

The Ministry of Finance

Staff Code of Conduct

June 2006

"The war against corruption is of vital importance to the state. It is a matter of life and death. A road to either safety or ruin. Hence it is a subject of enquiry which can on no account be neglected."

Paraphrase from Sun Tzu, The Art of War, 1995

Foreword

The Treasury is the nerve centre of all financial transactions in the public service and its policy initiatives have a major impact on the Kenyan economy. The personal integrity of the public financial management system is therefore, crucial in the fight against corruption. The Ministry of Finance staff carry a heavy fiduciary responsibility in their daily work. They have an ethical responsibility and the responsibility to set a good example. The Treasury is determined to maintain the highest standards, and to fully adhere to the notion of "zero tolerance" to corruption in overseeing the management of our tax payers' money.

This is the principle that the ministry will also continue to apply to other government ministries, departments, state corporations, private sector and other stakeholders. Thus it is essential that the public financial management system of the ministry of finance follows and demonstrates the highest standards of personal integrity.

The ministry of finance Anti-corruption Code of Conduct should provide guidance not only in the Treasury, but also to other public sector institutions. The purpose of this Anti-corruption Code of Conduct is to ensure and support behaviour and working ethics characterized by high standards of personal and organizational integrity, both internally and with stakeholders.

**Permanent Secretary
Ministry of Finance**

Our Core Values

- Customer First
- Results Oriented
- Encompassing, Consensus and Ownership
- Accountability, Transparency and Integrity
- Teamwork and Commitments

Guiding Principles

- Integrity
- Respect
- Accountability
- Transparency

- Justice
- Selflessness
- Objectivity
- Honesty
- Loyalty
- Leadership
- Professionalism
- Hard work and Commitment
- Decency

We will avoid any conflict - real or potential - between our personal interests and the interests of the ministry of finance. We will promptly report any occurrence of such conflict

1. Conflict of interest

Conflicts of interest arise from situations in which you as a ministry of finance employee have a private interest that could potentially influence, or appear to influence, the impartial and objective performance of your official duties. Private interests include any advantage to you or your family, close relatives, friends and persons or organizations with whom you have or have had business or political relations.

Examples:

Outside employment or activities: You must disqualify yourself from outside employment or activities, including dealings with former or planned future employers, and from employment that conflicts with your duties and responsibilities to the ministry. Where you have been seconded to the ministry from another public sector institution or private sector any assignment that gives rise to conflict of interest with your "mother institution" should be declared immediately.

Personal or financial connections: Should you have any connections, be they personal, family-related, financial or of any other nature, to ministry partners or employees that could have an effect on the objectivity of your decision-making when working for ministry, you should inform your Head of Department, or the Financial Secretary or the Permanent Secretary for direction.

You must not have any private dealings with firms and individuals who conduct official business with the ministry.

We will not seek to influence for private purposes any person or body by using our official position or offering them personal advantages. Likewise, we will not use public property, facilities, services and financial resources for private purposes except when permission is lawfully given

2. Misuse of official position and public resources

This principle implies that you shall not use your official authority for improper advancement of your own or your family's personal or financial interest. Thus, you should not engage in any transaction, acquire any position or function, or have any financial, commercial or other comparable interest that is incompatible with your office, functions and duties or the discharge thereof.

Examples:

You should not use the official vehicle allocated to your office as a personal or private vehicle for your private errands including use by your children and spouse.

You should not convert your office for private purpose and use the telecommunication equipment to make private calls

You should not use the support staff engaged in your office i.e. drivers, office messengers, secretaries and other officers subordinate to you for your own private business.

You should not demand for and accept favours by virtue of your position e.g. as an Alternate Director in a state corporation.

You should not take stationery or other items home from your work place for personal use.

We shall enforce all enabling laws governing financial and economic matters.

3. Enforcement of all laws governing financial and economic matters

As staff of the ministry of finance we operate under a raft of laws under which we are duty bound to act. We must therefore, understand these statutes thoroughly in order to enable us to interpret and apply them correctly and also to advise our clients and partners appropriately.

