

LACK OF SECURITY FOR WORLD BANK STAFF AND CONSULTANTS

On December 9th, 2005, Tamara Lansky, a Senior Investment Officer for the International Finance Corporation (IFC) of the World Bank, left her hotel in Kinshasa for the drive to the International Airport. She had just completed a five day mission in the Democratic Republic of the Congo (DRC), and elections were to take place within a few days. Because the likelihood of violence always rises with elections, Kinshasa was tense. Lansky did not realize, because she had not been told, that a UN Security Phase II had been declared. Nor was she informed that the route she would travel passed through a stronghold of paramilitary forces opposed to the government and attacks there were a daily occurrence.

A traumatic incident occurred on the road that day, which ultimately led to Lansky's departure from the IFC and to a protracted four-year long battle for reimbursement of heavy medical expenses with the subcontractor responsible for such claims at the Bank. In 2009, long term disability provisions were finally approved for her, but for three months only, leaving Lansky and her family financially insecure.

The Lansky case is the first World Bank case on safety and security to go public. It demonstrates not only the lack of security provided to employees traveling to dangerous countries, but also the lack of consideration when staff are harmed while performing their duties. As World Bank management transfers more and more staff into the field and expands operations into conflict and post-conflict countries, Tamara Lansky's case is a cautionary tale that raises two important issues:

- First, for cost reasons, the Bank has neglected measures that would provide a reasonable assurance of safety and security in the field.
- Second, when a staff member is injured in the line of duty, the processes in place are grossly inadequate and irregular, using unlicensed workers' compensation providers in order to reduce costs. Because the World Bank enjoys immunity from civil and criminal judicial proceedings, staff members have little recourse when they are denied care or reimbursement.

In brief, the Bank is increasingly placing its employees in the line of fire without providing adequate safety protection and then, when accidents happen, evading responsibility for caring for injured personnel.

I. The International Finance Corporation and the Minimum Operating Security Standards (MOSS)

Phase II

The World Bank is a member of the United Nations system. Employees carry UN passports and are expected to respect UN protocols. In December, 2005, the United Nations had declared the security environment in the DRC to be “Phase II.” This is a heightened security status, which means the situation is volatile. To protect UN system staff, Minimum Operating Security Standards (MOSS) strictly limit all travel under a UN Security Phase II.¹ More generally, and most importantly, under MOSS Guidelines, the Bank should not have assigned an investment specialist a mission to the DRC in December, '05. Only essential personnel (e.g., peacekeeping and humanitarian aid workers) can be ordered into a Phase II situation. Nonetheless, Lansky had been sent on mission to the DRC and had been moving around Kinshasa for days without security.

Vehicle Safety

On December 9th, when transport to the airport arrived at Lansky’s hotel, the vehicle provided to her by the World Bank Country Office was not a secure car. It was a pickup truck, in poor condition, typically used to move bulk equipment around Kinshasa because, as the driver explained, the resident mission was short on cars. A pickup truck is an especially dangerous vehicle in which to travel, as attackers can climb into the back of the truck. Consequently, should the driver need to flee an assault, he will be carrying the attackers with him, reducing the chances of a successful escape.

Communications Equipment

When an area is Phase II, all vehicles must have an ‘effective and reliable’ means of communication, such as a proven cell phone system with wide area coverage that allows the tracking of UN staff and equipment. In the DRC in 2005 all World Bank vehicles should have been equipped with radios linked to a 24/7 local communication station. The MOSS Guidelines mandate this precaution so that incidents can be communicated immediately and help dispatched rapidly, if necessary.

The MOSS Guidelines also require that staff members have mobile phones as a basic security measure. In 2005, the IFC did not issue mobile phones to non-management staff, even if they worked (as Lansky did) in some of the most unstable countries in the world.¹ Nor was the pickup truck in which Lansky traveled that day equipped with the MOSS-required radio communication system. There was no 24/7 communication station at the

¹ The World Bank is a member institution of the UN System, and the MOSS Guidelines apply to its operations and personnel practices.

