

OSCE SUPPLIER'S CODE OF CONDUCT

Helsinki Final Act and the United Nations Charter: The values enshrined in the Helsinki Final Act and the United Nations (UN) Charter, respect for fundamental human rights, social justice and human dignity, and respect for the equal rights of men and women, serve as overarching values to which suppliers of goods and services to the OSCE¹ are expected to adhere.

International Labour Conventions and Recommendations: The International Labour Standards (i.e. Conventions and Recommendations) as established by the tripartite UN specialized agency, the International Labour Organization (ILO), have served as the foundation on which much of this Code of Conduct is based.

It is the OSCE's expectation that any supplier providing products or services to the OSCE will, in addition to the values of the Helsinki Final Act² and the UN Charter, adhere to the principles concerning International Labour Standards summarized below in paragraphs 4-9.3

1. Scope of Application

The provisions of this Code of Conduct set forth the OSCE's expectations for all suppliers that are registered with the OSCE or with whom it does business. The OSCE expects that these principles apply to suppliers and their employees, parent, subsidiary or affiliate entities, and subcontractors. The OSCE expects suppliers to ensure that this Code of Conduct is communicated to their employees, parent, subsidiary and affiliated entities as well as any subcontractors, and that it is done in the local language and in a manner that is understood by all.

2. Continuous Improvement

The provisions as set forth in this Code of Conduct provide the minimum standards expected of suppliers to the OSCE. The OSCE expects suppliers to strive to exceed both international and industry best practices. The OSCE 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 OSCE 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.

3. Management, Monitoring and Evaluation

It is the expectation of the OSCE that suppliers, at a minimum, have established clear goals toward meeting the standards set forth in this Code of Conduct. The OSCE 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.

¹ 1 In this Code of Conduct, "OSCE" shall refer to the Organization for Security and Co-operation in Europe, including the OSCE Secretariat, Institutions and Field Operations.

² Art. 1 (a) VII, VIII of Conference on Security and Co-Operation in Europe, Final Act, 1st CSCE Summit of Heads of State or Government, Helsinki.

³ The full texts of the ILO Conventions and Recommendations can be accessed at: <u>http://www.ilo.org/global/standards/lang--en/index.htm</u>.

Labour:

4. Freedom of Association and Collective Bargaining

The OSCE 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.⁴

5. Forced or Compulsory Labour

The OSCE expects its suppliers to prohibit forced or compulsory labour in all its forms.⁵

6. Child Labour

The OSCE 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.⁶

7. Discrimination

The OSCE expects its suppliers to ensure equality of opportunity and treatment in respect of employment and occupation without discrimination on grounds of race, colour, sex, 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.⁷

8. Wages, Working Hours and Other Conditions of Work

The OSCE 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 favourable 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.⁸

9. Health and Safety

The OSCE 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

⁴ These principles are set out in the ILO Fundamental Conventions, No. 87, Freedom of Association and Protection of the Right to Organise, 1948 and No. 98, Right to Organise and Collective Bargaining, 1949.

⁵ This principle is set out in the ILO Fundamental Conventions, No. 29, Forced Labour, 1930 and No. 105, Abolition of Forced Labour, 1957.

⁶ These principles are set out in the ILO Fundamental Conventions, No. 138, Minimum Age, 1973 and No. 182, Worst Forms of Child Labour, 1999 and in the UN Convention on the Rights of the Child.

⁷ These principles are set out in the ILO Fundamental Conventions, No. 100, Equal Remuneration, 1951 and No. 111, Discrimination (Employment and Occupation), 1958.

⁸ These principles are set out in ILO Conventions No. 95, Protection of Wages, 1949 and No. 94, Labour 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).

clothing and protective equipment are provided to prevent, so far as is reasonably practicable, risk of accidents or of adverse effects to health.⁹

Human Rights:

10. Human Rights

The OSCE 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.¹⁰ In particular, OSCE suppliers and their personnel shall not, directly or indirectly, engage in any practice inconsistent with international human rights laws and standards that prevent, *inter alia*, child labour, sexual exploitation and trafficking in human beings.

11. Harassment, Harsh or Inhumane Treatment

The OSCE expects its suppliers to create and maintain an environment that treats all employees with dignity and respect and will not use any threats of violence, sexual exploitation or abuse, verbal or psychological harassment or abuse. No harsh or inhumane treatment coercion or corporal punishment of any kind is tolerated, nor is there to be the threat of any such treatment.

12. Mines

The OSCE 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.

Environment:

13. Environmental

The OSCE expects its suppliers 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.

14. 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.

15. Wastewater and Solid Waste

Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be monitored, controlled and treated as required prior to discharge or disposal.

16. 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.

17. 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.

Ethical conduct: 18. Corruption

⁹ These principles are set out in the ILO Conventions, Recommendations and Codes of Practice identified at: <u>http://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/occupational-safety-andhealth/lang--en/index.htm</u>.

¹⁰ These principles are derived from Universal Declaration of Human Rights (UDHR) and are set out in the United Nations Global Compact (see <u>http://www.unglobalcompact.org/Issues/human_rights/index.html</u>).

The OSCE 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, bribery.

19. Conflict of Interest

The OSCE suppliers are expected to disclose to the OSCE any situation that may appear as a conflict of interest, and disclose to the OSCE if any OSCE official or professional under contract with the OSCE may have an interest of any kind in the supplier's business or any kind of economic ties with the supplier.

20. Gifts and Hospitality

The OSCE expects its suppliers not to offer any benefit such as free goods or services, employment or sales opportunity to an OSCE staff member in order to facilitate the suppliers' business with the OSCE.

The OSCE will not accept any invitations to sporting or cultural events, offers of holidays or other recreational trips, transportation or invitations to lunches or dinners.

Non-adherence to these principles will be a factor in considering whether a supplier is deemed eligible to be registered as an OSCE supplier or to do business with the OSCE, in accordance with applicable OSCE policies and procedures.

We encourage OSCE suppliers to improve their business practices in accordance with the principles set out in this Code of Conduct.