

# World Bank Group Directive

## Staff Rule 8.01 - Disciplinary Proceedings

**Bank Access to Information Policy Designation**  
Public

**Catalogue Number**  
EXC10.01-DIR.106

**Issued**  
October 21, 2016

**Effective**  
September 15, 2016

**Last Revised On**  
October 21, 2016

**Content**  
This Directive, Staff Rule 8.01, "Disciplinary Proceedings," (hereinafter "Rule") governs disciplinary proceedings, and the associated reporting, investigative and decision-making process, arising from allegations of misconduct relating to fraud and corruption.

**Applicable to**  
IBRD, IDA, IFC, MIGA, ICSID

**Issuer**  
President, IBRD/IDA, IFC and MIGA, EXC;

**Sponsor**  
Vice President, Integrity (INT), INTVP; IFC Executive Vice President and CEO, CEXVP; MIGA Executive Vice President and CEO, MIGEX;



## **SECTION I – PURPOSE AND APPLICATION**

1.01 This Directive, Staff Rule 8.01, "Disciplinary Proceedings," (hereinafter "Rule") governs disciplinary proceedings, and the associated reporting, investigative and decision-making process, arising from allegations of misconduct involving:

- a. Misuse of Bank Group funds or other public funds (e.g., donor trust funds) for personal gain of oneself or another in connection with Bank Group operations, corporate procurement, or Bank Group administrative budgets (except for travel, benefits, allowances (including tax allowances), P-Card, petty cash or Bank Group property), loans, credits, grants, or donor trust funds;
- b. Abuse of position in the Bank Group for the personal gain of oneself or another in connection with Bank Group operations, corporate procurement, or Bank Group administrative budgets (except for travel, benefits, allowances (including tax allowances), P-Card, petty cash or Bank Group property), loans, credits, grants or donor trust funds; or
- c. Fraud, corruption, coercion, collusion, or offering, receiving or soliciting bribes, kickbacks or other (e.g., in kind) personal benefits involving Bank Group financed/supported operations or corporate procurement; or embezzlement from Bank Group administrative budgets, loans, credits, grants or donor trust funds.

1.02 This Rule does not apply to allegations of misconduct to be addressed by the Office of Ethics and Business Conduct in accordance with Staff Rule 3.00, "Office of Ethics and Business Conduct (EBC)"; provided however, and subject to paragraph 1.03 of this Rule, INT may conduct preliminary inquiries or investigations in accordance with this Rule, into:

- a. other allegations of misconduct related to, or arising from, allegations of misconduct set forth in paragraph 1.01 of this Rule; and
- b. if in the interests of efficiency in the investigative or decision-making process, other allegations of misconduct identified during a preliminary inquiry or investigation not related to, or arising from, allegations of misconduct set forth in paragraph 1.01 of this Rule.

1.03 If at any time the Vice President, INT, or the Chief Ethics Officer determines that there is a question as to whether all or any portion of a matter falls within the scope of authority of EBC or that of INT, the Vice President, INT, and the Chief Ethics Officer shall consult with each other to resolve the question.

1.04 A summary of staff rights, obligations, and procedural safeguards in the conduct of disciplinary proceedings under this Rule, as well as an overview of the process, is provided in the Directive/Procedure, "Conduct of Disciplinary Proceedings for INT Investigations."

1.05 This Rule applies to all staff members and former staff members of the institutions of the World Bank Group regarding actions taken in the course of their employment.

## SECTION II – DEFINITIONS

1.06 Capitalized terms in this Rule have the meanings ascribed to them in Staff Rule 1.01, "General Provisions."

## SECTION III – SCOPE

### 02. Misconduct

2.01 Misconduct does not require malice or guilty purpose, and it includes, but is not limited to, the following acts and omissions:

- a. Failure to observe Principles of Staff Employment, Staff Rules, and other duties of employment. Examples of such failure may include failure to observe Bank Group personnel information policies, public information disclosure policies, information security policies, or procurement policies; unauthorized use of Bank Group offices, equipment, computer resources or staff; abuse of authority; or abuse or misuse of Bank Group funds or other public funds (e.g., donor trust funds) or Bank Group property.
- b. Reckless failure to identify, or failure to observe, generally applicable norms of prudent professional conduct; failure to perform assigned duties; gross negligence in the performance of assigned duties; performance of assigned duties in an improper or reckless manner; failure to know, and observe, the legal, policy, budgetary, and administrative standards and restrictions imposed by the Bank Group; undertaking an activity where authority to do so has been denied; or willful misrepresentation of facts intended to be relied upon.
- c. Acts or omissions in conflict with the general obligations of staff members set forth in Principle 3, "General Obligations of Staff Members," of the Principles of Staff Employment and Staff Rules 3.01 through 3.06, "General Obligations of Staff Members."
- d. Misuse of Bank Group funds or other public funds for personal gain of oneself or another in connection with Bank activities or employment, or abuse of position in the Bank for personal gain of oneself or another.

