

**“EARNING PUBLIC TRUST”**

**THE CODE OF ETHICS  
OF  
THE INTER-AMERICAN DEVELOPMENT BANK**

**March 1, 2006**

## INTRODUCTION

### Guiding Principles

**Importance of High Ethical Standards.** The Inter-American Development Bank (the “Bank”) is a public international organization whose mission is to promote social and economic development in its developing member countries. Its employees are international civil servants. Both the Bank as an institution and its civil servant employees have an obligation to meet the highest ethical standards in order to (1) earn the public trust necessary to accomplish the Bank’s mission, and (2) create a positive, productive and motivating work environment.

**Basic Obligations of the Bank and its Employees.** The Bank has an obligation to foster and maintain a work environment that supports ethical behavior and actively encourages an open dialogue on ethical issues. Bank employees, as international civil servants, have an obligation to carry out their responsibilities to the Bank and its clients with integrity, loyalty and impartiality.

### About the Code

**Background.** The Board of Executive Directors of the Bank has mandated broad review of the issues of ethics and fraud and corruption within the Bank and in connection with the Bank’s operations. This ongoing exercise has included a review and revision of the Bank’s Code of Ethics which has been in effect since 1976. The main revisions to the code are: (1) adding a set of Core Values to guide the activities of the Bank and its employees; (2) a better balance between the obligations of the Bank as an institution and the obligations of its employees; (3) a closer integration of the Code of Ethics with the other policies of the Bank governing the working environment; and (4) a greater emphasis on consultation by the employee to resolve conflicts of interest and other ethical issues as they arise.

**Purpose of the Code.** The purpose of this Code of Ethics (the “Code”) is to provide support and guidance for appropriate behavior to: (1) the Bank as an institution operating through its management’s decisions and actions; (2) the Bank’s employees in their roles as international civil servants; and (3) the Ethics Committee, as the group responsible for implementing and enforcing the Code. It does this by setting forth a number of Core Values and Guidance for Conduct in Specific Situations. Its aim is to help create the work atmosphere and pattern of personal interactions needed to achieve the high ethical standards expected of the Bank and its employees in carrying out the mission of the institution.

Certain terms are defined in the section entitled “Definitions”, which may be helpful to understand the Code.

**Application.** Adherence to the Code is mandatory for the Bank and all of its employees, regardless of their form of contract. It applies to the Bank as an institution and to all Bank employees at its headquarters and in its Country Offices, including all senior officers, managers, supervisors and all other categories of national and international Bank employees appointed by or under the authority of the President.

The Code does not apply to the Bank's Executive Directors, Alternate Executive Directors, and their Counselors, who are subject to their own Code of Ethics.

**Relation to Other Bank Policies Governing Employee Actions and Responsibilities.** The Code is only one part of a broad, inter-related set of Bank policies, principles, rules, regulations or guidelines governing the responsibilities and actions of the Bank and its employees. It must be read and interpreted in the context of these other policies and is not intended to supersede or replace any of them. Rather, it is intended as complementary and shall be interpreted and applied in a manner that avoids conflict and overlap with other Bank policies.

**Areas Not Covered.** The Code is not intended to provide the Bank or its employees with answers or guidance for every ethical issue that may arise in the course of the Bank's activities or in an employee's working relationship with the institution. Reference to the Code set forth below and reliance on common sense and good judgment will help resolve issues not specifically dealt with in the Code. However, in case of doubt, the employee shall always seek guidance by consulting with one of the sources identified in the section entitled "Obtaining Further Guidance on Ethical Issues".

**Implementation, Enforcement and Disciplinary Action.** Successful implementation of the Code depends on the commitment of the Bank and its employees to follow the guidance and obligations provided by the Code. The Ethics Committee has the responsibility for the implementation and enforcement of the Code. Failure to act in accordance with the Code may result in administrative sanctions, remedial and/or disciplinary actions taken in accordance with the procedures established to govern the operation of the Ethics Committee and to provide due process to employees under review.

