

Decision No. 260

Lorenzo Marchesini,  
Applicant

v.

International Bank for Reconstruction and Development,  
Respondent

1. The World Bank Administrative Tribunal has been seized of an application, received on July 6, 2001, by Lorenzo Marchesini against the International Bank for Reconstruction and Development. The case has been decided by a Panel of the Tribunal, established in accordance with Article V(2) of its Statute, composed of Francisco Orrego Vicuña (President of the Tribunal) as President, A. Kamal Abul-Magd and Robert A. Gorman, Judges. Certain requests made by the Applicant for the production of documents were granted by the Tribunal. Requests made by the Applicant for depositions of witnesses and for the filing of an additional written statement were denied by the Tribunal. The usual exchange of pleadings took place and the case was listed on February 27, 2002.

2. In this case, the Applicant contests the Bank's decision to declare his position redundant and its failure to provide appropriate assistance to him in obtaining another suitable position in the Bank.

3. The Applicant joined the Bank in 1992 as an Agricultural Economist. He was confirmed in his position and remained at Level 23 as a Task Manager in the Africa Region.

4. In 1996, a Bank-wide review was undertaken in order to reassess rural development strategy. A progress report entitled "Rural Development: From Vision to Action" (hereinafter "Report"), distributed under a cover memorandum dated October 21, 1996, concluded that the Bank should continue to move towards program lending and strategy assistance rather than projects. This Report was endorsed by the Rural Development Sector Board and Bank Senior Management. It was presented to the Board of Directors in late 1996.

5. The Report, in addition to emphasizing that there was "an urgent need" to enhance expertise in the key priority area of the action plan (i.e., country strategy and policy formulation), also envisaged a need for staffing reforms. One of the key points mentioned in the Report included the need for a training program. According to the Respondent, data supporting the Report indicated a severe deficit of highly qualified sector economists who could help implement more and better country strategy and policy formulation.

6. In January 1998, the Applicant was an economist in the Africa Technical Families Regional Office (AFT), Rural Development 2 (AFTR2). The role of this unit was the support of rural development in about 19 African countries. It provided support for policy and strategy development, prepared and supervised projects, and promoted growth in general. The budget for this work was controlled by country directors. AFTR2, along with other departments, had increasing budget pressures starting in 1998 and had to respond to a new direction toward programs, non-lending support and rural development strategy. The Sector Director, AFT Rural Development and Environment (AFTRE), believed that some of the staff in AFTR2 were ill-equipped for the new direction which this unit was taking. In his department there was a declining need for project economists. The Applicant's immediate supervisor, the Sector Manager, Agriculture, AFTR2, and the Sector Director, AFTRE, discussed the budget and staffing plan for the upcoming fiscal year, FY99. Because AFTR2 was dealing with countries that during 1998 and 1999 had had increased political difficulties and where demand was not expected to rise, they concluded that the Applicant's position had to be declared redundant on the basis that there was no demand to support it.

7. On February 3, 1998, the Applicant met with the Sector Director, AFTRE, who told the Applicant that there

was a declining demand for project economists and that this type of work was being shifted to the field and to the client. He further informed the Applicant that it was likely that his position was going to be abolished.

8. The Rural Development Sector Board discussed the possibility of the Applicant's employment becoming redundant before the Applicant received official notification of the redundancy decision.

9. At the March 30, 1998 meeting of the Human Resources (HR) Committee of the Rural Sector Board, the representative of the Rural Sector Vice Presidency (RVPU) to the Sector Board reiterated the Africa Region's view that there was a much stronger case for redundancy because the Applicant was not a sector economist but a "project economist" who performed mainly cost-benefit analysis. It was explained that due to changing work program needs, the Applicant was no longer needed in the Africa Region.

10. On May 19, 1998, the Applicant's supervisor, the Sector Manager, Agriculture, AFTR2, sent an e-mail to the HR Officer for the Africa Region regarding the Applicant's search for an alternative position in the Bank. The Sector Manager stated that the Applicant had strong skills in project economic and financial analysis, and that the Applicant's performance had always been satisfactory. He added that while the Applicant was a strong project economist, demand for his services in Africa Technical Families, Agriculture 2 Unit (AFTA2) had been going down given the changing resource allocation procedures in the Bank and, especially, the shrinking operational budgets for the countries covered by AFTA2. He speculated that demand for the Applicant's skills was likely to shrink further in the future. The Sector Manager concluded that the Applicant could still make a useful contribution to the Bank's development work in the area of providing support for economic and financial analysis either in project appraisal or as a supervisor.

