

IBRD/IDA/IFC/MIGA Policy

SECTION I – PURPOSE AND APPLICATION

1. The purpose of this Policy is to set out the role, composition, competence and responsibilities, including a code of conduct, of the Sanctions Board.
2. This Policy applies to the Bank, IFC and MIGA.

SECTION II – DEFINITIONS

As used in this Policy, the capitalized terms have the meanings set out below:

- a. **Anti-Corruption Guidelines:** (i) the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants” dated as of October 15, 2006, as the same may be amended, supplemented or otherwise revised from time to time, (ii) the “Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing,” dated February 1, 2012, as the same may be amended, supplemented or otherwise revised from time to time, or (iii) any later edition or similar instrument which may replace said Guidelines under which a case may be brought in accordance with the WBG Sanctions Framework.
- b. **Bank:** IBRD and IDA.
- c. **Bank Carbon Finance Project:** a project, involving the purchase by the Bank, as trustee of a carbon fund, of emission reductions under an agreement between the Bank, as trustee of a carbon fund, and a seller providing for the sale and purchase of emission reductions.
- d. **Bank Guarantee Project:** an investment project for which IBRD or IDA, (as the case may be), whether acting for its own account or in the capacity as administrator of trust funds funded by donors, has issued a guarantee.
- e. **Bank Financed Project:** an investment project or a program for results operation, for which IBRD or IDA (as the case may be), whether acting for its own account or in the capacity as administrator of trust funds funded by donors, has provided financing in the form of a loan, credit or grant, and governed by the Bank’s Procurement Guidelines, Consultant Guidelines or Anti-Corruption Guidelines.
- f. **Code of Conduct:** the set of rules set forth in Part B of Section III to this Policy.
- g. **Consultant Guidelines:** (i) the January 1997, May 2002 or May 2004 edition of the document entitled “Guidelines: Selection and Employment of Consultants by World Bank Borrowers”, as amended, supplemented or otherwise revised from time to time

- h. **Executive Directors:** the Executive Directors of IBRD, IDA, IFC, or the Directors of MIGA, or all of them, as the case may be.
- i. **EO:** the Evaluation Officers of IFC or MIGA, or the Evaluation Officer for Bank Guarantee or Bank Carbon Finance Projects, as applicable.
- j. **IBRD:** International Bank for Reconstruction and Development.
- k. **IDA:** International Development Association.
- l. **IFC:** International Finance Corporation.
- m. **IFC Internal Advisor:** IFC staff member that serves as an internal advisor to the Sanctions Board.
- n. **IFC Project:** investment projects, advisory services, and other operations of IFC.
- o. **INT:** the Integrity Vice Presidency of the World Bank Group.
- p. **Management:** the President, a Managing Director, an Executive Vice President, or some or all of these persons, as applicable.
- q. **MIGA:** Multilateral Investment Guarantee Agency.
- r. **MIGA Internal Advisor:** MIGA staff member that serves as an internal advisor to the Sanctions Board.
- s. **MIGA Project:** (i) any project in respect of which MIGA has issued or proposes to issue a MIGA guarantee, (ii) technical assistance provided by MIGA, and (iii) contracts for goods or services provided to MIGA.
- t. **Panel Session:** a session held by a

- y. **VDP:** the World Bank Group's Voluntary Disclosure Program endorsed by the Executive Directors on August 1, 2006, as the same may be modified from time to time, or any successor program.
- z. **World Bank Group or WBG:** IBRD, IDA, IFC and MIGA.
- aa. **WBG Sanctions Framework:** the

investments (for IFC Projects) or non-commercial guarantee operations (for MIGA Projects).

- iii. The members and alternate members of the Sanctions Board shall be appointed for a single, non-renewable term of up to six (6) years, with (a) one of the members appointed pursuant to paragraph 4(i) above to be replaced every other year; and (b) one of the members appointed pursuant to paragraph 4(ii) above to be replaced every three (3) years.
- iv. The term of each member shall commence as stipulated in the member's letter of appointment. A member appointed to replace

ii. For each specific case,

work of the Secretary to the Sanctions Board. The Secretary, if unable to act, shall be replaced by another Bank staff member.

10. ***Expenses and Compensation of the Sanctions Board.*** The expenses of the Sanctions Board shall be borne by the World Bank Group. Sanctions Board members shall receive such compensation as deemed appropriate by the World Bank Group.
11. ***Matters not Covered.*** In all matters not addressed in the WBG Sanctions Framework, the Sanctions Board shall follow the instructions of the Sanctions Board Chair for the operation of the Sanctions Board.
12. ***Sessions Arrangements.***
 - i. The Sanctions Board shall hold sessions on dates to be fixed in accordance with paragraphs 7 and 8 above.
 - ii. When not meeting virtually, the Sanctions Board shall hold its sessions at the principal office of the Bank, unless it considers that the efficient conduct of the proceedings warrants holding sessions elsewhere.
 - iii. Sanctions Board hearings will be in the form of oral proceedings.
 - iv. Sanctions Board sessions, including hearings, may be held by means of telephone conference or similar communication media, provided that all persons participating in the session can hear one another. Sanctions Board proceedings, including hearings and deliberations of the Sanctions Board, shall be confidential and shall not be open to the public.
13. ***Sanctions Board Decisions.***
 - i. The Sanctions Board shall take all decisions by a majority of the members hearing a case.
 - ii. Decisions shall be final and without appeal. Each decision shall include a brief statement of the reasons on which the Sanctions

15. ***Transitional Arrangements.*** In order to achieve an orderly transition in the composition of the Sanctions Board

17. ***Ex Parte Communications.*** Members of the Sanctions Board shall not engage in ex parte communications with INT or the respondent regarding the merits of a sanctions proceeding.
18. ***Conduct Unbecoming.*** Members of the Sanctions Board shall conduct themselves in a manner befitting their status, whether in the course of their duties or otherwise. They will exercise their freedom of expression and association in a manner compatible with such status and does not affect or appear to affect their independence or impartiality. They shall not comment on pending cases and shall avoid expressing views which may undermine the standing or integrity of the World Bank Group, the Sanctions Board or the sanctions process.
19. Each member of the Sanctions Board shall agree to be bound by this code of conduct, as it may be amended from time to time, at the time of his or her appointment or re-appointment.
20. Any material violation of this code of conduct is grounds for removal from the Sanctions Board, as set out in paragraph 13 of Part A above. The Sanctions Board Chair shall report any violation of the Code of Conduct that comes to his or her attention to Management.

3. Bank Procedure: Sanctions Proceedings and Settlements in Bank Financed Projects
4. Bank Procedure: Internal Arrangements for the Sanctions System
5. Bank Guidance: Sanctions for Fraud and Corruption in Bank Financed Projects
6. Senior Vice President and General Counsel, Advisory Opinion On Certain Issues Arising In Connection With Recent Sanctions Cases, No. 2010/1, November 15, 2010
7. World Bank Private Sector Sanctions Procedures
8. IFC Sanctions Procedures
9. MIGA Sanctions Procedures
10. IFC Evaluation Officer Terms of Reference
11. MIGA Evaluation Officer Terms of Reference
12. Bank Guarantee Projects Evaluation Officer Terms of Reference
13. IFC Internal Advisor Terms of Reference
14. MIGA Internal Advisor Terms of Reference
15. World Bank Group Voluntary Disclosure Program Guidelines

Questions regarding this Directive should be addressed to the Sponsor.