



**World Bank Group Staff Association**

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**Staff Association Remarks**

**April 12, 2007**

Colleagues,

I had hoped to come before you today to report that the Board had fulfilled its promise to thoroughly investigate the alleged abuse of office by the President. As I wrote to the Dean of the Board last Friday:

“I have heard from many staff expressing their appreciation that the Board is taking staff concerns seriously and is looking into the matter. This is a painful issue for everyone and we trust that the Board will resolve it in a way that preserves the Bank's integrity and its ability to be effective in its mission.”

Unfortunately, some members of the Board have expressed to me their lack of confidence that the Board as a whole will fulfill its fiduciary obligations in this matter. Therefore, on behalf of all World Bank Group stakeholders, the Staff Association demands that the Board release all of the documents that it has collected in this case, which we have confirmed to include:

1. A dated memorandum from the President to the HR Vice President instructing him to agree on the following terms for Ms. Riza's external assignment (in spite of the obvious conflict of interest). In addition to those facts already released in the press:
  - (a) an automatic annual SRI commensurate with an overall performance rating of “Outstanding” for the period she is away;
  - (b) promotion upon her return to Level **GI** or **GJ**, depending on the length of her external service, subject to review of her performance by a panel whose membership would be mutually agreed by HR and Ms. Riza.

2. The actual negotiated contract formalizing these terms – it is understood that there was no representation by the Bank’s legal counsel permitted in the negotiations on this agreement, despite the participation of Ms. Riza’s attorney;
3. Testimony by:
  - (a) the former Chair of the Ethics Committee, Ad Melkert, denying that the Ethics Committee directed, saw or agreed with the negotiated terms;
  - (b) the former General Counsel, Roberto Danino, to the effect that he had advised the President and the Ethics Committee of appropriate and fair terms for Ms. Riza’s reassignment, that these terms were rejected and that he was barred by the President from the actual negotiations;
  - (c) the Vice President of HR, Xavier Coll, on the instructions he was given to carry out.

It therefore seems impossible for the institution to move forward with any sense of purpose under the present leadership, especially in our endeavor to assist governments and their people in improving their own governance.

Given the results of this inquiry:

1. The President must acknowledge that his conduct has compromised the integrity and effectiveness of the World Bank Group and has destroyed the staff’s trust in his leadership. He must act honorably and resign.
2. The Board must act in accordance with its fiduciary responsibility as the guardians of the World Bank Group and take the lead in launching a global, merit-based search for a new president who can restore the Bank’s integrity and regain the trust of the IDA 15 donors.
3. The Board and Senior Management must ensure that strong Whistleblower Protections are in place, supported by a robust and effective Conflict Resolution System so that this never happens again.

Alison Cave  
Chair  
World Bank Group Staff Association