



CONFLICT OF INTEREST POLICY

MAY 2023

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INTERPRETATION

In this Policy, unless the context otherwise requires, the following expression shall have the following meaning:

1. **“Authority”** means S Konza Technopolis Development Authority
2. **“Board”** means Konza Technopolis Development Authority Board of Directors
3. **“CEO”** means the Chief Executive Officer of KoTDA
4. **CS** mean Corporation Secretary
5. **“Mwongozo”** Means code of governance for State Corporations.
7. **“Conflict of Interest”** means where a Board Member, or close family member of the board member (such as spouse, child, parent or sibling) has an interest that could influence the performance of the Board Member’s official duties. It may also arise where a Board Member uses the position for personal gain.

1.0 OUR IDENTITY

1.1 Vision

A leading global Technopolis and innovation hub

1.2 Mission

To develop a thriving sustainable smart city and a vibrant innovation ecosystem contributing to Kenya's knowledge Economy.

1.3 Mandate

To develop Konza Technopolis as a globally competitive smart city by creating an enabling environment through utilization of ICT for socio-economic development.

1.4 Strategic Objectives

- i. To attract, onboard and retain investors and create a strong brand for the Technopolis.
- ii. Form partnerships with other actors in the National Innovation System, to recruit, attract, and develop high-end talent as well as create relevant and smart innovative solutions and commercialize them.
- iii. In partnership with other actors in the Innovation Ecosystem, create a conducive environment for technology start-ups and SMEs to thrive and scale.
- iv. To develop flexible "World Class" smart infrastructure.
- v. To ensure effective smart city coordination and governance.
- vi. To develop adequate institutional capacity for efficiency, effectiveness and sustainability.

2.0 FOREWARD

Conflict of Interest is a situation that has the potential to undermine the impartiality of a person because of the possibility of a collision between the person's self-interest and professional interest or public interest. As fiduciaries, Directors have a common law duty to avoid any conflict of interest and to act in the best interest of the entity at all times. Directors have a duty to act honestly at all times and must not place themselves in situations where their personal interests conflict with those of the organisation. This governance principle has been codified in Mwongozo and the Authority's Board Charter.

The Authority has put in place governance structures that seek to adequately identify and resolve any gaps in governance that may arise in the course of implementing the Authority's mandate. The Board of Directors and management of the Authority have developed policies in support good corporate governance.

To further strengthen the structure as well as comply with Mwongozo, the Authority has developed the Conflict of Interest Policy to codify the procedures for dealing with actual, apparent or potential conflict of interest for the Board of Directors and to promote honest and ethical conduct of business by the Directors.

I therefore call for a concerted effort from all the Board of Directors and Management and Staff of KoTDA to support the Authority through an adherence to this Policy.

Dated 

Mr. John Paul Okwiri
Ag. Chief Executive Officer

3. INTRODCUTION

Konza Technopolis Development Authority ("KOTDA") is a state agency established under the State Corporations Act vide the Legal Notice No. 23 of April 2012.

The mandate of KoTDA is to develop Konza Technopolis as a globally competitive smart city by creating an enabling environment through utilization of ICT for socio-economic development with an additional mandate to engage in stakeholder management and mobilization to facilitate smooth operationalization of the Technopolis.

4. LEGAL FRAMEWORK

Being a State Corporation, KoTDA is governed by various statutes and Government circulars published from time to time. This Policy shall therefore be read together with other Government Laws and Internal Polices that include but not limited to:

- 4.1 The Constitution of Kenya 2010;
- 4.2 Legal Notice No. 23 of 2012;
- 4.3 State Corporations Act;
- 4.4 Ethics and Anti-Corruption Commission Act, 2011;
- 4.5 Leadership and Integrity Act 2021;
- 4.6 Mwongozo Code of Governance for State Corporations;
- 4.7 KoTDA Board Charter; and
- 4.8 Relevant laws, regulations, circulars and gazette notices.