Example:

You should understand the application of the following laws, inter alia,

Government Financial Management Act, 2005

Public Procurement and Disposal Act, 2005

Exchequer and Audit Act

Civil Contingencies Fund

Permanent Secretary to the Treasury Act

Public Audit Act

State Corporations Act

Privatization Act, 2005

Investment Promotion Act

Restrictive Trade Practices, Monopolies and Price Control Act

Banking Act

Central Bank of Kenya Act

External Loans and Credits Act

Internal Loans Act

Guaranteed Loans Act

Pensions (Increase) Act

Public Fees Act

We will ensure that our private conduct does not compromise our role as Ministry of Finance employees

4. Proper personal conduct

The Ministry of Finance respects the privacy of its staff and will not seek to regulate private conduct unless such conduct impairs the ability of the employee to perform work satisfactorily.

Even when your private conduct is perfectly legal and does not in any way impair your performance at work, incompatibility between the same private conduct and your role as a ministry of finance employee can occur when your private conduct is in conflict with official core values and policy of the Ministry.

Example:

The ministry will not accept any private conduct that involves engagement in corrupt practices, e.g. facilitation payments, excessive gambling or the use of child labour.

You should manage your personal finances in a manner that does not expose you to pecuniary embarrassment thus making you a target for rent seeking activities.

We will not give, solicit or receive, directly or indirectly, any gift or other favour that may influence the exercise of our function, performance of duty or judgement. This does not include conventional hospitality or minor gifts

5. Gifts

As a general rule, ministry of finance staff should not accept gifts or other advantages except as set out in the Public Officer Ethics Act, 2003.

Gifts generally colour the judgement of the recipient and should therefore, be either politely declined or if accepted should be registered and given up to the ministry for further disposal.

Examples:

Ministry of Finance staff must not receive advantages such as free or reduced-price travel, the use of vehicles, entrance tickets and favourable reductions (unless these are expressly granted to the entire staff on the basis of contractual agreements), compensation for travel expenses, dinner invitations, etc. Advantage taking can also be said to exist when benefits are awarded to a "third party" (spouse/partner, children etc.).

Dinner or lunch invitations from colleagues of other public service institutions and multilateral donor agencies may be regarded as small gifts - even if they exceed the value limit - provided that they take place in an appropriate and standard business framework. However, you must exercise great caution with dinner/lunch invitations from bilateral donor agencies, business people as these are prone to be offered with the purpose of influencing your decision-making.

As a ministry employee you are not allowed to offer payments to secure or expedite the performance of a routine, legal or necessary action.

The ministry applies a ZERO TOLERANCE approach towards the payment of all types of bribes, including facilitation payments.

In accordance with the principle of "zero tolerance", we are obliged to report suspicion or evidence of corruption committed by colleagues or others

6. Reporting Corruption

This principle obliges you to observe and respect this Code of Conduct and its principle of zero tolerance towards corruption. Your first instance for reporting evidence and suspicion of corruption is your immediate superior but where it is your superior that is under suspicion then you should report to the Financial Secretary or the Permanent Secretary.

Further guidance on this will be issued from time to time by the Ministerial Corruption Prevention Committee. Hotlines and e-mail address for reporting suspected corrupt activities should be used as much as possible. The committee will also prepare training programmes in consultation with the Kenya Anti-Corruption Commission and release annual work plans on anti-corruption interventions.

Working in teams, you should conduct continuous risk assessment on the scale and scope of the threat of corruption in your workplace with a view to devising effective counter measures.

You should continually review the effectiveness of internal controls and checks in order to identify and eliminate system weakness that could lead to corruption.

Where corruption has occurred you should stop a recurrence, safeguard the evidence, review systemic weaknesses to strengthen integrity, inform the Financial Secretary or Permanent Secretary to call in the Kenya Anti-Corruption Commission for investigations and sanction the staff involved to deter others.

The Permanent Secretary guarantees the protection of officers against intimidation by superiors where they report corruption in good faith and on reasonable grounds.

We will strive to achieve maximum openness and transparency towards our external constituencies. However, confidentiality will be applied when necessary to safeguard the national interest, rights of our clients, staff and others.

7. Openness and transparency as a rule - confidentiality when required

All information within the Kenyan public administration is public and should be disclosed to anyone demanding access to this information. However, certain information can be protected from publicity and access denied if it is necessary to protect interests of major importance or in accordance with the Official Secrets Act.

This applies in particular to information where disclosure can harm Kenyan public interests, including the security of the state, relations to foreign powers or international organizations and the economic interests of the state. Any final decision concerning giving or denying publication of information should always be made by the Financial Secretary or the Permanent Secretary and in some cases by the Minister for Finance.

You should not deliberately utter or present misleading information to your superiors, clients and members of the public.

You should not tamper with or manipulate official information that is in electronic or digital or any other format or give out the same information to unauthorized persons for personal gain.

In our work we do not discriminate in respect of tribe, gender, colour of skin, religion, culture, education, social status, or nationality

8. Non-discrimination

Everybody is entitled to equal treatment irrespective of political party affiliation, gender, colour of skin, religion, culture, education, social status, ethnic affiliation or nationality, and discrimination on these grounds must therefore be avoided.

There shall be no exception to this principle.

Examples:

You should not favour members of your ethnic community during staff recruitment or for promotion or for the granting of any other advantage.

You should not be hostile to members of the public who are poor or uneducated.

Religious and cultural considerations should not play any part in the discharge of your duties to the public.

We will make our code of conduct known to our professional partners

9. Dissemination of the code

As a ministry employee, you should work to disseminate the principles of our Code of Conduct to colleagues, partners or other persons or institutions with whom we have a professional interest.

Although the Code is for ministry staff, it seeks in several ways to regulate behaviour between ministry staff and our stakeholders and customers. It therefore has implications regarding the reciprocal conduct that we expect from our partners.

Consequently, in disseminating this Code, you should seek the acknowledgement of the Code by our professional partners e.g. government ministries and departments, economists, consultants, accountants, financial analysts, auditors, insurance practitioners, bankers, portfolio asset managers, human resource managers, freight forwarders, industrialists, pension fund managers, market regulators, administrators, security officers, development partners, etc.

We will respect the principles of the code and we will report any evidence or suspicion of breaches of the code. We will ensure the legal rights and due protection of the whistleblower and the accused before, during and after any investigation

10. Observance of the code

You are obliged to familiarise yourself with the Code and respect its principles. Breaches of the Code may have implications for your career or ultimately your employment with the ministry.

An officer who breaches the Code of Conduct may be disciplined in accordance with the Civil Service Code of Regulations and the Service Commissions Act, CAP 185. This Code should be read and applied together with the Public Officer Ethics Act, 2003 whose provisions are binding on all Public Officers.

You are obliged to report any evidence or suspicion of breaches of the Code. Your first instance for reporting is your immediate superior, or alternatively his or her superior. When in doubt about how to interpret this Code or other aspects of professional or private conduct, you may also approach your superior to seek advice and discuss what is considered proper conduct.

The enforcement of this Code will be carried through mainstreaming its provisions in ministerial activities, committees and functions. The Code will be subject to periodic review from time to time as may be agreed upon by staff.

Ministry of Finance Staff code of conduct

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2. We will not seek to influence for private purposes any person or body by using our official position or offering them personal advantages. Likewise, we will not use public property, facilities, services and financial resources for private purposes except when permission is lawfully given.
3. We shall enforce all enabling laws governing financial and economic matters.
4. We will ensure that our private conduct does not compromise our role as ministry of finance employees.
5. We will not give, solicit or receive, directly or indirectly, any gift or other favour that may influence the exercise of our function, performance of duty or judgement. This does not include conventional hospitality or minor gifts.

6. In accordance with the principle of "zero tolerance", we are obliged to report suspicion or evidence of corruption committed by colleagues or others.

7. We will strive to achieve maximum openness and transparency towards our external constituencies. However, confidentiality will be applied when necessary to safeguard the national interest, rights of our clients, staff and others.

8. In our work we do not discriminate in respect of tribe, gender, colour of skin, religion, culture, education, social status, or nationality.

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