

## **CI v. IBRD, Decision No. 492 [2014]**

In July 2010, the Bank hired the Applicant as an Extended Term Consultant (ETC) to work as a fisheries specialist based in Dakar, Senegal. In August 2010, a month after the Applicant's arrival in Dakar, the Applicant obtained a personal loan in the local currency equivalent of some \$1,200 from a Senegalese government official. The official was the government coordinator of the Bank projects the Applicant was supervising. Upon the discovery of the loan, the Bank's Office of Ethics and Business Conduct (EBC) launched an investigation. On the basis of this investigation, the Vice President Human Resources (HRVP) found that the Applicant committed misconduct by procuring the loan and that he had "failed to observe generally applicable norms of prudent professional conduct and created the appearance of a conflict of interest." The HRVP terminated the Applicant's employment and imposed a ban on his rehiring. The Applicant challenged the HRVP's decision.

The Tribunal held that: "Accepting the loan was inconsistent with the Applicant's obligation to observe generally applicable norms of prudent professional conduct. It created the appearance of a conflict of interest or at least a possible appearance of impropriety. It did not befit his status as a staff member of a public international organization."

The principal issue remaining for consideration was whether the sanction imposed was significantly disproportionate to the act of misconduct. The Tribunal noted that there were a number of mitigating circumstances stated in the EBC Final Report including (i) that the Applicant cooperated with the investigators; (ii) that the investigators did not find the Applicant's debt to the government official affected the Applicant's work in respect of monitoring the projects; and (iii) that the investigators concluded the Applicant remained objective and did not attempt to conceal poor performance by the government official.

The Tribunal held that the HRVP's discretion to terminate the Applicant's employment should not be disturbed—nor should the Applicant be awarded compensation—considering the record as a whole, including the facts that (i) the Applicant obtained the loan from the very government official who was the coordinator of the projects the Applicant was supervising and (ii) he did not repay the loan for some twenty months. However, given that this was the only act of misconduct committed by an inexperienced staff member who had shown potential for professional growth—and who, contrary to the Bank's assertion, had continued to successfully serve in his position long after the loan became public knowledge—the Tribunal ordered the Bank not to record or otherwise treat the Applicant's departure from the Bank as termination for misconduct. The Tribunal directed the Bank to pay the Applicant's attorneys' fees in the amount of \$8,933.64.