



Energy Regulatory Office  
Zyra e Rregullatorit për Energji  
Regulatorni Ured za Energiju

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Pursuant to the authority given under Article 11 of the Law on Energy Regulator, the Board of the Energy Regulatory Office on a public session held on 15.12.2005 adopted the:

## **CODE OF CONDUCT AND ETHICS**

### **Article 1.**

#### **General Principles**

1.1. The Code of Conduct and Ethics (“the Code”) of the Energy Regulatory Office (“ERO”) sets forth the guiding ethical principles and rules of conduct that govern the staff members. “Staff members” shall include all Members of the Board of ERO (“the Board” or “Members of the Board”) and all other employees of ERO.

1.2. The integrity of the staff members is indispensable to justice in discharging the responsibilities of the regulatory agency. Staff members should participate in establishing, maintaining and enforcing high standards of conduct so that the honor, honesty, fairness and impartiality of ERO is preserved, and the public trust is strengthened. The Code provides guidance in upholding their ethical and legal responsibilities, and avoiding actual or apparent conflicts of interest. The provisions of the Code should be construed and applied to further the objectives set forth herein.

1.3. All staff members owe a duty to ERO to advance its legitimate interests when the opportunity to do so arises.

### **Article 2.**

#### **Relationship with Laws, Regulations and Standards**

2.1. All staff members are expected to perform their activities in accordance with all applicable laws and regulations in Kosovo, generally accepted business practices, and the highest ethical standards.

2.2. In cases where additional guidance is required to clarify ethical duties and appropriate ethical conduct, a staff member shall consult his or her supervisor. If such guidance is required by a Member of the Board, he or she will consult the other Members of the Board.

2.3. Violations of ethical principles and rules of conduct set forth herein are prohibited.

Article 3.  
**Conflicts of Interest**

3.1. No staff member of ERO should act in any way that could reasonably create an impression among the public that he or she may be engaged in conduct that violates the trust placed in him or her as a staff member.

3.2. No staff member should allow family, social or other relationships to influence his or her professional judgment. A staff member should not use, or take any action that gives the impression of using, the authority and opportunities afforded by his or her position, to advance the private interest of others, nor should a staff member convey or permit others to convey the impression that he or she may be influenced.

3.3. To avoid a conflict of interest, this Code sets forth the following prohibitions on staff members:

a) Except as provided in Article 11.2 and 11.3, no staff member shall accept any financial gain or benefit, directly or indirectly, from any energy enterprise or person employed by any energy enterprise or persons seeking official action by ERO or who may otherwise be substantially affected by ERO. Financial gain or benefit includes, but is not limited to cash, stocks, loans, credit or guarantees, real estate, gifts, travel, lodging, or personal services;

b) No staff member shall have any interest, financial or otherwise, direct or indirect, or exercise any management control over the operations of any energy enterprise regulated by ERO, or its successor, or any entity directly or indirectly controlled by such enterprise;

c) No staff member may be employed by an energy enterprise simultaneously as a consultant or Member of the Board or in any other position that may give rise to the conflict of interest;

d) No Member of the Board or other staff member shall use, for monetary gain, whether directly or indirectly, any information not generally available to members of the public that he or she receives in the course of and by reason of official duties;

e) Other actual or potential situations that could lead to the conflict of interest.

3.4. The Board can make the derogation with regard to the disposition stipulated in this Article only in extraordinary circumstances and where the general interest of ERO prevails.

3.5. In the event that the Board of ERO decides to apply the derogation, the Board shall give a detailed written explanation for such decision.

3.6. Conflicts of interest may not always be clear and evident. Where a staff member has doubt as to whether a certain activity constitutes a conflict of interest, for himself, herself or others, he or she should consult with his or her supervisor. A staff member who becomes aware of a potential conflict or a conflict of interest should bring it to the attention of a supervisor. A Member of ERO who seeks clarification regarding or becomes aware of, a potential conflict or a conflict of interest should consult with the other Members of the Board.

Article 4.

**Confidential Information**

4.1. Confidentiality means any information determined by ERO according to the definition of confidential information in Article 3 of the Law on Energy Regulator and secondary legislation adopted by ERO pursuant to Article 13 of the Law on Energy Regulator.

4.2. ERO shall determine the confidentiality of information pursuant to procedures established by the Board regarding disclosure of data submitted by the energy enterprises.

4.3. ERO retains right to disclose the confidential information if it determines that the public interest overweighs the harm that may be caused by such disclosure.

4.4. Where ERO reviews confidential information during a session, the Board shall determine whether to close part or the whole session to the public. Material from the session containing confidential information shall not be published on the web-site or disclosed, except for the judicial review upon request by the competent Court.

4.5. The staff members with access to confidential information may not at anytime during or after employment in ERO, disclose, use or share that information for trading purposes or for any other purpose, except to conduct their activities for ERO.

4.6. Use of such information for personal financial benefit or to bring benefit to others, is not only to be deemed a serious breach of the contractual obligations but may result in the initiation of civil or criminal proceedings.

Article 5.

