The African Development Bank: The African Development Bank (The Bank) is built around strong values and ethical culture. These values are founded on ethical standards such as respect for essential human rights, social justice and human dignity, and respect for the equal rights of men and women, to which the Bank’s business partners are expected to adhere.

1. International Labour Conventions and Recommendations: The International Labor Standards (i.e., Conventions and Recommendations) as established by the International Labor Organization (ILO), have served as the foundation on which much of this Code of Conduct is based. It is the Bank’s expectation that any supplier providing products or services to the Bank will, in addition to the values of the Bank Charter, adhere to the principles concerning International Labor Standards.

2. Scope of Application: The purpose of this Code of Conduct (the “Code”) is to outline the key principles of conduct expected from all Potential suppliers, service providers, suppliers and contractors, that are registered with the bank or with whom it does business (“You”, “Your”) and the Bank (“Us”, “We”, “Our”).

2.1. The principles and spirit of the Code also applies to Your suppliers, subcontractors, employees, parent, subsidiary, affiliate entities and any other third party (“They”, “Them”) with whom You assign any part of Your obligations. It is Your responsibility to ensure that the Code is communicated to Them and They are aware and comply with the principles and spirit of the Code for the contracts that the Bank signs with You.

2.2. Failure to comply with certain provisions may also preclude suppliers from being eligible for a contract award, as reflected in the solicitation documents. Prospective suppliers are invited to review the specific terms and conditions of contract, procurement policies of the Bank, and this Code of Conduct in order to ascertain their current and future eligibility.

2.3. As a contractor, You and Us agree to respect the principles and spirit of the Code. You should be aware that any violation of the Code may be considered as breach of these Code of Conduct and Your obligations that could result in actions being invoked by Us, including the right of termination of the contract and any other relationship without notice and/or without compensation at Your risk and expense, moving in to undertake investigations if necessary and, recovery of any assets that will be due to Us.

3. Management, Monitoring and Evaluation: The provisions as set forth in this Code of Conduct provide the minimum standards expected of suppliers to the Bank. The Bank expects suppliers to strive to exceed both international and industry best practices. The Bank also 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. The Bank recognizes that reaching some of the standards established in this Code of Conduct is a dynamic rather than static process and encourages suppliers to continually improve their workplace conditions accordingly. The Bank shall conduct sensitization to all staff and suppliers to enhance their awareness and compliance with this Code.
YOUR OBLIGATION

4. Labour:

4.1. Forced or Compulsory Labour: The Bank expects its suppliers to prohibit forced or compulsory labour in all its forms.¹

4.2. Child Labour: The Bank expects its suppliers not to employ: (a) children below 14 years of age or, if higher than that age, the minimum age of employment permitted by the law of the country or countries where the performance, in whole or in part, of a contract takes place, or the age of the end of compulsory schooling in that country or countries, whichever is higher; and (b) persons under the age of 18 for work that, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of such persons.²

4.3. Discrimination: The Bank expects its suppliers to ensure equality of opportunity and treatment in respect of employment and occupation without discrimination on grounds of race, color, gender, religion, political opinion, national extraction or social origin and such other ground as may be recognized under the national law of the country or countries where the performance, in whole or in part, of a contract takes place.³ The BANK expects its suppliers to take all appropriate measures to ensure that neither themselves nor their parent, subsidiary, affiliate entities or their subcontractors are engaged in any gender-based or other discriminatory employment practices, including those relating to recruitment, promotion, training, remuneration and benefits.

4.4. Wages, Working Hours and Other Conditions of Work: The Bank expects its suppliers to ensure the payment of wages in legal tender, at regular intervals no longer than one month, in full and directly to the workers concerned. Suppliers should keep an appropriate record of such payments. Deductions from wages are permitted only under conditions and to the extent prescribed by the applicable law, regulations or collective agreement, and suppliers should inform the Bank and the workers concerned of such deductions at the time of each payment. The wages, hours of work and other conditions of work provided by suppliers must be complying with the proposal agreed by the Bank and should never be less favorable than the best conditions prevailing locally (i.e., as contained in: (i) collective agreements covering a substantial proportion of employers and workers; (ii) arbitration awards; or (iii) applicable laws or regulations), for work of the same character performed in the trade or industry concerned in the area where work is carried out.⁴ The Bank is entitled to verify the wages, working hours and Other Conditions of Work applied by its providers.

4.5. Health and Safety: The Bank expects its suppliers to ensure, so far as is reasonably practicable, that: (a) the workplaces, machinery, equipment and processes under their control are safe and without risk to health; (b) the chemical, physical and biological substances and agents under their control are without risk to health when the appropriate measures of protection are taken; and (c) where necessary, adequate protective clothing and protective equipment are provided to prevent, so far as is reasonably practicable, risk of accidents or of adverse effects to health.⁵

¹ This principle is set out in the ILO fundamental conventions, No. 29, Forced Labor, 1930, its Protocol of 2014 and No. 105, Abolition of Forced Labor, 1957.
² These principles are set out in the ILO fundamental Conventions, No. 138, Minimum Age, 1973 and No. 182, Worst Forms of Child Labor, 1999 and in the UN Convention on the Rights of the Child.
³ These principles are set out in the ILO fundamental Conventions, No. 100, Equal Remuneration, 1951 and No. 111, Discrimination (Employment and Occupation), 1958.
⁴ These principles are set out in ILO Conventions No. 95, Protection of Wages, 1949 and No. 94, Labor Clauses (Public Contracts), 1949 and in a number of Conventions addressing working time (see: http://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/working-time/lang--en/index.htm)
4.6. **Human Rights:** The Bank 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.

4.7. **Harassment, Harsh or Inhumane Treatment:** The Bank expects its suppliers to create and maintain an environment that treats all employees with dignity and respect. The Bank further expects that its suppliers, their parent, subsidiary and affiliated entities as well as any subcontractors, will neither use or engage in, nor allow their employees or other persons engaged by them to use or engage in, any threats of violence, verbal or psychological harassment or abuse, and/or sexual exploitation and abuse.

4.8. **Sexual exploitation:** Sexual exploitation and abuse violate universally recognized international legal norms and standards and have always been unacceptable behavior and prohibited conduct for the Bank. Prior to entering into agreements with the Bank, suppliers are informed of the standards of conduct with respect to the prohibition of sexual exploitation and abuse, expected by the BANK. Such standards include, but are not limited to, the prohibition of: (1) engaging in any sexual activity with any person under the age of 18, regardless of any laws of majority or consent, (2) exchanging any money, employment, goods, services, or other things of value, for gender, and/or (3) engaging in any sexual activity that is exploitive or degrading to any person. The Bank expects its suppliers to take all appropriate measures to prohibit their employees or other persons engaged by the suppliers, from engaging in sexual exploitation and abuse. The BANK also expects its suppliers to create and maintain an environment that prevents sexual exploitation and abuse. Bank contracts will contain provisions concerning a supplier’s obligation to take appropriate measures to prevent sexual exploitation and abuse. The failure by a supplier to take preventive measures against sexual exploitation or abuse, to investigate allegations thereof, or to take corrective action when sexual exploitation or abuse has occurred, constitute grounds for termination of any agreement with the Bank.

4.9. **Inhumane treatment:** No harsh or inhumane treatment coercion or corporal punishment of any kind is tolerated by the Bank, nor is there to be the threat of any such treatment.

4.10. **Mines:** The BANK expects its suppliers not to engage in the sale or manufacture of anti-personnel mines or components utilized in the manufacture of anti-personnel mines.

5. **Environment:**

5.1. **Environmental:** The Bank expects its suppliers should have an effective environmental policy and to comply with existing legislation and regulations regarding the protection of the environment. Suppliers should wherever possible 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.

5.2. **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.

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6 These principles are derived from Universal Declaration of Human Rights (UDHR) and are set out in the United Nations Global Compact (see http://www.unglobalcompact.org/Issues/human_rights/index.html)

7 This prohibition arises out from the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction (Ottawa Treaty, the Anti-Personnel Mine Ban Convention). The Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction is the cornerstone of the international effort to end the suffering and casualties caused by anti-personnel mines. The Convention was adopted on 18 September 1997 and it entered into force on 1 March 1999. To date, 164 States have formally agreed to be bound by the Convention.

The Convention provides a framework for mine action, seeking both to end existing suffering and to prevent future suffering. It bans the use, stockpiling, production and transfer of anti-personnel mines. In addition, States that accede to the Convention accept that they will destroy both stockpiled and emplaced anti-personnel mines, and assist the victims of landmines (https://www.apminebanconvention.org/overview-and-convention-text/).
5.3. **Wastewater and Solid Waste:** Wastewater and solid waste generated from operations, industrial processes and sanitation facilities, for Bank related projects, are to be monitored, controlled and treated as required prior to discharge or disposal.

5.4. **Air Emissions:** Air emissions of volatile organic chemicals, 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 or disposal.

5.5. **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.

6. **Ethical conduct:**

6.1. **Corruption:** The Bank expects its suppliers to adhere to the highest standards of moral and ethical conduct, to respect local laws and not engage in any form of corrupt practices, including but not limited to extortion, fraud, or kickback.

6.2. **Conflict of Interest:** Bank suppliers are expected to disclose to the Bank any situation that may appear as a conflict of interest, and disclose to the Bank if any Bank official or professional under contract with the Bank may have an interest of any kind in the supplier’s business or any kind of economic ties with the supplier.

6.3. **Gifts and Hospitality:** The Bank has a “zero tolerance” policy on gifts and hospitality and does not accept any type of gift or any offer of hospitality. The Bank will not accept any invitations to sporting or cultural events, offers of holidays or other recreational trips, transportation, or invitations to lunches or dinners. The Bank expects its suppliers not to offer any benefit such as free goods or services, employment or sales opportunity to a Bank staff member in order to facilitate the suppliers’ business with the Bank.