11. On May 19, 1998, a request for approval of severance payment for the Applicant was submitted to the Severance Review Committee, which subsequently gave its approval.

12. By memorandum dated May 29, 1998, the Sector Director, AFTRE, requested from the Africa Region Vice Presidents (AFRVPs) their approval for the redundancy of the Applicant's position, effective July 1, 1998, in accordance with Staff Rule 7.01, paragraph 8.02(b) (i.e., abolition of a specific position in an organizational unit). He explained in that memorandum the rationale for the redundancy and the unsuccessful efforts to find the Applicant alternative employment, even though the Applicant's name had been submitted to the Sector Board to explore possibilities for alternative employment. The Applicant was placed on administrative leave as of July 1, 1998.

13. In the meantime, immediately after his February 3, 1998 meeting with the Sector Director, AFTRE, the Applicant met with his HR Officer in order to locate other opportunities within the Bank. The Applicant states that for eight months in 1998 he applied for some 26 positions. The Applicant claims that HR did not give him any assistance at all until June 1998, after he had repeatedly informed his HR Officer that he would appreciate being informed about vacancies which fit his profile. Even then, the Applicant states, some of the vacancies of which HR informed him were totally irrelevant to his professional qualifications and experience (such as a job match for a veterinarian position), and it was his own job search that led to his finding relevant job vacancies.

14. On October 23, 1998, the Applicant met with one of the Bank's Managing Directors and informed him of his interest in two vacancies in the China Region. After finding out that he was not shortlisted for either of the vacancies despite the fact that, according to him, they perfectly fit his skills profile, the Applicant met on December 7, 1998 with the Managing Director and his assistant, the Board Operations Officer. During this meeting, the Managing Director agreed to look into whether staffing personnel had mishandled any of the Applicant's numerous applications for various positions.

15. On December 15, 1998, the Manager, Human Resources Service Center, gave the Applicant 60 calendar days' notice of termination running from January 1, 1999.

16. The Applicant claims that when he contacted the Managing Director's Assistant in early to mid-January 1999 to learn the outcome of her investigation into alleged mishandling of his applications, she acknowledged

that some mistakes had been made in his case but claimed that none had had an adverse impact upon his job search. She advised him that if he still disputed his redundancy or was unhappy with the staffing process, he should avail himself of the internal grievance process.

17. On February 11, 1999, the Applicant sought administrative review of the following decisions: (i) the failure of the Applicant's managers and the HR Team to assist him in obtaining a reassignment to a suitable position following his redundancy; (ii) the decision to separate the Applicant from the Bank's service, which was a breach of his employment contract with the Bank; and (iii) the redundancy decision, which, so the Applicant alleged, was discriminatory and breached the Bank's commitment to provide the Applicant with a career when it solicited his participation in its Mid-Career program.

18. On April 12, 1999, the Vice Presidents of the Africa Region informed the Applicant that the administrative review had resulted in the rejection of all of his claims.

19. On May 12, 1999, the Applicant filed his Statement of Appeal with the Appeals Committee, in which he contested the decision to declare his position redundant and the decision to separate him from the Bank's service after failing to provide him with assistance in finding an equivalent position within the Bank.

20. In its report dated February 21, 2001, the Committee found: (i) the Respondent had not breached the Applicant's employment contract in failing to accord him special treatment on account of his participation in the Mid-Career Professionals Program; (ii) the Applicant's allegations of discrimination on the basis of age, nationality and professional qualifications had not been proved; (iii) Staff Rule 7.01, paragraph 8.02(c), which pertains to a redesign of a position description or occupational standard, was inapplicable in the Applicant's case; (iv) Staff Rule 7.01, paragraph 8.02(b), was correctly applied in this case and the Applicant's position was, in fact, abolished and not reduced under Staff Rule 7.01, paragraph 8.02(d); (v) the Applicant was kept informed of events surrounding his redundancy and was afforded ample time in which to adjust to the redundancy decision; and (vi) the process by which the Applicant's position was declared redundant was fully transparent and in keeping with principles of due process.

21. With regard to the Applicant's contention that the Respondent had failed to assist him in his job search, the Committee concluded that every effort had been made by HR to find an alternative position for the Applicant, and that the fact that the Applicant did not find such a position did not constitute a breach of duty on the part of the Bank.