### Reporting of Suspected Misconduct

2.02 Reporting of allegations of suspected misconduct involving the matters set forth in paragraph 1.01 of this Rule shall be handled in accordance with the provisions of this paragraph 2.02, paragraph 2.03 and Section 5, "Confidentiality and Anonymity," of this Rule, and Staff Rule 8.02, "Protections and Procedures for Reporting Misconduct (Whistleblowing)."

- a. **Fraud or Corruption.** A staff member has a duty to report suspected fraud or corruption in Bank Group supported operations and projects or in the administration of Bank Group business to his/her line management (i.e., the staff member's direct manager or any higher official in the staff member's management chain up to the Vice Presidential level) or to INT. A manager who suspects or receives a report of suspected fraud or corruption has an obligation to report it to INT.

- b. **Other Misconduct.** A staff member is encouraged to report all other forms of misconduct to his/her line management or EBC, but is not required to do so. A manager who suspects or receives a report of suspected misconduct, however, has an obligation to report it to EBC. With respect to reports of suspected misconduct that may threaten the operations or governance of the Bank Group, the provisions of Staff Rule 8.02, "Protections and Procedures for Reporting Misconduct (Whistleblowing)," shall apply.
- c. **Additional Reporting Channels.** Where a staff member has grounds to believe that reporting suspected misconduct (whether fraud, corruption, or other misconduct) to line management and INT would subject the staff member to retaliation or create a likelihood that evidence relating to the suspected misconduct will be concealed or destroyed, the staff member may report suspected misconduct directly to the President, a Managing Director, the Senior Vice President and Group General Counsel, or the World Bank Group Human Resources Vice President, as the staff member may prefer, with a request that an alternative reviewer outside INT be designated to review the report of suspected misconduct as further set forth in paragraph 4.04 of this Rule. Reports of suspected misconduct involving Board Officials should be submitted to the Ethics Committee of the Board as provided in the Code of Conduct for Board Officials.
- d. **Timing.** To facilitate effective investigation and remediation, staff members should report suspected misconduct as soon as possible after becoming aware of the suspected misconduct.
- e. **Supporting Information.** A report should be accompanied by any information or evidence in the staff member's possession that would support a belief that misconduct may have occurred.
- f. **Knowingly False or Reckless Allegations.** A staff member's transmission of allegations that are knowingly false or made with reckless disregard as to whether they are true or false itself constitutes misconduct and shall subject the staff member to proceedings under Staff Rule 3.00, "Office of Ethics and Business Conduct (EBC)."

### **Prohibition of Retaliation**

2.03 Retaliation by a staff member against any person who provides information about suspected misconduct under this Rule is expressly prohibited and shall subject the staff member to proceedings under Staff Rule 3.00, "Office of Ethics and Business Conduct (EBC)."

### **03. Disciplinary Measures**

3.01 Disciplinary measures may be imposed whenever there is a finding of misconduct. Upon a finding of misconduct, disciplinary measures, if any, imposed by the Bank Group on a staff member will be determined on a case-by-case basis. Any decision on disciplinary measures will take into account such factors as the seriousness of the matter, any extenuating circumstances, the situation of the staff member, the interests of the Bank Group, and the frequency of conduct for which disciplinary measures may be imposed. In addition to the provisions set forth under paragraph 10.09 of Staff Rule 3.00, "Office of Ethics and Business Conduct (EBC)," termination of service will be mandatory, where it is determined that a staff member has engaged in the misuse of Bank Group funds or other public funds for the personal

gain of oneself or another in connection with Bank Group activities or employment, or has engaged in the abuse of position in the Bank Group for the personal gain of oneself or another.

3.02 Where termination is mandatory under this Rule, the President, or the President's designee appointed to review the case, retains full and sole discretion to determine otherwise where there has been a manifest lack of due process in the relevant case.