## CORE VALUES

The conduct of the Bank and its employees is guided by a set of Core Values which are common to the institution and all staff and which apply to all dealings of the Bank and its employees. Conduct contrary to the Core Values of the institution is not acceptable and will not be tolerated by the Bank or its employees. These Core Values are:

**Integrity.** The essential elements of integrity are: (1) personal qualities of honesty, truthfulness, probity and freedom from corrupting influences, and (2) compliance with applicable local laws and observance of the Bank's rules and regulations. In judging integrity, the overall behavior of the person concerned must be considered.

**Loyalty.** Loyalty means that employees shall comply with the provisions of the Agreement Establishing the Inter-American Development Bank (the "Charter") which states that, in the performance of their duties, employees owe their duty entirely to the Bank and shall recognize no other authority. Adherence to this principle enables employees to avoid conflicting loyalties to other institutions or groups which may affect the performance of their duties or prevent them from discharging their functions consistent with the mission of the Bank. It also means that the Bank as employer shall support its employees in a manner consistent with the overall needs, interests and reputation of the institution.

**Equity.** Equity means that the Bank and its employees shall consistently and uniformly apply the established rules and policies of the Bank in order to (1) ensure a working environment free of arbitrary or capricious decisions or favoritism, and (2) provide equitable treatment to the Bank's members, clients, stakeholders and employees.

**Tolerance.** Tolerance means that the Bank and its employees are expected to demonstrate willingness to understand and respect different cultures and individuals with different points of view. It also entails appreciation of the views of others and an ability to work without prejudice or bias with individuals with different characteristics including persons of different nationalities, as well as those of a different race, gender, religion, age, sexual orientation, social status and political orientation.

**Impartiality.** Impartiality means that the Bank and its employees shall strive to act with objectivity and professionalism. It also means that, in the performance of his or her duties, an employee must ensure that personal values, relationships, financial interests, convictions, or elements of nationality do not compromise or appear to compromise the performance of official duties.

**Discretion.** Discretion means that the Bank and its employees shall act with tact and restraint and avoid excess or abuse in the exercise of authority. It also means that Bank employees shall (1) safeguard confidential information that is known by reason of their official functions, and (2) avoid public statements or actions which may compromise or appear to compromise the performance of official duties or damage the reputation of the Bank.

## **GUIDANCE FOR CONDUCT IN SPECIFIC SITUATIONS**

The Core Values set forth above should be useful in interpreting this guidance. They shall also be used by the Bank and its employees in helping to resolve other ethical issues not covered in this section.

It is impossible to anticipate all ethical issues that may arise in the course of working at the Bank and to provide specific guidance on how they shall be resolved. However, there are some issues which arise more frequently than others and which are the subject of the guidance set forth in this section of the Code.

An open and trusting work environment is essential to the Bank's effectiveness and to maintaining employee morale. To this end, all employees shall make clear in their communications and ensure through their actions their commitment to the following basic principles: (1) fair and impartial treatment of all Bank employees; (2) a work environment free of harassment and intimidation of any kind; (3) no tolerance for excess or abuse in the exercise of authority; and (4) accountability for matters inherent in the duties and responsibilities of any employee.

### **General Conduct**

**Public Image.** The private life of employees shall not be intruded upon by the Bank. Nevertheless, employees must conform to a high standard of personal conduct, as set forth in the Core Values above, to command respect and confidence in their capacity as international civil servants.

**Duty to the Bank.** The Charter states that, in the performance of their Bank duties, employees are responsible to the Bank and to no other authority. Because they are international civil servants, employees shall not accept instructions relating to the performance of their Bank duties from any outside source, public or private, including a government or other international organization. Employees on assignment from the Bank to an outside entity may accept instructions from that entity if these instructions are consistent with the provisions of this Code and the terms of the assignment.

**National Laws and Privileges and Immunities.** Employees are required to observe the applicable laws of the countries where they provide services to the Bank. Privileges and immunities are granted to employees in the interest of the Bank and with respect to acts performed by them in their official capacity. Employees shall not use or attempt to use privileges or immunities for personal benefit that would be inconsistent with the Bank's Charter. The Bank will cooperate with the authorities of member countries to facilitate the proper administration of justice, and to prevent abuse of the privileges and immunities granted to the Bank and its employees.