22. The Committee recommended, *inter alia*, that: (a) the Applicant receive reimbursement for unavoidable expenses incurred as a result of the postponement of his Appeals Committee hearing from September until November 2000; and (b) Human Resources consider undertaking a review of its handling of job applications submitted by staff who had been declared redundant, in order to assess whether current practices were sufficient, or whether additional measures of assistance should be taken.

23. The Applicant filed his application with the Tribunal on July 6, 2001.

### **Considerations**

24. The Applicant is challenging the Bank's decision to declare his employment redundant and the ensuing decision to terminate his employment under Staff Rule 7.01, paragraphs 8.02(b) and 8.03. He submits for review by the Tribunal the following three main issues:

- a) that the decision to terminate his employment with the Bank was wrongful as it was pretextual;
- b) that the redundancy decision in his case was made without taking into account the implicit commitment, when he joined the Bank as a mid-career recruit, that he could have a career with the Bank; and

c) that the Applicant's managers and the Human Resources Team failed to assist him in his search for reassignment to a suitable position following his redundancy.

25. For the above and other alleged violations of his terms of employment, the Applicant is claiming the payment of compensation in the amount of US\$ 1.07 to 1.68 million, along with the rescission of the redundancy decision. He is also claiming legal costs, medical costs and travel expenses.

26. The Tribunal on several occasions has recognized the discretionary nature of redundancy decisions and that the Bank's powers in this respect are subject only to limited review by the Tribunal. The Tribunal will not invalidate a redundancy decision except in the case of an abuse of discretion or where the decision is arbitrary, discriminatory, improperly motivated or carried out in violation of a fair and reasonable procedure (*Saberi*, Decision No. 5 [1982]; *Mahmoudi* (No. 2), Decision No. 227 [2000]; and *Yoon* (No. 2), Decision No. 248 [2001]).

27. In exercising its power of review over redundancy decisions, the Tribunal has also stated in *Arellano* (No. 2), Decision No. 161 [1997], para. 31, that "[t]he question of identifying the specific provision of Staff Rule 7.01 under which the position of the Applicant was declared redundant is of considerable importance, since the Respondent's obligation vis-à-vis the staff member under paragraph 8.02(d) of Staff Rule 7.01 is different from that under paragraph 8.02(b)."

28. Two questions need to be considered at the outset:

- (i) whether the redundancy of the Applicant's position falls under Staff Rule 7.01, paragraph 8.02(b), as decided by the Bank, or whether the decision should have been based on another paragraph of the Staff Rule; and
- (ii) whether the Applicant was in fact qualified to meet the requirements for the new strategy in agricultural development, in which case he should have been retained in his position, and whether he had been doing, as he claims, the kind of work expected from a sector economist.

29. The Applicant maintains that the Bank was at fault when it terminated his employment for redundancy under Staff Rule 7.01, paragraph 8.02(b) (i.e., abolition of a specific position in an organizational unit). He argues that the Bank's decision was based on an arbitrary designation of his position as a "project economist," whereas his designation in his letter of appointment and in his Annual Performance Evaluations was that of an "Agricultural Economist." He adds that for the Bank to terminate his employment under paragraph 8.02(b) of Staff Rule 7.01, it would have to show that he occupied a position with terms of reference that made it specific and subject to abolition. The Applicant also contends that he could not have been made redundant under paragraph 8.02(c) (i.e., revision of position description or so-called skills mix redundancy) since there was no revised position.

30. To resolve this issue, it is useful first to determine whether the redundancy decision was made in the interests of efficient administration or whether it was, as alleged by the Applicant, motivated by bias and arbitrariness. The record confirms that the Bank's decision was, in fact, made in good faith as a genuine effort aimed at improving the Bank's performance in the field of lending for agricultural development. The record substantiates the Bank's contention that a shift in strategy and approach within the department was decided in conformity with the recommendation of the Progress Report entitled "Rural Development: From Vision to Action." This shift was in favor of directing financial assistance towards programs rather than projects, while assigning project economic work to the field and to borrowers. The resulting redundancy of the Applicant's job was, according to the Bank, an inevitable consequence of this shift in strategy based on considerations of efficient administration.