3.03 Depending on the circumstances of the case, one or more of the following disciplinary measures may be taken by the Bank Group when misconduct is determined to have occurred, provided the determination is made within three years from the date the misconduct is discovered, except that no time limitation will apply to a determination of misconduct for which mandatory termination is to be imposed:

- a. Oral or written censure;
- b. Suspension from duty with pay, with reduced pay, or without pay;
- c. Restrictions on access to the Bank's premises;
- d. Restitution, compensation or forfeiture payable to the Bank Group from a staff member's pay or benefits, or through a reduction or elimination of a salary increase in respect of a prior year in which it is later determined misconduct occurred, either to penalize a staff member or to pay the Bank Group for losses attributable to misconduct;
- e. Removal of privileges or benefits, whether permanently or for a specified period of time;
- f. Reassignment;
- g. Assignment to a lower level position;
- h. Demotion without assignment to a lower level position;
- i. Ineligibility for promotion, whether permanently or for a specified period;
- j. Reduction in future pay, including the withholding of future pay increases;
- k. Termination of appointment; and
- l. Loss of future employment and contractual opportunities with the Bank Group.

### **Suspension of Payment of Benefits Due Upon Termination**

3.04 If a staff member terminates from service while a misconduct investigation is ongoing, the World Bank Group Human Resources Vice President may suspend payment of all benefits due to the staff member upon termination, except for benefits due under the Staff Retirement Plan, until a decision on misconduct is made provided that:

- a. there is a reasonable basis to believe that the staff member may be required to pay restitution or to otherwise compensate the Bank Group for financial losses attributable to the staff member's actions;

- b. the suspended funds will earn interest at the savings account rate offered by the Bank-Fund Staff Federal Credit Union during the period of the suspension, if posted in Headquarters, and the local savings account rate determined by the head of the country office, if posted in a country office;
- c. suspension of payment is unlikely to cause undue hardship for the staff member;
- d. the staff member is notified of the decision to suspend payment of benefits, the reasons for the suspension, and of the right to appeal the decision directly to the Administrative Tribunal; and
- e. payment of benefits shall not be suspended for longer than one year, except where the World Bank Group Human Resources Vice President determines that additional time is needed to complete an investigation.

3.05 If the staff member is determined to owe funds to the Bank Group when a decision on misconduct is made, those funds may be deducted in full from any benefits suspended under paragraph 3.04 of this Rule. If the staff member is determined not to owe funds to the Bank Group, the benefits shall be paid to the staff member in full, plus interest, within 30 days from the date that the decision on misconduct is made.

## **04. Disciplinary and Decision-Making Process**

### **Initiating the Investigative Process**

4.01 The investigative process may be initiated by the Bank Group whenever conduct within the scope of paragraphs 1.01 or 1.02 of this Rule for which disciplinary measures may be imposed is reported to INT, or to the World Bank Group Human Resources Vice President.

### **Preliminary Inquiry.**

4.02 Where an allegation of misconduct as set forth under paragraph 1.01 of this Rule is reported, a preliminary inquiry may be undertaken if necessary to determine whether there is sufficient evidence to warrant further proceedings. INT will conduct all preliminary inquiries, except where INT requests a staff member's manager, or where the President or the World Bank Group Human Resources Vice President designates a person outside of INT, to conduct the inquiry. Where it is determined there is a sufficient basis to merit further proceedings, an investigation will be undertaken to determine the substance and circumstances of the matter.

### **Notification of Alleged Misconduct**

4.03 Where it is determined that there is a sufficient basis to merit an investigation, the staff member will be notified in writing of the alleged misconduct at the onset of the investigation. The notice will include a description of the allegations made against the staff member, and a summary of the staff member's rights and obligations.

## **Conduct of Investigation**

4.04 INT will conduct all investigations that fall within the scope of acts or omissions listed in paragraph 1.01 of this Rule except (a) where INT requests a staff member's manager to conduct the investigation or (b) where the President, a Managing Director, the Senior Vice President and Group General Counsel, or the World Bank Group Human Resources Vice President designates a person outside of INT to conduct the investigation. Any designation of an alternative reviewer outside INT, pursuant to paragraph 4.04 (b) of this Rule, shall require prior authorization of the President, so as to avoid potentially conflicting designations by the aforementioned officials. An alternative reviewer may be any person outside INT, including an external reviewer from outside the Bank Group. Reports of suspected misconduct involving INT shall be reviewed by an alternative reviewer outside INT. Reports of suspected misconduct involving Board Officials shall be handled by the Ethics Committee of the Board in accordance with the Code of Conduct for Board Officials.