**Financial Obligations.** Personal financial difficulties may affect an employee's ability to function effectively as an international civil servant and to carry out his or her duties to the Bank. To minimize this possibility, employees shall strive to pay their financial obligations, including

any imposed by law such as taxes, in a proper and timely manner. In the event of a dispute between an employee and an alleged creditor, the Bank considers a final court order to be determinative of the employee's obligations.

### **Conflicts of Interest**

Conflicts of interest between an employee's obligations toward the Bank and his or her personal interests are among the most common types of ethical issues faced in organizations. The existence of such conflicts undermine adherence to the Code and the conduct of an employee's duties as an international civil servant. Both the Bank and its employees share the responsibility for maintaining the organization free of harm arising from real or perceived conflicts of interest.

To help achieve this end, all employees shall avoid any situation involving a conflict (or the appearance of a conflict) between their personal interests and their responsibilities towards the Bank. Whenever a potential conflict arises, personal interests must yield to the best interests of the Bank; and the potential conflict shall be promptly brought to the attention of the Ethics Committee.

Conflicts of interest can take many forms. The sections that follow refer to some of the most common conflicts of interest and provide guidance for employees in dealing with them. If an employee faces a conflict of interest not specifically covered by the Code, he or she shall seek guidance from the Ethics Committee or one of the other bodies identified in the section entitled "Obtaining Further Guidance on Ethical Issues".

**1. Conflicts with Personal Views of Employees.** As international civil servants, Bank employees must comply with their obligations to the Bank, support the decisions of the Bank and carry out institutional decisions, even if they conflict with their personal views. Employees do, however, have the right to express dissenting opinions within the Bank and request of their managers and/or the Ethics Committee that they be recorded. In special circumstances, employees may also request of their managers and/or the Ethics Committee to be relieved from duties which are in direct contradiction to their personal, religious or moral beliefs.

**2. Conflicts resulting from Partisan Political Activities Involving Running for, or Holding, Public Office.** Employees have a legitimate interest in the civic and political affairs of the communities to which they belong. However, to preserve the independence and impartiality of their status as international civil servants and to avoid interference and conflict with their duties, they may not participate in partisan political activities that imply candidacy, acceptance of or appointment to public office or to a political party position. Accordingly, they must resign their position in the Bank prior to participating in such activities or accepting such offices, or becoming candidates for such positions.

**3. Financial Conflicts.** Bank employees are free to conduct their personal financial affairs as they see fit subject to the considerations detailed in this Code. Personal financial affairs shall be conducted in a manner that will: (1) avoid real or apparent conflicts between their personal interests (or those of their immediate family or affiliates) and the interests of the Bank; and (2)

not compromise the independence of judgment or action required in the performance of their Bank duties.

Additionally, an employee shall refrain from using, or providing to others, confidential information to which he or she may have access because of his or her affiliation with the Bank for purposes of carrying out private financial transactions. Confidential information includes any market-sensitive information relating to pending or ongoing Bank or government actions that, when disclosed, are likely to have a material impact on the market value of either Bank securities or the securities of any borrower, lender or supplier of the Bank.

Prohibited Financial Transactions. An employee must refrain from: (1) short-term trading in securities issued by the Bank; and (2) knowingly acquiring, directly or indirectly, for his or her own account or the account of others, any financial interest in (a) a loan made by the Bank; or (b) any entity engaged in a financial transaction or other financial or supplier relationship with the Bank which could reasonably be seen as influential to his or her decision-making or otherwise as a source of conflict of interest from the time the transaction or relationship begins until the time the transaction or relationship is terminated. These prohibitions cover any financial interests in all borrowers, lenders or suppliers of the Bank whether or not an employee is personally involved in such a transaction or relationship in the performance of his or her Bank duties. The prohibition also does not apply to interests in securities issued by the Bank subject, however, to the prohibition on short-term trading. In the event of doubt, the Ethics Committee shall be consulted.

In addition, if an employee becomes aware of the fact that a member of his or her immediate family or an affiliate has any of the above-mentioned financial interests, he or she shall report that fact to the Ethics Committee.

