



Sub-Contractor's Code of Conduct

General Conditions

ACHRO is committed to conducting its project/program activities in an ethical, legal, and socially responsible manner. ACHRO engages with its Subcontractors (Suppliers and service Providers) to share this commitment and therefore, has established this Supplier's Code of Conduct. ACHRO expects Subcontractors to act socially and environmentally responsible and actively work for the implementation of the standards and principles in this Code of Conduct.

Purpose

The purpose of this Code of Practice represents the Policies and specific conditions and requirements of ACHRO in respect of the conduct of Sub-Contractors carrying out work or providing materials and services in ACHRO's projects.

Scope

This Code of Conduct is applicable to all ACHRO's Subcontractors (Suppliers and service Providers) who supply goods, services and works to its operations and projects.

Legal Analysis

This Code of Conduct and its related principles and standards are based on recommendations from a number of applicable international laws, Declarations, Bulletins, Conventions, and standards. In addition to adherence to this Code of Conduct, ACHRO expects all its Subcontractors to comply with the following legislation:

- UN Universal Declaration of Human Rights, 1948
- UN Global Compact 10 Principles for Sustainable Development
- The UN Convention on the Elimination of All Forms of Discrimination against Women, 1979
- UN Child Convention on the Rights of Child, 1990
- ILO Declaration on Fundamental Principles and Rights at Work, 1998
- ST/SGB/2003/13 on "*Special measures for protection from sexual exploitation and sexual abuse*".

Prohibited Acts

The following acts and behaviors are strongly prohibited for ACHRO's Sub-contractors (Suppliers and Service providers):

- Dis-respect for Human Rights and Labor Rights
- Exploitation of Child Labor
- Engaging in Sexual Exploitation and Abuse
- Discrimination in Employment
- Unsafe and unhygienic working conditions

- Harming Marginalized Groups
- Dis-respect for National and International environmental legislation
- Engaging in different forms of Corruption
- Presenting Gifts to officials
- Dis-respect for fundamental Rights of Employees
- Non- Compliance with general laws and Regulations
- The Right to freely choose employment
- Dis-respect for workers' freedom
- Harsh or inhuman treatment of employees
- Ignoring property rights and traditional use of resources in target communities
- Excessive working hours
- Illegal Employment
- Involvement in weapon activities

Sub-contractors Obligations

Participation in the ¹UN Global Compact

ACHRO strongly encourages all its sub-contractors and suppliers to actively participate in the Global Compact and to that end, this Code of Conduct has been developed with recognition of the importance of the ten principles of the UN Global Compact and is viewed as an important means of integrating the Compact's principles into the operations of the UN. This Code of Conduct addresses the issues included in the Compact in the areas of human rights, labor, environment, and anti-corruption, and interpretation of the Code should be undertaken in a manner consistent with the Global Compact.

Human Rights and Labor Rights

ACHRO expects its Subcontractors to protect and promote human- and labor rights at all times and work actively to address issues of concern. As a minimum, they are obliged to comply with ethical standards stipulated in the ²UN Universal Declaration of Human Rights. The basic principles of the Universal Human Rights are "*all human beings are born free and equal in dignity and in rights, and everyone has the right to life, liberty and security of the person*". ACHRO expects its Subcontractors to not flaunt their responsibility to uphold and promote the Human Rights of their employees and the target communities in which they operate.

Establishing an appropriate management system

ACHRO expects that its suppliers will establish and maintain appropriate management systems related to the content of this Code of Conduct and that they actively review, monitor, and modify their management processes and business operations to ensure they align with the principles set forth in this Code of Conduct. Supplier participants in the Global Compact are strongly encouraged to operationalize its principles and to communicate their progress annually to stakeholders.