**Relations with the Customers, Energy enterprises and Other Parties**

5.1. Each staff member shall respect the rights of and deal in an unbiased, professional and fair manner with the customers, energy enterprises, and other parties during the performance of his or her activities.

5.2. Each staff member shall perform his or her activity in order to promote, establish and protect the principles of objectivity, fairness, impartiality, transparency, and non-discrimination.

5.3. No staff member, regardless of his or her position, should take unfair advantage of anyone through manipulation, concealment, abuse of privileged or confidential information, misrepresentation of material facts, or any other unfair dealing practice.

Article 6.

**Relations with Investors**

6.1. ERO is committed, consistent with legal and regulatory requirements, to maintain an active and open dialogue with stakeholders, potential investors and investors.

6.2. No staff member other than authorized persons shall contact, provide data,

information, reports to, or represent ERO in front of stakeholders, potential investors or investors.

Article 7.

**Communication with Media**

7.1. While communicating with the media, a staff member should avoid personal references and views, and at all times must act in a manner consistent with provisions set forth in the Code. In no circumstances should a staff member use the media to further his or her own interests and grievances, reveal unauthorized information or attempt to influence policy decisions.

7.2. Staff members who are approached by the media must obtain approval from his or her supervisor before communicating on issues related to the activities of ERO.

Article 8.

**Environmental, Health and Safety**

8.1. ERO will conduct its businesses with respect to the environment, health and safety in general.

8.2. ERO will take into consideration all applicable legislation related to environmental protection.

8.3. ERO will ensure that each staff member has a safe and healthy working environment and that all applicable legislation related to health and safety protection is enforced at ERO.

8.4. Each staff member has responsibility for maintaining a safe and healthy workplace for all employees by following safety and health rules and practices, reporting accidents, injuries and unsafe equipment, practices or conditions.

Article 9.

**Software Compliance**

9.1. Computer software, manuals and other copyrighted and trademarked materials are protected materials and may not be reproduced for personal use.

9.2. Software, whether purchased from a vendor or developed by ERO, is protected by copyright and also may be protected by patent or trade secret, or may be deemed confidential information. Such software includes computer programs, databases, and related documentation. The terms and conditions of license agreements, such as provisions not to copy or distribute programs, must be followed.

Article 10.

**Protection and Use of Resources**

10.1. All facilities, equipment, systems, information and supplies are resources that belong to ERO. All staff members are required to protect and efficiently use the resources. This includes the use of Internet, electronic mail or other information system resources. Theft, carelessness, and waste have a direct impact on the profitability of ERO.

- 10.2. Any suspected fraud or theft should be immediately reported for investigation.
- 10.3. The staff members may not use the equipment for private business.
- 10.4. The obligation to protect ERO's resources includes the obligation to protect its proprietary information.
- 10.5. Proprietary information includes intellectual property such as data or information, trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, geological prospects and interpretations, engineering, geological, geophysical and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports.
- 10.6. Unauthorized use or distribution of this information is not only a violation of this Code but may result in the initiation of civil or criminal proceedings.
- 10.7. A staff member shall not buy or sell any asset or property of ERO without prior approval of the Board. In the event that the Board approves such buying or selling, the rules on public procurement in Kosovo shall apply.

#### Article 11.

#### **Gifts and Entertainment**

- 11.1. A staff member may not offer personal favors or gifts of more than modest value as these could be perceived as an attempt to improperly influence the decisions of existing or potential customers or suppliers.
- 11.2. A staff member or his or her family member may not request or accept favors or gifts of more than modest value that could be perceived as an attempt to influence the performance of duties or as favoring existing or potential customers and suppliers.
- 11.3. The occasional giving and receiving of gifts not in excess of 20.00 Euros in value, meals, services or entertainment is a common and respectable practice of promoting goodwill and building and maintaining legitimate business relationships. Such business courtesies should be infrequent, reasonable, customary, legal and of modest value. It is inappropriate to accept meals, refreshments or entertainment on a regular basis or without reciprocating the hospitality at business-related functions.
- 11.4. Acceptable forms of entertainment could include infrequent, moderate hospitality such as charity events, sporting events, celebrations, plays, concerts, or other cultural events.
- 11.5. In no event should a staff member accept cash payments, travel, preferential investment opportunities, discounts or loans.

#### Article 12.

#### **Accounting Practices**

- 12.1. It is the policy of ERO to fully and fairly disclose the financial condition of ERO in compliance with international applicable accounting standards and practices and applicable

laws, rules and regulations in Kosovo.

12.2. ERO financial books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect ERO's transactions and must conform both to applicable legal requirements and to ERO's system of internal controls.

12.3. Senior financial officers of ERO, including the financial assistant or staff performing similar functions, shall prepare full, fair, accurate, timely and understandable disclosures in internal and external reports and financial statements based on applicable regulations, standards and sound business practices.

12.4. It is strictly prohibited for any Head of department, Member of the Board, managers or any other staff member of ERO to take any action to fraudulently influence, coerce, manipulate, or mislead ERO's external auditor for the purpose of rendering the financial statements materially misleading.