**4. Conflicts Involving Outside Occupations and Other Non-Political Activities.** The Bank recognizes that employees may wish to pursue outside activities from which they may derive income. However, the Bank also recognizes that, when such activities involve another authority, conflicts of loyalty may arise.

Employees may engage in a non-political occupation or activity provided that they observe the Core Values and adhere to the following guidelines designed to prevent conflicts with their responsibilities as Bank employees. The occupation or activity: (1) is compatible with the full and proper discharge of their duties and responsibilities to the Bank; (2) does not violate local laws or applicable immigration rules; (3) does not compromise the employee's impartiality as an international civil servant; (4) is not contrary to the Bank's mission; and (5) is undertaken on an individual capacity and not as a Bank employee.

**5. Conflicts of Interest in Relationships.** Relatives of employees as defined in Bank policy are not eligible for Bank employment. Employees who become related to one another in the degrees defined by Bank policy in relation to eligibility for Bank employment through marriage or domestic partnership as defined in Bank policy, are required to make this relationship known to the Ethics Committee. Employees must be conscious of personal relationships in the work environment. An employee may not be assigned to work under the direct or indirect supervision

of a relative. If two employees in a supervisory relationship become related while in Bank service, one of them will be reassigned. The interests of the Bank will determine which of the two individuals will be assigned to other duties. An employee shall recuse him or herself from participating in any employment-related decisions concerning a relative or an individual with whom he or she has an intimate relationship, including assignments of duties, evaluation of performance, awards of merit pay, and any other actions inherent in the employment relationship. In cases of doubt, employees shall seek the guidance of the Ethics Committee.

**6. Conflicts related to Non-Bank Employment.** Conflicts of interest may be created as a result of (1) a current employee's dealings with a former or prospective employer, or (2) a former employee dealing with the Bank. Employees are urged to contact the Ethics Committee if they have questions about former, prospective or subsequent employment.

Former Employment. Except with the authorization of the Ethics Committee, for a period of five years after entering the Bank an employee shall not participate in decisions affecting a former employer. Thereafter, if there is a possibility of a potential conflict of interest between the Bank and a former employer, employees are expected to consult with the Ethics Committee prior to performing any services related to their former employer.

Prospective Employment. Employees must not allow the performance of their duties to conflict with, or be affected by, possible or prospective outside employment. In addition, an employee must resign from the Bank prior to becoming an official candidate or being elected or appointed as an Executive Director or Alternate Executive Director of the Bank.

Subsequent Employment. For five years following termination of Bank employment, former employees may not participate in, nor provide services in connection with, any project, transaction or initiative on behalf of any entity that does business with the Bank, or is negotiating to do business with the Bank, when the former employee has participated personally and substantially in that project, transaction or initiative or any related matter while employed by the Bank.

**7. Conflicts Involved in Procurement and Contracting.** All employees engaged in Bank procurement and contracting activities who have, or may have any direct or indirect outside interest, financial or otherwise, including that of nationality, that might conflict or appear to conflict with the procurement interests of the Bank must disclose this circumstance and seek advice from the Ethics Committee. Favoritism toward a firm or consultant can also undermine confidence in the Bank and shall be avoided.

Whenever an employee engaged in Bank procurement and contracting activities knows that a relative works for or has an interest in an entity contracted or to be hired by the Bank to provide goods or services, or that a relative has been contracted or is to be hired by the Bank in any capacity, the employee must report the relationship to the Ethics Committee, which may require the employee to recuse himself or herself from any decision related to business between the Bank and that entity or relative.

**8. Conflicts Involved in Receiving Gifts and Favors.** Giving and receiving gifts or favors may compromise an employee in the performance of his or her Bank duties.

Accordingly, employees may not accept gifts or favors, or a promise of gifts or favors, of significant value and in no event greater than US\$100 equivalent offered to them during their Bank employment and because of their position with the Bank. This amount may be reviewed periodically by the Ethics Committee. Individual gifts or favors of an insignificant value from the same party or related parties may cumulatively be considered significant, and in such cases, employees shall consult with the Ethics Committee.