KoTDA is required to comply with the provisions of Mwongozo whose core values are: Transparency, Accountability, Integrity, Professionalism, Innovativeness and Customer Focus. Under Ethical Leadership and Corporate Citizenship Mwongozo requires the Board to ensure that a policy on the management of conflict of interests is in place.

5.0. PURPOSE

This policy seeks to codify the procedures for dealing with actual, apparent or potential conflict of interest for the Board of Directors and to promote honest and ethical conduct of business by the Directors.

6. 0 POLICY STATEMENT

The Directors are expected at all times to act in the best interests of the Authority and to avoid actual, apparent or potential conflict of interest. KoTDA appreciates that Conflict of Interest is a contemporary emerging risk affecting business ethics. As a risk, conflict of interest impacts negatively on the organization. This policy is developed to domesticate the various legal and administrative tools in management of conflict of interest in KoTDA and as one of the measures undertaken by KoTDA to mitigate against the risk of conflict of interest among its Board Members.

7.0. SCOPE

This Policy is applicable to the Board of Directors of KoTDA.

8. 0 GUIDELINES

8. 1. Director's Relationship with Third Parties

Directors shall avoid any conduct or activities that are inconsistent with the Authority's best interests or that disrupt or impair the Authority's relationship with any person or entity with which the Authority has or proposes to enter into a business or contractual relationship.

Directors are particularly prohibited from representing the Authority in contractual engagements with third parties.

Directors are particularly prohibited from representing the Authority when the Authority is engaging any third-party which the Director (or any of their immediate family members or related parties) has financial or personal interest or affiliation.

8. 2. Provision of Services

Directors are prohibited from holding the position of Director or senior management in any company that provides services or goods to the Authority.

8. 3. Compensation

Directors are prohibited from accepting compensation in any form for services performed by the Director for the Authority from any other source except the Authority.

8. 4. Confidentiality

Directors are prohibited from using the Authority's confidential information for their personal gain, for gain by entities affiliated to the Director or the Director's immediate family or a related party.

9. PROCEDURE

9.1 Duty to Disclose

Each Director shall make a written declaration of potential or actual Conflict of Interest together with a declaration of other directorships and key positions at least once annually and shall submit such declaration to the Corporation Secretary.

Each Director shall update the declarations above and resubmit the same to the Corporation Secretary within 14 days after they become aware of a relationship that may lead to a conflict-of-interest situation, appointment as a director or member of senior management of any entity.

Prior to the beginning of each meeting of the Board or Board Committee, each Director shall make a declaration of interest on the matters to be deliberated in the meeting. Each declaration will be recorded by the Corporation Secretary in the minutes of the meeting and shall be maintained in a Conflict-of-Interest register.

9.2 Exclusions on Conflict of Interest

When a Declaration of Interest is made, the Director will be allowed to present to the Board or the Board Committee on the applicable transaction, arrangement or relationship, the subject of conflict, to enable the Board or Board Committee gain a better understanding of the issues.

The Director will exclude themselves from any and all discussions and any vote relating to the subject transaction, arrangement or relationship involving the possible conflict of interest.

9.3 Violations of the Conflicts of Interest Policy

If a Director, officer or any other concerned party has reasonable cause to believe that a Director has failed to disclose actual or potential conflict of interest, or failed to abstain from any discussion or vote related to a conflicting matter pursuant to this Policy they shall inform the Internal Audit & Assurance office which shall take the necessary action.

The Internal Audit and Assurance shall engage the director on the conflicting matter. If, after hearing the interested Director's response and after making further investigation as warranted by the circumstances, the Internal Audit & Assurance reaches a conclusion that the Director has failed to comply with this Policy, the Internal Audit & Assurance shall report to the Audit Committee to take the necessary action.

10.0. POLICY IMPLEMENTATION RESPONSIBILITY

This Policy will be implemented by the Audit & Assurance Office assisted by Corporation Secretary.

11.0. REVIEW

This Policy shall be reviewed every three (3) years or from time to time as informed by changes in the operational environment of the Authority.

EFFECTIVE DATE

This policy comes into effect on this 19th day of JUNE 2023