31. For determining the exact nature of the position occupied by the Applicant at the time of the redundancy decision, one must turn to his letter of appointment and to any other documents related to it. The formal offer

made to the Applicant by the Bank was the letter dated January 23, 1992, which refers to the position offered to the Applicant as that of an “Agricultural Economist” at Level 23 in the Eastern Africa Department. No mention was made of the characteristic of the Applicant’s job as a “project economist” in contrast to a “sector economist.” Moreover, the Applicant claims that prior to the redundancy decision, he was in fact performing the work of a sector economist. To substantiate his claim, the Applicant refers to the testimony of certain witnesses before the Appeals Committee. He also refers to certain assignments which he carried out while working as an Agricultural Economist, such as the Uganda Public Expenditure Review, the Uganda Cotton Sector Development Project and the Ethiopia Public Expenditure Review.

32. As to the witnesses referred to by the Applicant, the Tribunal finds their testimony to fall far short of substantiating the Applicant’s claim. One witness concentrates on describing his own experience with the Bank, and how he was unfairly treated – concluding that the Applicant had the same experience. Another witness twice in his testimony described the Applicant as “a person who has the skills of a project officer” and “a person who is a project economist.” A third witness spoke of “people with the skills of a project economist, like [the Applicant].” These testimonies do not corroborate the Applicant’s contention that he was, and was regarded by his colleagues and supervisors, as a generalist who was competent and qualified for much more than project economics.

33. As to the Applicant’s contention that throughout his career with the Bank he was doing sector work, the record shows that the examples he has given for such work fall short of substantiating his contention. The Applicant refers to the following six projects in which he took part:

- a) The Uganda Public Expenditure Review;
- b) The Uganda Cotton Sector Development Project;
- c) The Ethiopia Public Expenditure Review;
- d) The Ethiopia National Fertilizer Sector Project;
- e) The Ethiopia Agricultural Research and Training Project; and
- f) The Ethiopia Seed Systems Development Project.

Examination of the record shows that the contribution of the Applicant in all of these projects was mainly, and in some cases exclusively, in the fields of projects costing, project financing, cost-benefit analysis and rates of return. As valuable as this contribution may have been, it remains typical of a project economist’s contribution. On the basis of the above, the Tribunal concludes that the Applicant cannot substantiate his contention that he was in fact doing work of the kind a sector economist would do.

34. Turning, therefore, to the Bank’s application of the Staff Rules, the Tribunal finds that in the case of the Applicant, the basis of declaring his position redundant was – in fact – a combination of the two different situations envisioned by paragraphs (b) and (c) of Staff Rule 7.01, paragraph 8.02. The shift in Agricultural Development Policy in the Africa Division from micro-economics exercised by project economists to macro-economics carried out by sector economists impacted negatively on the demand for the Applicant’s skills and expertise. Although there was no formal change in the requirements for the position of an Agricultural Economist, the shift from project economy to sector economy had the same impact on the Applicant’s suitability for his position. This impact was reinforced by the transfer of project work, the Applicant’s principal responsibility, to the field and to the client borrowers.\_

35. In the case of the Applicant, these – de facto – changes resulted in the abolition of his position for lack of demand for his skills. Taking into consideration the fact that the obligations of the Respondent under paragraph (b) are not different from those under paragraph (c), and in view of the fact that the reason for the shift has



been shown to be genuinely related to efficient administration of the agricultural sector, the Tribunal concludes that the Bank's decision to declare the Applicant's position redundant under paragraph (b) had a legal basis and served a legitimate goal.

36. Having said this, the Tribunal notes, however, that the Bank at no time set forth with the necessary degree of clarity the description of the position occupied by the Applicant, and that while the Bank based its redundancy decision on paragraph 8.02(b) of Staff Rule 7.01, much of the reasoning given for that decision relates more closely to the situation envisioned by paragraph (c). Such a lack of clarity appears to have caused the Applicant unnecessary difficulty in presenting his case and preparing his defenses. To make up for such difficulty and the harm resulting therefrom, the Bank must pay compensation to the Applicant.

37. The Applicant also contends that he was discriminated against on age grounds. The only evidence he gives in this respect is a statement he attributes to the Sector Director, AFTRE, in their first meeting to the effect that "young people" were needed. The Applicant's age and recruitment as a mid-career professional excluded him from that category. The Sector Director allegedly also told the Applicant that the Bank wanted Ph.D. holders, which the Applicant was not.

