

# **Ethics Regulations for Procurement Personnel**

## **Article 1**

This Regulations is prescribed pursuant to Article 112 of the Government Procurement Act (hereinafter referred to as the "Act")

## **Article 2**

The term of procurement personnel referred to in this Regulations means personnel of procuring entities who conduct procurements covered by the Act.

This Regulations shall apply mutates mutandis to personnel of a supplier who conduct procurements pursuant to Articles 4, 5, 39 and paragraph 2 of Article 63 of the Act.

## **Article 3**

Procurement personnel shall endeavor to pursue fair and open procurement procedures, advance the efficiency and effectiveness of government procurement operation, ensure the quality of procurement, and promote a healthy development of the procurement system.

## **Article 4**

Procurement personnel shall, based on laws, regulations, and their conscience, perform their official duties impartially and shall not conduct or accept entreaty or lobbying.

## **Article 5**

In conducting a procurement, procurement personnel shall make their efforts to find out the truth and uphold the rights of both the entity and the supplier. Situations favorable and unfavorable toward the entity and the supplier shall be examined carefully with a view that the matter is properly examined, that the law is properly applied, and that the public credibility is upheld.

## **Article 6**

Procurement personnel shall be honest and upright, take reputation seriously, speak carefully, and behave in a proper manner.

## **Article 7**

The procurement personnel shall not have any of the following conducts:

1. Using their official duties to solicit, agree to a bribe proposal accept bribes, rebates, gifts, preferential transactions or any other improper benefits from the supplier.
2. Accepting meals, accommodation, transportation, entertainment, travel, dirty entertainment, or any other similar situations with free charge or preferential treatment from the suppliers connected with their official duties.
3. Conducting procurement not in accordance with laws and regulations.
4. Obstructing the efficiency of procurement.
5. Wasting national resources.
6. Failing to conduct the procurement impartially.
7. Disclosing procurement information that shall be kept confidential.
8. Using the premises of the entity or public property for personal business or activities.
9. Using their official duties to raise funds or engage in commercial activities.
10. Using confidential information obtained in the course of duties for improper personal interests.
11. Working concurrently for the supplier while having the employment relationship with the entity.
12. Posting or hanging up advertising materials of the supplier in public buildings.

13. Using their official duties to introduce their relatives or friends to work for the supplier.
14. Using their official duties to borrow from the supplier, or to invest with the supplier, not through open transaction.
15. Requesting a supplier to provide services not related to the procurement.
16. Entreating or lobbying for the supplier.
17. For improper personal interests by intending over-estimating the budget, government estimate, contract price payable, or conducting improper planning, design, invitation to tender, evaluation of tender, award of contract, administration of contract performance, or inspection and acceptance.
18. Making use of the occasions of wedding, funeral or banquet to solicit money or property from the supplier.
19. Engaging in matters or activities that may affect the dignity of the procurement personnel or may cause the general public to conceive that such personnel are unable to conduct their official duties impartially.
20. Other circumstances as prescribed by the responsible entity.

## **Article 8**

The procurement personnel may accept the following gifts or treatments from the supplier related to their official duties or interests without being restricted by the provisions of the preceding Article if refusing to accept such gifts or treatments is against social etiquette or custom. However, the provision of gifts or treatments shall not be initiated by the procurement personnel and shall only be occasional and incidental.

1. Advertising materials, promotional products, souvenirs, gifts, discounts or services which do not exceed the value of NT\$ 500.
2. Meals and treatments which do not exceed the value of NT\$ 500.

3. Banquets that are held openly and a wide range of general people are invited.
4. Other circumstances as prescribed by the responsible entity.

Gifts and treatments referred to in the preceding paragraph with a value more than NT\$500 and with the difficulty of returning the same to the supplier may be accepted by paying for, or submitted to the office or donated to charity institutions within seven days from the date of receipt or the date when their provision is known.

Where gifts or treatments are accepted based on family relationship or personal friendship, the provisions of the preceding two paragraphs shall not apply.

### **Article 9**

The procurement personnel may accept the following treatments from the supplier related to their official duties without being restricted by the provisions of Article 7 if refusing to accept such treatments will obstruct the carrying-out of duties.

1. Where the procurement activity is conducted in a location that appropriate accommodation and dining facilities are not available, the supplier may provide the procurement personnel accommodation and meals which are the same as those provided to its own workers.
2. Where the procurement activity is conducted in a location that transportation is inconvenient and the use of transportation provided by the supplier is necessary.
3. Where the entity is invited to send its personnel to attend a meeting held by the supplier in a proper place with the provision of meals for the purpose of official business.
4. Other circumstances as prescribed by the responsible entity.

In the event that the supplier is required by the contract to provide treatments specified in subparagraphs 1 and 2 of the preceding paragraph, the contract shall apply. Where it is not specified in the contract, the supplier may request the entity to pay for the necessary expense incurred by providing meals, accommodation, or transportation.

## **Article 10**

The procurement personnel shall immediately take corrective measures or submit a written report to the relevant entities if he/she finds there has been a breach of the Government Procurement Act or related regulations.

## **Article 11**

The head of the entity, his/her appointed personnel or the disciplinary personnel shall keep watching the integrity of procurement personnel and take necessary correction or prevention measures where there appears to be a breach of this Regulations.

## **Article 12**

Where a procuring entity finds that a procurement personnel is in breach of this Regulations, the entity shall consider the situation and promptly adopt necessary measures of the following after providing the personnel involved an opportunity to answer.

1. Handling the case in accordance with the Civil Services Act, Act of the Discipline of Public Functionaries, Civil Servant Grading Act and other relevant regulations. In case of violation of the criminal law, the case shall be submitted to the judicial entities for handling.
2. Removing such personnel from procurement related duties.
3. Taking part in procurement-related training.

Where a procurement personnel is substantially in breach of this Regulations, the entity shall remove such personnel from procurement-related duties prior to adopting any measures provided in the preceding paragraph.

Where the entity fails to proceed in accordance with provisions referred to in the preceding two paragraphs or proceeds improperly, the responsible entity may notify the entity or its superior entity to proceed with an appropriate alternative.

## **Article 13**

Where a procurement personnel is in breach of this Regulations, his/her supervisor who is aware of it but fails to take any action shall be punished, depending on situations, in accordance with laws and regulations.

#### **Article 14**

Where procurement personnel uphold their integrity or endeavor to contribute to enhancing the efficiency of procurement, their supervisors may report their facts for awards.

#### **Article 15**

This regulations shall take effect May 27, 1999.

**Note: In case of discrepancies between the Chinese version and this English version, the Chinese version shall prevail.**