



Forum On Public Procurement in Ireland

# *CHARTER ON ETHICS IN PUBLIC PROCUREMENT*

Bearing in mind the scale and value of expenditure involved in the public procurement market, the Forum on Public Procurement has consulted with representatives of the public agencies and suppliers engaged in the marketplace in order to seek a consensus on the appropriate ethical behaviour which should apply in transacting business.

While it is recognized that good working relationships between buyers and suppliers are essential to the delivery of a quality public service, it is acknowledged that ethical standards must be maintained at all times and by all parties.

The purpose of this Charter is to set appropriate boundaries for ethical behaviour to be adhered to by all those involved in the procurement process.

Those involved in the public procurement process should adopt a suitable Code of Ethics based on this Charter requiring all relevant personnel to behave in accordance with strict ethical rules in discharging their duties in the procurement field. (This is a requirement under the existing Code of Practice for Governance of State Bodies.) In particular, personnel directly engaged in procurement, or in a position to influence decisions on contract awards to any extent, should be required formally to commit themselves to adhere to the in-house Code of Ethics.

The Chairperson of each State Body in his/her annual report to the relevant Minister should affirm that a Code of Ethics is in place and adhered to (see also Code of Practice for the Governance of State Bodies, para. 10.2(iv)).

Codes of Ethics as drawn up and implemented should address at least the following areas:

- **Gifts**
- **Hospitality**
- **Sponsorship**
- **Conflict of Interest**
- **Confidentiality**
- **Anti-Competitive Behaviour**

# Charter on Ethics in Public Procurement

## GIFTS

- Gifts or financial rewards of any significance may under no circumstances be offered, accepted or solicited.
- Without prejudice to the above, however, unsolicited gifts of low or nominal intrinsic value may be offered and accepted.

## HOSPITALITY

- Hospitality must never be solicited.
- Meals: normal business practice may occasionally justify dining with a supplier, but only subject to internal guidelines.
- Golf Outings and other Entertainment: these may be accepted as hospitality only on a limited basis and again subject to internal guidelines.
- Travel and/or Accommodation Expenses: may never be accepted or paid for by suppliers.

## SPONSORSHIP

- Sponsorship must never be solicited from suppliers and where offered may only be accepted when expressly approved in writing by management.

## CONFLICT OF INTEREST

- Persons operating within the purchasing/supply chain must refrain from using either their personal position or the organisation's resources for gain.
- All forms of personal interest in supplier and purchasing organisations other than in publicly quoted companies, including any shareholdings and/or personal relationships which could give rise to conflict of interest, must be disclosed to management in writing.

## CONFIDENTIALITY

- All supplier and tender information relating to the tender process must be treated in the strictest confidence, at least upto the time of contract award. Disclosure of such information, and in particular to another interested party, is strictly prohibited. Adherence to this principle is fundamental to the participation of all parties to the procurement process.
- After the award of contract information may be provided in accordance with the FPP Debriefing Charter, or may be subject to FOI legislation where invoked or to the provisions of EU procurement directives.
- All confidential information must be properly safeguarded.

## ANTI-COMPETITIVE BEHAVIOUR

- Suppliers and purchasers must not engage in any practice which distorts or is likely to distort fair and open competition.

This Charter on Ethics in Public Procurement has been formally approved by the board of FPP.



Signed: John M Hannan  
President

Date: 27th March 2003