## **Gathering of Information**

4.05 The person conducting a preliminary inquiry or an investigation may:

- a. Call upon any staff member for the production of documents believed to have probative value;
- b. Interview any staff member who is believed to have knowledge of the events in question; and
- c. Consult persons believed to have, or materials believed to contain, information of probative value to the investigation.

## **Duty to Cooperate**

4.06 A staff member who is the subject of a preliminary inquiry or an investigation has a duty to cooperate with the person conducting the investigation. A staff member believed to have knowledge relevant to a preliminary inquiry or an investigation also has a duty to cooperate absent a showing by the staff member of reasons, determined by the person conducting the investigation, to be sufficient to justify failure to cooperate. Failure or refusal to cooperate may constitute misconduct under this Rule.

## **Administrative Leave**

4.07 The World Bank Group Human Resources Vice President or a Managing Director, may place a staff member on Administrative Leave pending completion of an investigation. Administrative Leave can last up to six months, and can be extended when the World Bank Group Human Resources Vice President determines that additional time is needed to complete an investigation. A staff member will be notified in writing of the decision to place a staff member on Administrative Leave, the reason for the decision, and the duration of the Administrative Leave.

## **The Right to Respond**

- 4.08 **During an Investigation.** A staff member has a right to respond to allegations of misconduct during the course of the investigation either orally or in writing, or both, and may be required to do so by the person conducting the investigation. The amount of time allowed a staff member to respond in writing will take into account the complexity and seriousness of the matter, but will not be less than ten work days.
- 4.09 **At the End of an Investigation.** A staff member will be provided with a copy of the draft investigative report at the conclusion of an investigation in order to afford a staff member an opportunity to comment on the findings. The amount of time allowed a staff member to comment will take into account the complexity and seriousness of the matter, but will not be less than ten workdays. The report, along with the staff member's comments and a response from the person conducting the investigation will be submitted to the World Bank Group Human Resources Vice President for a decision.
- 4.10 **Assistance During an Investigation.** A staff member may be accompanied at investigation interviews by another staff member who is reasonably available and who is not connected to the matter under investigation. The presence of such a person will not relieve a staff member of the obligation to respond personally in the matter under investigation. Members of any Legal Vice Presidency or Legal Department of the Bank Group may not represent, advise or otherwise assist a staff member in connection with investigations into suspected misconduct.

## **Decision-Making Process**

- 4.11 See below:
- a. Where the investigation has been conducted by INT or by a person designated by the President or the World Bank Group Human Resources Vice President, the determination whether misconduct has occurred and what disciplinary measures, if any, to impose will be made:
    - i. by the World Bank Group Human Resources Vice President; or
    - ii. where there is conflict of interest for the World Bank Group Human Resources Vice President, a Managing Director, or the President. The decision will be made considering findings of fact and conclusions of the person conducting the investigation and recommendations from any other official the decision-maker consults for advice. Where a person designated by the President has conducted an investigation, the determination whether misconduct occurred and what disciplinary measures to impose will be made by the President, or by a person designated by the President for that purpose.
  - b. Where the investigation has been conducted by a manager of a staff member, the manager will determine whether misconduct has occurred and, if so, may censure the staff member orally or in writing. If a manager believes the discipline should be something other than oral or written censure, the manager will make a recommendation to the World Bank Group Human Resources Vice President, regarding a decision on the finding of misconduct and the discipline to be imposed.

## **Notification of Decision on Misconduct**

4.12 A staff member will be notified by the decision-maker of the disciplinary measures that will be taken, the reasons for their imposition, and the right to appeal the decision to the Bank Group Administrative Tribunal. Except where the measure is oral censure, the notification will be in writing.

## **Retention of Records Regarding Disciplinary Measures**

4.13 Except for oral censure, the Bank Group will retain in a staff member's Staff Records information regarding disciplinary measures taken. The decision-maker will specify the period of time a record of the disciplinary action will be kept in a staff member's official personnel file. This information will be subject to the terms and conditions in Staff Rule 2.01, "Confidentiality of Personnel Information."

