compliance with the Act, Regulations and adoption of good business practices.

This Policy should be read in regard to Article 227 of the Constitution of Kenya 2010, The Public Procurement & Assets Disposal Act, 2015, its attendant Regulations and other instructions issued by the Public Procurement Regulation Authority (PPRA) and Kenya Power.

All Suppliers in Kenya Power are expected to;

- Comply with the rule of Law.
- Comply with the professional standards of their industry or any professional body of which they are members.
- Maintain the highest standards of integrity and professionalism in their operations.

Breach of the Supplier Code of Ethics may not only provide grounds for debarment of a person or entity from participating in procurement proceedings but also provide grounds for establishing the commission of an offence under Section 135 & 136 of the Act.

This Supplier Code of Ethics complements the Public Procurement & Assets Disposal Act 2015 and the Regulations and does not replace part of the Act or the Regulations.

PART I: PRELIMINARY

1. Title

This code may be cited as the “Supplier Code of Ethics” in Procurement & Disposal at Kenya Power & Lighting Company Limited

2. Interpretation

In this code, unless the context otherwise requires-

“**The Act**” MEANS The Regulations Public Procurement and Disposal Act, 2015 or any amendment or modification thereof.

“**Candidate**” means a person who has obtained the tender documents from a public entity pursuant to an invitation notice by a procuring entity.

“**Code of Ethics**” means a statement encompassing the set of rules based on values and the standards of conduct to which suppliers are expected to conform.

“**Consultant**” is a person who provides services of predominantly intellectual, technical or advisory nature.

“**Contractor**” means a person who enters into a procurement contract with Kenya Power to supply goods, works or services, and includes the main contractor.

“Ethics” means values, customs, rules or principles, which govern right conduct.

“Gift” has meaning assigned to it in the Leadership and Integrity Regulations, 2015.

“Integrity” means the quality of being honest and having strong moral and ethical principles.

“Persons” has meaning assigned to it in Article 260 of the Constitution and includes sole proprietorship.

“Public Officer” has the meaning assigned to it in Article 260 of the Constitution.

“Regulations” means regulations made under the Public Procurement and Disposal Act, 2015 or any amendment or modification thereof

“State Officer” has the meaning assigned to it in Article 260 of the Constitution

“Supplier” means a candidate, bidder, and tenderer, Contractor, service provider or a consultant.

“Tenderer” means a person who submitted a tender pursuant to an invitation by Kenya Power & Lighting Company For purposes of this Code, all terms used, unless expressly defined herein, have the meaning assigned to them in the Act.

3. Application of the Code

a) This Supplier Code of Ethics is applicable to suppliers participating in public procurement or disposal of public assets at Kenya Power.

b) The objective of the Code is to set minimum standards of ethical behaviour for Suppliers to ensure compliance with the Act and the Regulations and the adoption of good business practices.

PART II-REQUIREMENTS/OBLIGATIONS OF THE SUPPLIERS

4. Laws, Regulations and Standards

a) All public procurement & disposal shall be undertaken in accordance with the values and principles of the Constitution of Kenya, 2010.

b) All Suppliers shall comply with the rule of Law.

c) Suppliers shall observe other laws, regulations, rules and practices relating to taxation, labour, health and safety standards as well as environmental protection.

d) Directors of Blacklisted Companies are PROHIBITED from doing business with KPLC through other Companies.

5. Professionalism

a) Suppliers are required to comply with professional standards of their industry or of any professional body of which they are members. Where a supplier is a member of a professional body, the Supplier shall uphold the code of ethics of the respective profession and be of good standing.

b) Suppliers shall maintain the highest standards of integrity and professionalism in their operations.

c) Suppliers in public procurement shall accord mutual respect and courtesy to the Kenya Power employee(s) and other suppliers without compromising their independent and distinct roles.

d) Public procurement & disposal activities shall be undertaken with the objective of meeting the closest public scrutiny.

6. Impartiality

A supplier shall not engage in acts aimed at encouraging patronage, tribalism, cronyism and nepotism.

7. Gifts, Favors and Corrupt practices

a) A Supplier shall not offer or give gifts to Kenya Power employees subject to KPLC's Zero Gift Policy.

b) No supplier shall contact, unduly influence or exert pressure on any member of a committee or any other employee of a Kenya Power to take a particular action which favours or tends to favour them.

c) A supplier shall not engage in fraudulent, collusive, or corrupt practices, or inappropriate influences.

d) A supplier shall not act inappropriately by attempting to interfere with the procurement process.

8. Conflict of Interest

a) A supplier shall not accept contracts which would constitute a conflict of interest with any prior or current contract. Suppliers shall disclose to all concerned parties those conflicts of interest that cannot be reasonably avoided.

b) A supplier shall not enter into a contract with Kenya Power if the supplier is:

(i) An employee of Kenya Power or a member of a Board or Committee of Kenya Power;

(ii) Debarred from participating in procurement proceedings.

c) A state officer or public officer and a Kenya Power employee who has an interest in a matter under consideration in a public procurement or asset disposal shall disclose in writing, the nature of that interest and shall not participate in any procurement or asset disposal relating to that interest.

9. Performance of Duties

1) A supplier shall:

- a. Duly sign this code of ethics and include it in a tender, proposal or quotation submitted.
- b. Obtain and submit bid documents in the manner prescribed in the tender notice and tender documents.
- c. Supply the right quantity and quality of the contracted item and deliver at the stipulated time(s) and shall not abandon the work that they have been contracted to do.
- d. Perform the obligations of the contracts efficiently and effectively.