For the purpose of this provision, “gifts or favors” include, but are not limited to loans, discounts, options, services, entertainment, raffle tickets, transportation, meals, lodging, and any tangible object or in-kind service having monetary value. However, employees may accept: (1) discounts for events to be attended by an employee with the Bank’s authorization and for which the cost would otherwise be covered by the Bank; or (2) meals or local transportation, and related amenities of insignificant value, associated with business activities authorized by the Bank, and where acceptance would not compromise the employee in fact or appearance.

Employees may also not give gifts or favors of significant value that might influence decisions or actions of parties doing business with the Bank.

If an offered gift or favor is of significant value, but refusal to accept it would cause offense or embarrassment to either the donor or the Bank, the gift may be accepted but its receipt must be reported promptly to the Secretary of the Ethics Committee. Whenever possible, the gift must be turned over to the Ethics Committee as property of the Bank.

**9. Corruption as a Source of Conflict.** Corruption is contrary to the Core Values of the institution and involves a direct conflict with the performance of an employee’s obligations to the Bank. Accordingly, employees must not solicit or accept, facilitate or encourage, whether directly or indirectly, any benefit for themselves or for others, in exchange for any act or omission related to the performance of their official functions. Similarly, employees must not offer or give to other parties any benefits in exchange for acts or omissions related to the performance of the other party’s job responsibilities.

**10. Receipt of Honors as a Source of Conflict.** The receipt of an honor from an organization outside of the Bank may represent a potential source of conflict with the Bank’s Core Values and the impartial performance of an employee’s duties to the Bank. Therefore, employees may not accept from any entity other than the Bank personal honors in connection with their official duties at the Bank without first obtaining authorization from the Ethics Committee.

Honors awarded in recognition of activities unrelated to the Bank may be accepted, except in cases where the offer of an honor could appear to compromise the independence or impartiality of the fulfillment of the employee’s duty to the Bank. In such cases, the Ethics Committee shall be consulted at the earliest possible opportunity.

## **Disclosure of Interests**

In order to ensure that no employee has a prohibited interest that might affect his or her judgment in the performance of his or her duties, designated employees will be required to file statements of interests for themselves and immediate members of their family.

The requirement to file statements of interests includes:

- (1) All employees at Grade Level 3 and above; and
- (2) Any other employees or categories of employees designated by the Ethics Committee.

The Ethics Committee is responsible for determining what information will be disclosed and the manner and procedure of disclosure consistent with the provisions and obligations of the Code.

All other employees will be required to file an annual affidavit affirming that they are not engaged in any of the transactions prohibited by this Code.

The statements and the affidavits shall be submitted to the Secretary of the Ethics Committee during the first quarter of each calendar year and will be maintained by him or her.

## **Use of Information**

**1. Provision of Information.** Provision of information to or about the Bank shall be done in a manner consistent with the Core Values of the institution and in accordance with the following specific guidelines when they are relevant:

Avoidance of Fraud. Employees must provide the Bank with truthful, accurate and timely information when performing their duties or in situations where disclosure of personal information is required by the Bank's rules and regulations; and

Employees may never intentionally misrepresent the truth, especially when providing information to the Bank or parties that do business with the Bank;

Public Statements. Employees shall not make public statements on behalf of the Bank except when specifically authorized to do so in accordance with applicable policies; and

Communications with the Press. Only employees duly authorized by the Bank may communicate on the Bank's behalf with the press. When communicating with the press in relation to Bank matters, employees must regard themselves as speaking in the name of the institution and avoid making personal references and expressing personal views.

**2. Personal Use of Information.** The use by employees of information obtained in the course of their employment at the Bank is subject to the provisions of the Bank's Policy on Disclosure of Information, the Core Values, other relevant Bank policies and the following specific guidelines:

Publicly Available Information. Employees may use or allow the use of information obtained in the course of their official duties for personal purposes or for the benefit of others only if such information is available to the general public; and

Copyrighted Information. The Bank owns the copyrights for all material that employees produce as part of their official duties and, therefore, has the sole right to publish or use such work in the manner it deems appropriate. If an employee wishes to publish or use material not produced as part of Bank duties, but which deals with the Bank, he or she must obtain prior authorization from the Bank. Additionally, employees shall respect the copyrights of others. Therefore, it is the responsibility of employees to comply with the law, or make inquiries in case of doubt, when reproducing or transmitting printed or electronic literary works provided to them by the Bank.