#### Article 13.

##### **Records Retention**

13.1. All staff members while performing their activities shall ensure all entries and transactions related to records and systems of ERO, including manual and electronic, financial and non-financial, and any supporting information, is recorded and reported fully, fairly, accurately, timely, and in an understandable manner in compliance with applicable standards, laws, and regulations.

13.2. All records shall be filed and kept in ERO premises in the appropriate department.

#### Article 14.

##### **Charitable Activities**

14.1. ERO is committed to maintaining good relationships with all organizations operating in and outside of Kosovo.

14.2. Staff members are encouraged to provide suggestions of charitable causes to the Board, which shall decide which activities to support during its regular session.

14.3. Staff members are encouraged, but not required, to serve in volunteer capacities in the communities where ERO conducts business.

14.4. Staff members must, at all times, avoid conflict of interest and shall not participate in any charitable activity that could present a conflict of interest.

#### Article 15.

##### **Political Contributions**

15.1. No ERO funds or assets will be loaned or contributed to any political party or organization, or to any individual who holds or is a candidate for public office.

15.2. ERO is an independent regulatory authority. As such, it shall not encourage any political influence or engagement in political activities.

15.3. ERO shall not accept any donations from licensees, the persons directly or indirectly controlled by licensees, political parties and lobby groups or associations of customers.

## Article 16 **Violations**

16.1. Violations of the standards in this Code may result in disciplinary action, including but not limited to termination of the contract, suspension, written warning or oral warning, in accordance with procedures set forth in applicable legislation in Kosovo.

16.2. In arriving at a decision for proper action, the following will be considered: the seriousness of the violation; the past record of the individual; and the circumstances of the matter.

16.3. A staff member who becomes aware of conduct in violation of, or leading to a violation of, this Code, should immediately inform his or her supervisor. A Member of the Board in such a situation should immediately inform other Members of the Board.

## Article 17. **Staff Members**

17.1. The primary responsibility for maintaining an environment of ethical and legal behavior rests with individual staff members through a demonstrated commitment to compliance with the Code and all legal and regulatory requirements relevant to the activities of ERO. To carry out this responsibility, the staff member will:

- a) Read, understand, and abide by this Code and all laws and regulations applicable to their work responsibilities,
- b) Contribute to a workplace environment that is conducive to and encourages compliance with the Code and with laws and regulations,
- c) Maintain sensitivity to alleged, actual or suspected illegal, unethical or improper conduct by a supplier, customer, consultant or other person, enterprise, or organization with whom ERO has a relationship, and report such conduct to appropriate ERO officials.

17.2. ERO is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any discrimination of any kind. All harassment, whether it is sexual, racial, ethnic or other, is prohibited.

17.3. If any staff member believes that he or she has been the victim of discrimination or harassment, or knows of someone who has, he or she should report it immediately to his supervisor. A Member of the Board should bring any such harassment to the attention of other Members of the Board.

17.4. Staff members shall perform their duties free from the influence of any kind of drugs

or alcohol. Use, distribution, possession and sale of drugs or use of alcohol by the staff members in ERO premises are prohibited.

17.5. The sale, transportation, possession, and/or use of firearms or weapons in ERO premises are prohibited.

17.6. The staff members are encouraged to talk to their supervisors, managers or other appropriate personnel about observed illegal or unethical behavior, or when in doubt as to the best course of action in a particular situation.

17.7. ERO prohibits retaliation against employees who, in good faith, report the misconduct of others.

#### Article 18. **Management**

18.1. In addition to their responsibilities as employees, the head of the departments and the managers in ERO must maintain a workplace environment that stresses commitment to compliance with the Code and with laws and regulations. ERO management will:

- a) Ensure that staff members under their supervision receive a copy of the Code and read and understand its requirements;
- b) Ensure that staff members understand their affirmative duty to report actual or suspected Code violations and the procedures and mechanisms available to them for reporting;
- c) Maintain a workplace environment that prevents retaliation or reprisals against an staff member who in good faith reports actual or suspected Code violations;
- d) Report all actual and potential violations of the Code.

#### Article 19. **Communication**

This Code shall be communicated to all staff members, published on ERO`s website and in ERO`s Bulletin.

#### Article 20. **Obligations of Former Staff and Board Members**

20.1. Former staff members shall not disclose any information deemed confidential by ERO.

20.2. Former staff members shall not abuse or take advantage of information acquired while performing their official duties.

20.3. For a period of one year after ceasing to be a member of Board, such person shall be prohibited from appearing before the Board of ERO on behalf of an energy enterprise licensed by ERO, or with an entity directly or indirectly controlled by such licensee.

Article 21.  
**Amendments**

21.1. ERO reserves the right to modify or amend any provision of this Code.

21.2. The Board shall issue and approve modification or amendment to the Code in accordance with the procedure applicable for adopting this Code.

Article 22  
**Official Language**

22.1. This Code is issued in Albanian, Serbian and English language.

22.2. In case of any dispute, the English version shall prevail.

Article 23  
**Entry into force**

This Rule comes into effect on the date of adoption by the Board of ERO and. publication on ERO web site.

Chairman of the Board of ERO \_\_\_\_\_

Members of the Board: \_\_\_\_\_

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