

Code of Conduct

for Contracting Partners of the City of Zürich

The City of Zürich wants to ensure sustainable procurement and work together with contracting partners who guarantee economic, social and environmental sustainability.

Placing contracting partners under the obligation to comply with this Code of Conduct is one of the measures applied in the implementation of this objective.

The City of Zürich is authorised at any time to take the measures it deems appropriate to monitor compliance with the Code of Conduct and appoint third parties to carry out such an audit.

1. Principles

Contracting partners of the City of Zürich undertake without any limitation to observe all relevant statutory provisions, whether with regard to the place of performance or product requirements. This applies to contracting partners with their registered office or branch office in Switzerland as well as contracting partners with their registered office or branch office abroad.

2. Integrity clause

Contracting partners of the City of Zürich undertake to implement all the measures required to avoid corruption, in particular to ensure that no payment in the form of money or other benefits is offered or accepted.

Any breach of this integrity clause usually results in the cancellation of the tender or early termination of the contract for good cause.

3. Environmental sustainability

Contracting partners of the City of Zürich undertake to comply with the relevant statutory provisions as well as all and any environmental product and service requirements of the tender and contract for the entire term of the contract.

Non-compliance with the defined requirements or failure to immediately rectify any breaches or defects usually results in the cancellation of the tender or early termination of the contract for good cause.

4. Occupational safety regulations, employment conditions, equal treatment

Subject to specific rules formulated separately by the City for certain products or services or special requirements in the tender documents or contract, the following applies:

4.1 Contracting partners with registered office or branch office in Switzerland

Contracting partners with their registered office or branch office in Switzerland are subject¹ to the laws and regulations that apply at their registered office or branch offices, namely:

- Occupational safety regulations and employment conditions (collective labour agreements, employment contracts or, if none, local regulations and industry principles, etc.).
- Regulations on the equal treatment of men and women.

4.2 Contracting partners without registered office or branch office in Switzerland

If the service is performed abroad, the contracting partners must observe the statutory provisions that apply at the place of performance. Contracting partners must, however, at all times guarantee compliance with the core labour standards of the International Labour Organisation (ILO)² at the place of performance. Since the adoption of the ILO Declaration on Fundamental Principles and Rights at Work in 1998, all member states have been obliged to observe, respect and promote the core labour standards of the ILO simply on the basis of their membership of the ILO, i.e. whether or not they have ratified the relevant Conventions. The core labour standards of the ILO are based on the following eight principles:

¹ According to Art. 11 of the Intercantonal Agreement on Public Procurement (IVöB) and § 8 of the Submission Ordinance (LS 720.11).

² – No. 029 of 28 June 1930 on Forced or Compulsory Labour.

– No. 087 of 9 July 1948 on the Freedom of Association and Protection of the Right to Organise.

– No. 098 of 1 July 1949 on the Right to Organise and Collective Bargaining.

– No. 100 of 29 June 1951 on Equal Remuneration for Men and Women Workers for Work of Equal Value.

– No. 105 of 25 June 1957 on the Abolition of Forced Labour.

– No. 111 of 25 June 1958 on Discrimination in Respect of Employment and Occupation.

– No. 138 of 26 June 1973 on the Minimum Age for Admission to Employment.

– No. 182 of 17 June 1999 on the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour.

4.2.1 Freedom of association and right to collective bargaining

The right of all workers to form and join trade unions and workers' organisations and their right to engage in collective bargaining pursuant to ILO Conventions 87 and 98 must be observed.

4.2.2 Prohibition of forced labour

All forms of forced labour and thus any form of forced work under threat of punishment such as physical punishment or mental or physical duress are prohibited under ILO Conventions 29 and 105.

4.2.3 Elimination of child labour

All forms of exploitative child labour and working conditions that come close to slavery or damage the health of children are prohibited in compliance with ILO Conventions 138 and 182.