¹ <http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/index.html>

² <http://www.un.org/en/documents/udhr/index.shtml>

Exploitation of Child Labor

According to the ³UN Child Convention on the Rights of the Child, and ILO Conventions ⁴C138 & ⁵C182, ACHRO expects Sub-contractors to not engage in the exploitation of child labor and must take the necessary steps to prevent the employment of children as laborers. A child is defined as a person under the age of 18 and children shall not be engaged in labor works that compromise their health, safety, mental and social development, and schooling.

Sexual Exploitation and Abuse

ACHRO adopts a zero-tolerance approach towards sexual exploitation and abuse and in this regard, it fully adheres to ST/SGB/2003/13 core standards. ACHRO is committed to the prevention of sexual exploitation and abuse both within the organization, within the framework of its projects/ program as well as the POCs in the immediate project sites and target communities.

Sub -Contractors must participate in a training provided by ACHRO and adhere to ST/SGB/2003/13 to create and maintain an environment that prevents sexual exploitation and abuse and promotes the implementation of the Code of Conduct.

Sexual Exploitation: means any actual or attempted abuse of a position of vulnerability, differential power, or trust for sexual purposes including but not limited to profiting monetarily, socially, or politically from the sexual exploitation of another.

Sexual Abuse: means the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions.

Working Conditions

Adhering to ILO Convention ⁶C155, ACHRO expects Subcontractors to take adequate steps to provide safe and hygienic working environments. Additionally, workers' safety must be a top priority of all contractors and adequate steps must be taken to prevent accidents and injury to health associated with or occurring in the course of work.

Compliance with general laws and regulations

ACHRO expects Subcontractors and suppliers to comply with applicable laws and regulations relating to their activities. They shall respect intellectual property rights, conduct transfer of technology and know-how in a manner that protects intellectual property rights, and safeguard information.

Respect to property rights and traditional use of resources

In case of any conflict with target communities about the use of land or other natural resources, ACHRO expects the contractor and the communities to secure respect for individual and collective rights to resources through negotiations.

Free Choice of Employment

ACHRO expects Sub-contractors to avoid making use of forced or bonded labor and respect employees' freedom to leave their employer

³ <http://www2.ohchr.org/english/law/crc.htm>

⁴ <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C138>

⁵ <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C182>

⁶ <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C155>

Discrimination in Employment

ACHRO expects sub-contractors to ensure equality of opportunity and treatment in respect of employment and occupation without discrimination on the grounds of race, color, sex, religion, political opinion, national extraction or social origin, and other grounds as may be recognized under the national law of Afghanistan where the performance in whole or in part of a contract takes place.

ACHRO expects Sub-contractors to not practice discrimination in hiring, salaries, job termination, retiring, and access to training or promotion on the basis of race, national origin, caste, gender, sexual orientation, political affiliation, disability, marital status, or HIV/AIDS status (ILO Convention ⁷C100 & ⁸C111 & ⁹UN Convention on the Elimination on All Forms of Discrimination against Women 1979)

Treatment of Employees

No harsh or inhumane treatment of employees (¹⁰ILO Convention C155 -Occupational Safety and Health Convention, 1981)

The use of physical abuse, disciplinary punishment, sexual & and physical abuse, and other forms of intimidation may never be practiced by contractors.

Wages, Working Hours, and Other Conditions of Work

ACHRO 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 workers concerned of such deductions at the time of each payment. The wages, hours of work, and other conditions of work provided by suppliers should be not less favorable than the best conditions prevailing locally (¹¹ILO Convention C131, Minimum Wage Fixing Convention, 1970).

Contractors must ensure that working hours comply with national law and international standards. A working week of 7 days should not exceed 48 hours and employees must have one day off per week. Overtime shall be compensated, limited, and voluntary (ILO Convention ¹²C1 & ¹³C14).

Engaging in different forms of Corruption

Corruption by sub-contractors is defined as the misuse of entrusted power for private gain and it includes bribery, fraud, embezzlement, and extortion. ACHRO expects sub-contractors to avoid corruption and ensure high standards of integrity, accountability, fairness, and professional conduct in our working relations.