## **05. Confidentiality and Anonymity**

5.01 A staff member who reports suspected misconduct to INT or otherwise under this Rule may choose to remain anonymous or request that his/her name be kept confidential. Anonymity means that a staff member does not provide the Bank Group with his/her name. Confidentiality means that a staff member provides his/her name, but the Bank Group will not reveal the source of the allegations to anyone outside of the investigative team unless the staff member consents to disclosure, or the Bank Group is so requested by a competent judicial authority within a member government, and agrees to comply with such request, or it is determined that the staff member made allegations that were knowingly false or made with reckless disregard as to whether they are true or false.

5.02 Staff are encouraged to report in a manner that will facilitate effective investigation and remediation, which in general will mean open or confidential, rather than anonymous, reporting. A staff member who chooses to report on an anonymous basis must provide in a timely manner enough information concerning the basis of the allegations and sufficient detail or supporting evidence that the matter can be pursued responsibly. Otherwise, the matter usually cannot be pursued further. Even where anonymous allegations are sufficiently detailed or supported to permit a responsible investigation to be conducted, no final finding of misconduct will be made based solely on the anonymous allegations without independent corroboration.

## **06. Referral of Cases for Law Enforcement Purposes**

6.01 Where the Bank Group has a reason to believe that laws of a member country may have been violated, it may disclose information relevant to the alleged violation to local or national authorities for law enforcement purposes. Information that may be disclosed is Personnel Information, as defined in Staff Rule 2.01, "Confidentiality of Personnel Information," which may include investigative records, operational documents, and other records, investigative materials and information in the Bank Group's possession. The staff member shall be notified of what information was disclosed and to whom within 30 calendar days after the disclosure is made, except where law enforcement authorities request the Bank Group to delay such notification.

## **07. Disclosure of Information to Member Countries and Public International Organizations**

7.01 The Bank Group may disclose Personnel Information, as defined in Staff Rule 2.01, "Confidentiality of Personnel Information," which may include investigative records about a current or a former staff member's misconduct, and about the disciplinary measures imposed, to governmental bodies of member countries and to public international organizations under the following circumstances:

- a. a final decision has been made regarding misconduct and disciplinary measures,
- b. the staff member has either exhausted the appeals process with the Administrative Tribunal, or the time to file such appeal has expired; and
- c. a governmental body of a member country or a public international organization has requested the information and demonstrated a legitimate need to know such information, and has agreed to treat the information in a confidential manner.

7.02 Notwithstanding paragraph 7.01 (b) of this Rule, in exceptional circumstances, where the misconduct is serious and withholding of information could have an adverse effect on the Bank Group's relations with a member country or a public international organization, a Managing Director, in consultation with the World Bank Group Human Resources Vice President, and with the Vice President, Integrity (with regard to proceedings under this Rule) or the Chief Ethics Officer (with regard to proceedings under Staff Rule 3.00, "Office of Ethics and Business Conducts (EBC)"), may decide that information should be disclosed before a staff member has exhausted the appeal process or before the time to file such appeal has expired, provided that the requirements of paragraphs 7.01(a) and (c) of this Rule have been satisfied.

### **SECTION IV – EXCEPTION**

None

### **SECTION V – WAIVER**

The Issuer may waive any provision of this Rule, with advice from the Vice President, Integrity, INTVP.

### **SECTION VI – OTHER PROVISIONS**

None

### **SECTION VII – TEMPORARY PROVISIONS**

None

### **SECTION VIII – EFFECTIVE DATE**

This Rule is effective as of the date on its cover page.

## **SECTION IX – ISSUER**

The Issuer of this Rule is the President, IBRD/IDA, IFC and MIGA, EXC

## **SECTION X – SPONSOR**

The Sponsor(s) of this Rule are:

Vice President, Integrity, INTVP

IFC Executive Vice President and CEO, CEXVP

MIGA Executive Vice President and CEO, MIGEX

## **SECTION XI – RELATED DOCUMENTS**

Directive/Procedure, "Conduct of Disciplinary Proceedings for INT Investigations"

Staff Rule 2.01, "Confidentiality of Personnel Information"

Staff Rule 3.00, "Office of Ethics and Business Conduct (EBC)"

Directive/Procedure, "Conduct of Disciplinary Proceedings for EBC Investigations"

Staff Rule 8.02, "Protections and Procedures for Reporting Misconduct (Whistleblowing)"

AMS 6.20, "Information Security" – Annex A: "Information Security Policy for Information Users

## **ANNEX(ES)**

None

Questions regarding this Directive should be addressed to the Vice President, Integrity,  
INTVP