4.2.4 Non-discrimination in employment and occupation

Any distinction, exclusion or preference made on the basis of race, colour, gender, religion, political opinion, national extraction or social origin that has the effect of nullifying or impairing equality of opportunity and treatment in employment and occupation must be abolished in accordance with ILO Convention 111. The application of the principle of equal remuneration for men and women workers for work of equal value complies with ILO Convention 100.

4.3 Place of performance

The place of performance is the place where the service is in fact performed. The following qualifications apply to services obtained from foreign companies:

- If a product is manufactured abroad and delivered to Switzerland, the place of performance is the country of production. The actual place where a service is performed is the place of performance for services.
- If contracting partners send their employees to Switzerland to do work here, the place of performance is Switzerland.

4.4 Performance by third parties, sub-contractors and suppliers

Contracting partners must contractually bind all third parties, sub-contractors and suppliers appointed by them to participate in the service performance to comply with this Code of Conduct. Regardless of the existence of such contractual agreements, the contracting partners at all times guarantee that all third parties, sub-contractors and suppliers appointed by them to participate in the service performance will comply with the provisions of the Code of Conduct.

Non-compliance with these guarantees by contracting partners entitles the City of Zürich to terminate the contract early for good cause, to claim damages and to make direct payments to third parties, sub-contractors and suppliers and deduct these payments from the contractual amount. Pursuant to Art. 5 of the Posted Workers Act, contractors in the construction and related industries are liable under civil law if sub-contractors appointed by them do not pay the net minimum salaries and observe the employment conditions.

**Declaration on compliance
with the Code of Conduct
by contracting partners of
the City of Zürich**

The contracting partner hereby declares:

- That he/she has received and taken note of the Code of Conduct of the City of Zürich.
- That he/she fully and unconditionally accepts and observes the Code of Conduct of the City of Zürich.
- That he/she uses suitable measures to guarantee and ensure that all third parties, sub-contractors and suppliers appointed by him/her have taken note, accept and comply with the Code of Conduct of the City of Zürich.
- That the City of Zürich or an external party appointed by it can at any time require the contracting partners to submit proof of compliance or grant the right to inspect this proof of compliance with the provisions of the Code of Conduct by the contracting partners as well as third parties, sub-contractors and suppliers appointed by them.
- That the City of Zürich or an external party appointed by it can at any time check compliance with the provisions of the Code of Conduct at the place of business of the contracting partner and all third parties, sub-contractors and suppliers appointed by the contracting partner at the latter's cost. In particular the City of Zürich reserves the rights to verify employee wages (amongst other things the compliance with minimum wages) with random inspections.

**Consequences of
non-compliance with
Code of Conduct by
contracting partners**

If a false declaration or guarantee or one that no longer applies is provided, the City of Zürich – subject to specific regulations – can exclude the contracting partner from current tender procedures, revoke a tender that was awarded, terminate contracts early for good cause and/or cancel future orders and deliveries, without granting the contracting partner the right to derive any claims therefrom.

The contracting partner takes note that, pursuant to § 4 b. BeiG (Act of Accession to the Revised Intercantonal Agreement on Public Procurement IVöB), the City of Zürich may caution or in severe cases exclude the contracting partner for up to five years from future tenders of the City of Zürich in the following cases:

- Failure to pay taxes or social security contributions.
- Breach of the principles on compliance with occupational safety regulations and employment conditions for workers, the equal treatment of men and women and the confidentiality of information.
- Breach of the provisions of the Federal Act on Measures to Combat Illegal Employment of 17 June 2005.
- Submission of false information to the tender office.
- Conclusion of agreements that eliminate or significantly reduce fair competition.
- Commission of a crime to the detriment of the customer in relation to the award or fulfilment of public tenders or the violation of acknowledged professional rules.
- Failure to allow inspection by the tender office.

The right to take further legal steps against liable contracting partners is reserved.

Date:

Name and address / stamp

The contracting partner:

Legally binding signature: