



The Global Standard for Procurement and Supply

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Leading global excellence in procurement and supply

Segment 11.2 Ethics for Procurement and Supply

Level: Operational

Theme: Ethics

Knowledge: Will know and understand	Capabilities: Will be able to
<p>The application of the CIPS Code of Conduct in procurement and supply by:</p> <ul style="list-style-type: none">• Enhancing and protecting the standing of the profession• Maintaining the highest standard of integrity in all business relationships• Promoting the eradication of unethical business relationships• Enhancing the proficiency and stature of the profession• Ensuring compliance with laws and regulations	<p>Ensure and encourage compliance with the CIPS Code of Conduct</p>
<p>The use of codes of ethics in procurement and supply</p>	<p>Monitor the work of stakeholders to ensure that the codes of ethics in procurement and supply are upheld and to escalate to senior management any suspected breach</p>

Knowledge: Will know and understand	Capabilities: Will be able to
<p>The use of documented policies and procedures for the work of procurement and supply, including:</p> <ul style="list-style-type: none"> • The responsibilities for procurement • Regulations relating to competition • Levels of delegated authority • Responsibilities for the stages of the sourcing process • Invoice clearance and payment 	<p>Explain how documented policies and procedures for procurement and supply should be interpreted and applied to promote ethical practice</p>

The conflicts of interest that can exist in the work of procurement and supply and how to deal with them

Explain how to identify potential conflicts of interest that can occur in the work of procurement and supply and how they should be addressed to ensure that ethical practices are prioritised

Related CIPS Knowledge Links

[Leadership and Promotion of Procurement and Supply Management - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/People-and-skills/Leadership-and-Promotion-of-Procurement-and-Supply-Management1/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/People-and-skills/Leadership-and-Promotion-of-Procurement-and-Supply-Management1/)

[Sustainable and Ethical Procurement - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Sustainability/Sustainable-and-Ethical-Procurement/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Sustainability/Sustainable-and-Ethical-Procurement/)

[Legislation - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/External-Environment/Legislation1/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/External-Environment/Legislation1/)

[Stakeholders - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Procurement-Organisation/Stakeholders/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Procurement-Organisation/Stakeholders/)

[Performance Analysis/Management - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Developing-and-managing-contracts/Performance-Analysis-and-Management1/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Developing-and-managing-contracts/Performance-Analysis-and-Management1/)

[Procurement Policy Development - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Strategy-policy/Procurement-policy-development1/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Strategy-policy/Procurement-policy-development1/)

[Conflict Resolution - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Developing-and-managing-contracts/Conflict-Resolution/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Developing-and-managing-contracts/Conflict-Resolution/)

Segment 11.3 Ethical/Responsible Sourcing

Level: Operational

Theme: Ethics

Knowledge: Will know and understand	Capabilities: Will be able to
<p>International standards that apply against criminal conduct including bribery, corruption, fraud and human rights abuse such as modern slavery</p>	<p>Inform colleagues and stakeholders of international standards that apply against criminal conduct including bribery, corruption, fraud and human rights abuse such as modern slavery and investigate and escalate any suspected breach</p>
<p>The incorporation of practices to support the implementation of ethical/responsible sourcing in procurement processes</p>	<p>Engage with stakeholders to devise specifications, contract terms, KPIs and other instruments to encourage suppliers to prevent, detect and eradicate breaches of ethical standards</p>
<p>The use of prequalification and assessment criteria that can be applied to encourage ethical/responsible sourcing in the procurement process</p>	<p>Engage with stakeholders to agree prequalification and assessment criteria that can be applied to encourage ethical/responsible sourcing</p>
<p>Sources of information and databases that examine ethical practices</p>	<p>Carry out research and map supply chains to assess vulnerabilities and risks in supply that may result in breaches of ethical standards</p>
<p>The importance of obtaining supporting information on ethical practices in supplier quotations and tenders</p>	<p>Undertake due diligence on suppliers to evaluate the risks of forced labour and other human rights abuses, fraud and corruption</p>

Knowledge: Will know and understand

Capabilities: Will be able to

The use of audits and other feedback mechanisms to evaluate workplace standards

Monitor performance and encourage dialogue with suppliers on how improvements to workplace standards can be made and recommend to senior management appropriate remedies that can be taken with suppliers that may have committed breaches of ethical policies

The triple bottom line of profit, people and planet

Implement and promote sustainable sourcing in the supply chain

Related CIPS Knowledge Links

[Sustainable and Ethical Procurement - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Sustainability/Sustainable-and-Ethical-Procurement/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Sustainability/Sustainable-and-Ethical-Procurement/)

[Specification Development - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Understand-Need---Market-and-options-assessment/Setting-KPIs/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Understand-Need---Market-and-options-assessment/Setting-KPIs/)

[Terms and Conditions and the Developing of Contracts - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Developing-and-managing-contracts/Terms-and-Conditions-and-the-Developing-of-Contracts/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Developing-and-managing-contracts/Terms-and-Conditions-and-the-Developing-of-Contracts/)

[Supplier Evaluation and Appraisal - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Supplier---bid---tender-evaluation/Supplier-Evaluation-and-Appraisal1/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Supplier---bid---tender-evaluation/Supplier-Evaluation-and-Appraisal1/)

[Supplier Evaluation and Appraisal - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Supplier---bid---tender-evaluation/Supplier-Evaluation-and-Appraisal1/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Supplier---bid---tender-evaluation/Supplier-Evaluation-and-Appraisal1/)

[Performance Analysis and Management - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Developing-and-managing-contracts/Performance-Analysis-and-Management1/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Developing-and-managing-contracts/Performance-Analysis-and-Management1/)

[Setting KPI's - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Strategy-policy/Setting-KPIs/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Strategy-policy/Setting-KPIs/)

[Stakeholders - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Procurement-Organisation/Stakeholders/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/Procurement-Organisation/Stakeholders/)

[Confidentiality Agreement - Tools and Templates - http://www.cips.org/Knowledge/Tools-and-Templates-revised/Sourcing-and-](http://www.cips.org/Knowledge/Tools-and-Templates-revised/Sourcing-and-Confidentiality-Agreement-Tools-and-Templates-)

[Tendering/Confidentiality-Agreement/](#)

[Cross Border Risk - http://www.cips.org/dunandbradstreet](http://www.cips.org/dunandbradstreet)

[Sustainable and Ethical Procurement - White Papers - https://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Sustainability/Sustainable-and-Ethical-Procurement/#tabs-2](https://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Sustainability/Sustainable-and-Ethical-Procurement/#tabs-2)

[Modern Slavery - http://www.cips.org/en-gb/knowledge/procurement-topics-and-skills/sustainability/sustainable-and-ethical-procurement/#tabs-4](http://www.cips.org/en-gb/knowledge/procurement-topics-and-skills/sustainability/sustainable-and-ethical-procurement/#tabs-4)