Contractors are also expected to undertake good and fair business ethics and practices, take action to prevent and fight corruption, and abide by international conventions as well as

⁷ <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C100>

⁸ <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C111>

⁹ <http://www.un.org/womenwatch/daw/cedaw/text/econvention.htm>

¹⁰ <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C155>

¹¹ <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C131>

¹² <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C001>

¹³ <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C014>

international and national laws. To fight corruption and promote transparency, contractors who are confronted with corrupt practices are advised to file a complaint in ACHRO's Complaints Mechanism.

Conflict of Interest

ACHRO obliges the sub-contractors to avoid all types of Conflict of Interest as an organization and also prevent their staff from doing so.

This code also strictly prohibits ACHRO employees from soliciting or accepting gratuities, favors, or anything of monetary value from suppliers, contractors, or parties to sub-agreements.

ACHRO has a zero-tolerance policy and doesn't accept any type of gifts or offers of hospitality.

Harming Marginalized Groups

ACHRO expects sub-contractors to not contribute to harm the livelihood of marginalized Groups carrying their project functions, such as occupying large land areas or other natural resources the marginalized and vulnerable segments are dependent on.

Illegal Employment

ACHRO expects subcontractors and suppliers to comply with the applicable legal requirements and a merit-based and transparent procedure in the employment of their staff and effectively eliminate illegal employment.

Freedom of Association and Collective Bargaining

ACHRO expects its suppliers to recognize the freely exercised right of workers without distinction to organize further and defend their interests and to bargain collectively as well as to protect those workers from any action or other form of discrimination related to the exercise of their right to organize, to carry out trade union activities and to bargain collectively ((ILO Convention ¹⁴C87 & ¹⁵C98)).

Protection of the Environment

ACHRO 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 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. 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.

Sub-contractors are obliged to minimize the environmental damages applied to nature including water, forest, green areas, construction materials, mines etc. via their project-related procurement activities.

¹⁴ <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C087>

¹⁵ <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C098>

ACHRO also wishes the suppliers and contractors to act in an environmentally responsible manner. This involves respecting applicable national and international environmental legislations and acting in accordance with the Rio Declaration.

Presenting Gifts to officials

ACHRO has a zero-tolerance policy and doesn't accept any type of gifts or offers of hospitality. ACHRO expects subcontractors and suppliers to forbid gifts to private or public officials that aim to influence project-related decisions or otherwise encourage them to avoid acts that contradict their legal obligations. Subcontractors and suppliers shall respect the privacy and confidential information of all their employees and business partners. Subcontractors and suppliers implement an appropriate Compliance Management System, with a scope that is related to the content of this Code of Conduct which facilitates compliance with applicable laws, regulations, and standards.

Involvement in Weapon Activities

ACHRO expects sub-contractors and suppliers to not engage in any development, sale, or manufacturing of weapons and ammunitions that feed into violations of International Humanitarian Law or are covered by the Geneva Conventions and Protocols (¹⁶The Ottawa Convention, 1997 & ¹⁷Geneva Conventions I-IV, 1949 and additional Protocols).

Global Compact:

ACHRO strongly encourages all suppliers to actively participate in the Global Compact. And to that end, this Code of Conduct has been developed with recognition of the importance of the ten principles of the UN Global Compact and is viewed as an important means of integrating the Compact's principles into the operations of the UN. The Code of Conduct addresses the issues included in the Compact in the areas of human rights, labor, environment, and anti-corruption, and interpretation of the Code should be undertaken in a manner consistent with the Global Compact.

Failure to abide by the standards established herein will subject the employee to sanctions to be determined by the employee's supervisor including the possibility of termination.

Signed: _____

Print Name: _____

Title: _____

Date: _____

¹⁶ http://www.apminebanconvention.org/fileadmin/pdf/mbc/text_status/Ottawa_Convention_English.pdf

¹⁷ <http://www.icrc.org/eng/war-and-law/treaties-customary-law/geneva-conventions/index.jsp>