6.4. **Post employment restrictions:** Post-employment restrictions may apply to Bank staff in service and former Bank staff members who participated in the procurement process, if such persons had prior professional dealings with suppliers. Bank suppliers are expected to refrain from offering employment to any such person for a period of one year following separation from service.

6.5. **Money laundering:** The Bank expects its suppliers to comply with Legislation, regulations\(^8\) and the best international standards for combating money laundering and terrorism financing. Money laundering is defined as the process where the identity of the proceeds of crime are so disguised that it gives the appearance of legitimate income. Criminals specifically target financial services firms through which they attempt to launder criminal proceeds without the firm’s knowledge or suspicions. The Bank encourages suppliers to adopt AML/CFT compliance strategies to avoid such situations.

6.6. **Due Diligence:** The Bank suppliers are not expected to have or be involved in any integrity issues that may bring the Bank into disrepute. The Bank will therefore undertake due diligence on its suppliers and will adhere to standards required maintain its reputation and integrity.

6.7. **Social Corporate Liability:** The Bank suppliers are encouraged to promote the social responsibilities of business and their contribution to the decent work agenda shall be regarded by the Bank has a central part of Banks efforts to promote economic and social progress\(^9\).

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\(^8\) (SCA-licensed entities with the provisions of Federal Law No. (4) of 2002 Concerning Combating Money Laundering Crimes and Terrorism Financing; the amendments thereof; and the regulations issued thereunder and with the SCA Board Chairman’s Resolution No. (17/R) of 2010 Concerning Anti-Money Laundering and Counter-Terrorism Financing Procedures and the amendments thereof.

\(^9\) “Corporate Social Responsibility is one of the important ways today in which enterprises affirm their principles and values, both in their own internal processes and operations and in their interaction with other actors.”
You undertake to:

7. Act in good faith:
7.1. execute Your obligations with the highest professional standard to the industry standards and practices in which you operate and in accordance with the provisions of the contract;
7.2. refrain from any action that may represent reputational risk to Us.

8. Fulfil an advisory and partnership role:
8.1. exercise due care, diligence and skill in providing expert and advisory services, when required, on the implementation and performance of the goods, services and/or works under the contract.

9. Maintain Confidentiality and Security of Information:
9.1. take appropriate steps to safeguard and maintain confidentiality of Our confidential information, including maintaining it in confidence, in a secure location and not disclosing it to third parties (not assigned to the contract) without Our prior written consent, during the contract period and after its conclusion;
9.2. not use Our name and logo for any purpose without Our prior written consent;
9.3. observe the utmost discretion in all matters relating to Us, Our business and activities.

10. Take appropriate steps to manage any of conflict of interest:
10.1. disclose any actual or potential conflict of interest;
10.2. disclose any interest Our staff or agent may have in Your business or any other economic ties with You.

11. Be transparent:
11.1. implement an open book approach;
11.2. provide any information and/or documentation relating to the contract upon request, in a timely manner;
11.3. place at Our disposal any accounting or financial information relating to the contract upon request;
11.4. fully cooperate and provide assistance in any investigation relating to the contract that We commission or conduct (including audits or investigation relating to fraudulent and corruptive practices).

12. Ensure the probity and integrity of Your staff working on Our contracts:
12.1. employ staff who meet minimum requirements in relation to criminal conviction, security clearance and qualification;

While enterprises are increasingly reflecting the principles that underpin international labour standards in their CSR policies, for the ILO it is important to emphasise the voluntary nature of CSR” (cf. https://www.ilo.org/empent/Informationresources/WCMS_101253/lang--en/index.htm).
12.2. replace any staff, as soon as possible, who are unsatisfactory to carry out the services under the contract;

12.3. ensure Your staff, whilst on Our premises, are aware of Our code of conduct for staff and conduct themselves in the same manner as Our staff are expected to conduct themselves.

13. Submit to Audit:

13.1. permit Us to inspect Your accounts and records relating to Your performance of the contract and have them audited by auditors appointed by Us.

14. Endeavour to improve services and deliver value for money:

14.1. actively seek to optimise service delivery through savings and efficient cost management through the life of the contract;

14.2. proactively pursue continuous improvement of services to reduce waste and improve efficiency across Our organization;

14.3. support Our “Green” initiatives.

OUR OBLIGATION

We will:

14.4. carry out Our obligations with due care and skill and in accordance with the contract;

14.5. make all payments due as soon as possible;

14.6. work with You to optimise service delivery;

14.7. make you aware of Our policies which you are required to comply;

14.8. provide all documentation You require to perform Your obligations as soon as possible.

Contacts: Any questions related to this Code of Conduct can be addressed to the African Development Bank Corporate Procurement Division (CHGS.2) at email: corporateprocurement@afdb.org.