2) Suppliers shall not participate in procurement proceedings without invitation to tender and understanding the instructions of Kenya Power as the tenderers.

3) While responding to tenders, quotations or request for proposals, bidders should not include unfair, discriminatory or unreasonable conditions in their bids.

4) Suppliers should

- a. Ensure that their deliverables provide value for money in terms of cost, quality, quantity and timeliness of the delivered works, goods or services.
- b. Ensure that competent persons carry out the contractual obligations of the supplier.
- c. Accept full responsibility for all works, services or supplies provided.
- d. While carrying out their duties, use their own uniform and they and/or their staff shall not masquerade as KPLC staff.

5) A Supplier shall not

- a. Obstruct or hinder a Kenya Power Officer/Staff/Employee or any other authorized person from carrying out a duty or function or exercising a power relating to procurement and disposal.
- b. Knowingly or in collusion with others lie to or mislead a person carrying out a duty or function or exercising a power relating to procurement and disposal.

10. Communication and Accuracy of Information

A supplier shall:

- 1) Observe strict communication limitations during the bidding process and as provided for in the Act
- 2) Respond promptly and courteously to all proper requests

for information, clarifications, complaints or enquiries from procuring entities, the Authority or any law enforcement agency.

- 3) Ensure that all information provided to Kenya Power as the Procuring Entity is given in writing by Authorized Officers.
- 4) Ensure that certified copies of all mandatory certificates are availed.
- 5) Ensure that information given while participating in public procurement or disposal is true, accurate and fair, and not designed to mislead.

11. Confidentiality

Information obtained in the course of performance of a procurement contract and shall not be disclosed to unauthorized persons and shall not be used for the Supplier's advantage or material gain or for furtherance of private interest. The obligation to preserve the confidential information continues even after the business/contractual relationship with Kenya Power ends.

12. Duty to report impropriety/corruption

A supplier shall reject and report to Kenya Power, the PPRA and/or the relevant agency any procurement practice which might be deemed improper.

PART III - OVERSIGHT BY KENYA POWER

13. Kenya Power as a Procuring Entity in collaboration with PPRA shall assist in undertaking continuous training of the suppliers to eliminate malpractices which might arise due to ignorance of the public procurement system.
14. Kenya Power will exercise oversight in the enforcement of this Code of Ethics, including taking remedial measures where the Code of Ethics is breached.
15. Kenya Power shall revise the code of ethics as appropriate in consultation with the relevant stakeholders.

PART IV - COMPLIANCE & MONITORING

16. Kenya Power as a Procuring Entity may conduct due diligence, on-site evaluations and inspections of suppliers' facilities and/or project site, including those of their sub-contractors and Joint Venture partners to review their compliance to this Code during execution of the Contract.
17. Kenya Power shall, on its own motion or upon receipt of a complaint, inquire into the allegation of the violation of the Code of Ethics and institute debarment proceedings in line with the Act.
18. Kenya Power shall establish a complaints management system for reporting and receipt of complaints on alleged violations of the Code of Ethics.

19. Kenya Power may collaborate and partner with other agencies, organizations and professional bodies including PPRA in enforcement of this Code of Ethics.
20. Kenya Power as a Procuring Entity shall submit a report to PPRA, annually or upon request, of any breaches by suppliers, and any action taken against the breach, in such format as is provided by PPRA.
2. A breach of this Code shall be subject to a debarment process as stipulated in the Act which may attract a debarment for a period not less than five years. The breach may further be subjected to a Court process that may lead to the imposition of other penalties as stipulated in the Act and other Laws.

PART V - ENFORCEMENT OF THE CODE

21. Any person/ agency may lodge a complaint alleging a breach of this code by a supplier to Kenya Power.

Kenya Power shall:

- a) Enforce standards and ensure strict adherence to the required timelines and strict observance of the provisions of the contract.
- b) Subject to disciplinary proceedings any supplier who violates the law or engages in unethical business dealings.
- c) Suspend and/or disqualify a supplier from further participation in a procurement or disposal proceeding or terminate a contract if it establishes a breach of this Code.
- d) Liquidate performance bond and impose damages
- e) Maintain a list of contractors with poor performance record and apply past performance record in any future bids.

COMMITMENT TO THE SUPPLIER CODE OF ETHICS (to be submitted as part of any quotation or tender)

I (Supplier) Confirm that I have read and fully understood the contents of The Public Procurement & Asset Disposal Act, 2015 and the Supplier Code of Ethics in Kenya Power and my responsibilities under the Code.

I also certify that I am duly authorized to sign this Code on my own behalf and on behalf of my organization, and agree to comply with the Code of Ethics.

Name..... Sign..... this.....day of.....20.....}
 Before Me }
 }

Position..... Commissioner for Oaths/Magistrate }

Office address..... 1. SIGNATURE:
 (KPLC).

Telephone..... Managing Director and CEO

E-mail..... Name:.....

Name of the Firm..... Date:..... Or

(Company Seal/ Rubber Stamp where applicable) 2. SIGNATURE:
 (KPLC).
 Head of Procurement

Sworn at} Name:.....

By the said} Date:.....

Deponent

COMMITMENT TO THE SUPPLIER CODE OF ETHICS (to be submitted as part of any quotation or tender)

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(Company Seal/ Rubber Stamp where applicable) 2. SIGNATURE:
 (KPLC).
 Head of Procurement

Sworn at} Name:.....

By the said} Date:.....

Deponent



Kenya Power



Kenya Power Integrity & Ethics contacts:

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www.kenyapower.co.ke