38. During the hearing before the Appeals Committee, the Sector Director categorically denied ever saying that the Bank was looking for younger people, adding that "age was never a consideration in our discussions in the management team meeting, ever." As to the alleged Ph.D. requirement, the Sector Director states that "the remark about the Ph.D. was a remark" and "was not meant to say that because you don't have a Ph.D. you cannot work for the Bank. We have never let anybody go because they didn't have a Ph.D." Examination of the record shows that the Applicant's allegations of discrimination based on age and lack of a Ph.D. degree are not substantiated.

39. The Applicant also suggests that he was discriminated against because of his nationality. However, the nature of this reference to nationality is not quite clear. He seems to be arguing that because his nationality was taken into account when he was employed, the same should have been taken into account when considering the termination of his employment. The Tribunal finds, however, that taking the nationality of the Applicant into account in the process of hiring him does not mean that such nationality guarantees him lifetime employment or exempts him completely from being subjected to the Staff Rules on redundancy and the ensuing termination of his employment.

40. The Applicant also claims that because he came to the Bank under the special Mid-Career Professionals Program, he should be able to continue and end his career in the Bank's employment. He claims that he was induced to believe at the time he was hired that the special circumstances surrounding his employment would always be taken into consideration. The Applicant, however, does not provide convincing evidence of any assurances given to him by the Respondent to the effect that he was guaranteed employment for life with the Bank. The only evidence presented by the Applicant in this respect is the testimony before the Appeals Committee of a former Executive Director of the Bank and this Tribunal's judgment in *Bigman*, Decision No. 209 [1999].

41. Examination of the testimony of the former Executive Director does not substantiate the Applicant's contention that assurances were given to him by the Bank's management guaranteeing employment for life. When the former Executive Director was asked whether the staff members recruited under the Mid-Career Professionals Program were somehow offered a career for life, he responded:

It's one thing to promise long-term career possibilities, and it's another thing to promise lifelong employment .... Lifetime employment I don't think was a part of any promises made to anybody that I know of.

42. As to the Applicant's reliance upon the *Bigman* judgment, the situation here is different from that considered by the Tribunal in *Bigman*. In that case there was in fact an explicit promise made to the Applicant which led the Tribunal to decide that the Applicant had relied in good faith on this promise to accept the Bank's offer of employment and had passed up other opportunities outside the Bank. In the case of the Applicant, no

such promise was made to him at the time of his appointment and, therefore, the decision in *Bigman* cannot properly be invoked.

43. The Applicant also claims that during his many years of employment, he never received any assistance from the Personnel Department with regard to his career development. To this accusation, the Bank answers by asserting that there is no evidence that the Applicant had ever asked for such assistance and that he never pursued career development opportunities when they were made available. The record shows that in 1996 the Rural Development Sector prepared and offered training courses that were advertised in the sector. The Applicant, however, did not take up that offer. In light of the above, the Tribunal finds the Applicant's complaint in this respect to be unfounded.

44. The Applicant's last major complaint is that his managers and the Human Resources Team failed to assist him in his search for reassignment to a suitable position following his redundancy. In *Arellano (No. 2)*, Decision No. 161 [1997], para. 42, the Tribunal decided that "[t]he obligation of the Respondent, in this respect, is not to reassign staff members whose employment was declared redundant under Staff Rule 7.01 but to try genuinely to find such staff members alternative positions for which they are qualified. It is an obligation to make an effort; it is not an obligation to ensure the success of such effort."

45. The question, therefore, is whether the Bank fulfilled its obligation and actively and in good faith assisted the Applicant in his effort to seek reassignment. The Bank's obligation in this respect is encompassed in Staff Rule 7.01, paragraph 8.06 (as in effect on July 1, 1998), which states in part:

During the six months immediately following the effective date of the notice of redundancy or notice of redundancy and termination, as applicable, the Bank shall assist redundant staff in seeking another position with the Bank Group by providing access to the Job Search Center and the Job Posting System. Redundant staff will be matched with existing vacancies in the Job Posting System for consideration along with other applicants. This will include positions, the duties of which are commensurate with the staff member's qualifications, or for which the staff member can be retrained in a reasonable period of time.

46. The record shows that the Bank tried actively to assist the Applicant in seeking another position within the Bank Group by providing access to the Job Search Center and the Job Posting System, and through the services of the Applicant's Human Resources Officer, but that the search was not fruitful and the Applicant was not offered a position. Although the Applicant attributes this unfortunate result to what he considers as only a sporadic, reactive and half-hearted effort by the Human Resources Officer, the record does not substantiate such a finding. To the contrary, it shows that the Human Resources Officer actively tried to arrange several interviews for the Applicant, before and after he left for home leave. She even submitted some applications for him when he was not available to submit them. That the Applicant's search, with the assistance of the Bank's management, was not successful is attributable in part to the fact that he was seeking reassignment when the job market was tight.