**3. Safeguarding Confidential Information.** When information is disclosed to the Bank on a confidential basis, the confidentiality of this information is protected by both the Bank and its employees, subject to the Bank's policies for maintaining confidential information.

Employees. Employees may not share with unauthorized recipients, including governments, entities and individuals inside or outside the Bank, any information that is designated by Bank policies to be confidential or that the employees know or should know to be confidential or subject to restricted disclosure. These obligations remain in force after termination of employment.

The Bank. The Bank will safeguard and protect confidential information regarding its employees. Personnel files, medical records, information concerning investigations, personal financial information, and disciplinary actions will be kept from inappropriate use and disclosure and access to such information will be allowed only for authorized and legitimate business needs of the Bank.

### **Use of Bank Resources and Facilities**

Employees have a duty to (1) protect and conserve Bank property, including equipment, computers, software, supplies and other property entrusted or issued to them by the Bank, and (2) use such property in accordance with any applicable administrative guidelines or regulations of the Bank. Employees may not use or allow the use of property of any kind, owned or leased by the Bank, for other than official activities without specific authorization from appropriate Bank authorities.

Employees may, however, engage in activities involving use of Bank premises for appropriate recreational, educational or other personal activities during non-working hours, subject to the availability of the facilities which have been designated for such purposes. In the event of doubt whether the activity is appropriate, the Ethics Committee shall be consulted.

## **IMPLEMENTATION**

**Role of the Ethics Committee.** The Ethics Committee is responsible for interpreting, implementing and enforcing the Code. It is composed of five members appointed by the President. The President shall appoint a Bank staff member to serve as Secretary to the Ethics Committee.

The Ethics Committee may act on its own initiative, at the request of an employee or other Bank Offices, or on the basis of information provided by another party.

When it finds that there has been a violation of the Code, the Ethics Committee may impose an administrative sanction, prescribe remedial action, and/or recommend disciplinary action to the appropriate Bank authority.

**Procedures for Code Administration and Enforcement.** The Ethics Committee is governed by a set of procedures which (1) describe its functions and the functions of the Secretary, and (2) contain detailed provisions designed to ensure due process to employees in connection with all actions taken by the Committee. Topics covered include: handling of alleged violations of the Code; the investigative process; decision-making; implementation of decisions; and requests for reconsideration and appeals.

**Reporting Violations of the Code.** Employees or other parties who suspect, or may be aware of, violations of the Code shall bring them to the attention of the Ethics Committee in order to protect their interests or the interests of the Bank. He or she shall do so by contacting the Secretary of the Ethics Committee. Matters concerning this Code that are brought to the attention of individual members of the Ethics Committee, the Office of Institutional Integrity, or other Bank Offices and that require the advice of the Ethics Committee, or interpretations of the Code, shall be referred to the Secretary of the Ethics Committee. Individuals who report suspected violations of the Code may do so anonymously or on a confidential basis.

The reporting employee should have reasonable grounds for suspecting a violation and must do so in a good faith effort. Knowingly reporting false or frivolous information is contrary to this Code and employees who do so may be sanctioned accordingly.

It is the Bank's policy to protect all employees from reprisal, retaliation or other adverse action when they act as "whistleblowers" and report alleged violations of the Code or other acts of fraud or corruption. Therefore, employees will not be subject to reprisal as a result of reporting a suspected violation of the Code as long as they do so in good faith and have reasonable grounds for their suspicion.

## DEFINITIONS

**“Affiliate”** includes any person, firm, or organization with whom an employee or a member of his or her immediate family has a financial interest.

The term **“employee”**, as used within this Code, includes all categories of Bank employees at its headquarters and in its Country Offices, including all senior officers, managers, supervisors and all other categories of national and international Bank employees appointed by or under the authority of the President, including staff and contractual employees, as defined in Bank policies and rules. The Code does not apply to the Bank’s Executive Directors, Alternate Executive Directors, and their Counselors, who are subject to their own Code of Ethics.

**“Ethics”** refers to a set of principles or values held by a specific group and which regulate and guide dealings with other members of the group and with other parties; a code or set of principles by which people or groups live and which regulate and guide their activities.

**“Financial interest”** means any right to receive interest, dividends, capital appreciation, fees or other payment or monetary benefit.

**“Immediate family”**, for the purposes of the “Conflicts of Interest” section of this Code, includes the spouse, domestic partner, dependent child or children and any other member of the employee’s family who may be considered as a dependent under the rules applicable to employees of the Bank.

**“International civil servant”** refers to an individual who works for a public international organization and who is expected to (1) perform his or her work with integrity, impartiality, loyalty and independence from any government or other authority external to the employer, and (2) avoid placing himself or herself in a position where personal interests conflict with the interest of the employer organization.

**“Personal interests”** means interests specific to an individual, which relate to his or her individual needs, desires, goals, values or beliefs and which are independent of the needs and goals of the organization for which he or she works.

**“Relative”**, for the purposes of the “Conflicts of Interest” section of this Code, means an individual related to an employee up to the third degree of relationship by blood (consanguinity) or by adoption, or up to the second degree of relationship by marriage or domestic partnership (affinity).

**“Reprisal”** means an act of retaliation on the part of a staff member's colleagues, supervisors, or any other Bank officer carried out to punish a staff member who acted as “whistleblower”. Reprisals are adverse actions on the part of co-workers or supervisors in response to the employee's acting as “whistleblower,” which could include harassment, discriminatory treatment, assignment of work outside of the corresponding position description, inappropriate evaluations of performance, inappropriate awards of merit pay, or the withholding of any other entitlement. For the purposes of the Code, a reprisal includes the threat of reprisal.

**“Whistleblower”**, in the context of this Code, means any Bank employee who discloses information concerning allegations that other employees, executing agencies, contractors, consultants, or any other person or organization doing or seeking business with the Bank may violate or have violated the Bank's policies or the laws of its member countries, or may take or have taken action which has caused or could cause harm to the Bank's mission or reputation.

## **OBTAINING FURTHER GUIDANCE ON ETHICAL ISSUES**

This Code of Ethics cannot provide the Bank or its employees with all of the guidance needed to resolve every ethical issue that might arise in the course of the Bank's activities or an employee's working relationship with the Bank. There will be cases which do not seem to be covered by the Code or cases where the Code may be ambiguous when applied to the facts of a specific case. In such instances, the Bank and/or the employee shall seek further guidance by consulting the Ethics Committee on all questions arising under the Code or relating to its interpretation.

**People to Consult.** In order to ensure overall consistency and fairness in the application of the Code of Ethics, it is required that all consultations be directed to the Secretary of the Ethics Committee. The Ethics Committee and/or the Secretary of the Ethics Committee shall endeavor to provide response to all consultations.

This obviously does not impede employees in seeking counsel with their managers; the Country Representative; the Staff Association; the Ombudsperson; the Human Resources Department; the Office of Institutional Integrity or other colleagues or Bank entities of his or her choice. However, interpretation of the Code will be binding and create precedent only if made by the Ethics Committee.

**Policies and Documents to Consult.** In addition, it may often be helpful for the employee to consult other Bank documents and policies, rules, regulations, and guidelines that may be relevant to the ethical issue under consideration and which may provide some context and guidance for its resolution. Some of the most relevant documents and policies are:

- (1) The Agreement Establishing the Inter-American Development Bank, especially Article VIII, Sections 5 (d), (e) and (f);
- (2) the existing personnel policies and Principles of Human Resource Management of the Bank, particularly Staff Rules 320-329 dealing with Duties, Obligations and Privileges;
- (3) Bank policies and guidelines supporting the Bank's systemic framework against fraud and corruption;
- (4) the policy and guidelines on investigative procedures undertaken by the Bank; and
- (5) the documents and policies with respect to the Ombudsperson.