47. Although the Bank admits that there was some confusion concerning one interview for which the Human Resources Officer had to apologize to the Applicant, and that the administrative review found "that there were some administrative failures" during the Applicant's extensive job search, the record shows that the Bank did assist the Applicant in his search for another position with the Bank as required by Staff Rule 7.01, paragraph 8.06. The Applicant himself seems to have been cognizant and appreciative of the assistance extended to him by the Human Resources Team. In an e-mail dated October 23, 1998, he wrote to the Human Resources Officer saying: "I hope I am not asking for too much of your assistance and time."

48. In light of the above, the Tribunal finds that the Bank did not fail to discharge its duty to assist the Applicant in his search for another position in the Bank following the redundancy decision.

### **Other complaints**

49. The Applicant makes several complaints in addition to the three major ones discussed above.

50. He complains that he was stigmatized by being notified of the possibility of redundancy months before the Sector Board had a chance to consider the proposed redundancy. The Bank justifies such early notification by referring to the decision in *Garcia-Mujica*, Decision No. 192 [1998], para. 19, where the Tribunal required the Bank to notify staff members “with all possible anticipation” if there was a possibility of redundancy.

51. When the Applicant in February 1998 was notified of the probability of his being declared redundant, the Bank was in fact alerting the Applicant in advance of an imminent redundancy decision, thus giving him an opportunity to prepare himself for that decision and to get an early start in his search for an alternative position. This cannot be held against the Bank, since it was only meant to assist the Applicant.

52. Nor does the Tribunal find a basis for the Applicant’s contention that his unit actually needed his skills, but decided for improper motives to get rid of him. The Applicant does not substantiate this allegation, nor does he explain the reason for such an alleged motivation on the part of the Bank. The fact that the Applicant was himself unable to find a new position within the Bank, and that the Bank did not hire any Agricultural Economist whose expertise is similar to that of the Applicant, is evidence of the lack of merit in the Applicant’s claim in this respect.

53. The Applicant also contends that even if it were true that there was a lack of demand for his skills, it was improper to abolish his position because of such a lack. He argues that such abolition was not consistent with the guidelines by the Vice President for Strategy and Resource Mobilization and the Vice President for Human Resources, titled “Managing Staff in a Demand Driven Environment – Guidance to Managers” (hereinafter “Guidelines”).

54. However, careful examination of the Guidelines shows that managers are thereby advised to resort to redundancy only as “the last option” and are reminded that “the redundancy route is not a substitute for managing performance.” They also require managers before determining a course of action to first analyze the reasons for under-programming. Nowhere, however, do the Guidelines exclude redundancy as a valid last option in certain individual cases.

55. The Applicant also criticizes certain aspects of the proceedings before the Appeals Committee. The Tribunal, however, will not address such criticism since, as decided in *de Raet*, Decision No. 85 [1989], para. 54, and *Lewin*, Decision No. 152 [1996], para. 44, the Tribunal is not an appellate court where the proceedings and recommendations of the Appeals Committee may be reviewed.

56. On the basis of the above, the Tribunal concludes that the Bank’s decision to declare the Applicant’s position redundant was a proper and valid exercise of the Bank’s discretionary power in this respect. No evidence was given to support the allegations of abuse of discretion, arbitrariness or improper motivation. Nor was it proven that the Bank had failed to assist the Applicant in his search for an alternative position in the Bank. However, in light of the deficiencies referred to above in the Bank’s handling of the Applicant’s case, the Bank must compensate the Applicant. This award is without prejudice to the recommendation for compensation already made by the Appeals Committee.

## **Decision**

For the above reasons, the Tribunal decides that:

- (i) the Respondent shall pay the Applicant compensation in the amount of eight months’ net salary;
- (ii) the Respondent shall pay the Applicant costs in the amount of \$7,000; and
- (iii) all other pleas are dismissed.



/S/ Francisco Orrego Vicuña  
Francisco Orrego Vicuña  
President

/S/ Nassib G. Ziadé  
Nassib G. Ziadé  
Executive Secretary

At London, England, May 24, 2002