Country Office.

Training Requirements

Under UN Guidelines, all UN agencies must ensure that all staff are trained in safety and security matters. In 2005, neither Lansky nor the DRC Country Manager had received any mandatory training in safety and security matters. Other UN agencies do not allow staff to travel until they have successfully completed a four-hour online security training course, which they must repeat every three years. In addition, special field training is mandatory for staff in the UN system who will be responsible for the safety of others, such as Country Managers and Directors. In this case, if the DRC Country Manager had received the appropriate training, he would have known that using a pickup truck as transport for World Bank staff in Kinshasa days before a national referendum and upcoming elections was a security violation.

Ironically, World Bank management attended the launching of the mandatory UN training program, yet opted not to require Bank staff to complete the course. To date, there is no mandatory security training at the Bank, either for staff or for the Country Managers, even in countries where the incidence of violence is very high.²

Under the World Bank's Administrative Manual, Country Managers have primary responsibility for ensuring the safety of staff in country. Yet, in 2005, and in fact, to date, World Bank Country Managers are provided no formal security training of any kind. Nor does the Bank require any such training before entrusting them with responsibility for the lives of other staff members. The lack of training means that although the Country Manager is responsible for the safety of others, he or she has no preparation for confronting an emergency or a threat.

In addition, the World Bank Administrative Manual for in-country security assigned to the Country Manager the duty of: "Familiarizing resident and mission staff with the local security situation, security procedures and communications." Lansky, however, was never given any security briefing because the World Bank lacks a systematic procedure for orienting the Country Manager or visiting staff. Other UN agencies ensure awareness through regular country briefings and debriefings. In Lansky's case, a report from the DRC Country Manager shows clearly that he knew of increased security risks in December 2005, but he failed to put additional security measures in place.³ Apparently

² In contrast, the World Bank Group has a mandatory online training course on "Information Security Awareness." This course, which takes about 45 minutes to complete, helps staff members know their "role in protecting the World Bank Group's information." Staff members learn "the meaning of information security and what our organization's policies and procedures are designed to protect." The requirement for training on information security without a similar requirement for staff security training sends the message that the Bank values the security of its documents and data more than it values the lives of its personnel.

³ UN Security Phase II, Section 22, of the Administration Manual enumerates the responsibilities of the Country Manager, including: "(d) Monitoring local security conditions and reporting

he did not know that in UN Security Phase II situations, Lansky's mission to DRC should never have been approved, or that secure vehicles were required – especially on a road where daily attacks occurred.

Instead, the Country Manager's safety "City Brief" for staff visiting – entitled "Welcome!" – reads like a tourist brochure for a pacific urban area like London or Madrid. It is illustrated with perky and peculiar clip art and, for the most part, provides directives for charging costs of services to the appropriate budget.

The concern about budgets is symptomatic of the issue underlying the lack of security for World Bank staff: the Bank cuts corners on safety and security in order to minimize costs. For example, in 2005, the DRC Country Office did not have the necessary number of cars and drivers to accommodate the missions arriving. Therefore, Lansky was asked to travel in an insecure pickup truck. The City Brief orienting staff members arriving in Kinshasa contains the following instruction:

Transportation in Town- We recommend the use of a rented car for security reasons as public transportation in the city is very poor. Contact the ACS (support staff) working on your sector and Lucie Babi Bonso Bakaji, our Administrative Assistant, to arrange car rental services. Please send them an email with your arrival/departure date. The costs will be charged to your TR.ⁱⁱ

This advice in itself represents a serious safety problem. The World Bank trains its own drivers in defensive driving techniques, but if a staff member on mission rents a car, that staff member does not benefit from the Bank driver's defensive driving. Directing visiting staff to travel in rented cars represents a significantly increased risk.

More generally, the DRC's "City Brief" contains minimal safety advice, and appears to be concerned more about the security of office vehicles than about World Bank staff. The security section in the Bank's security "City Brief" consists of the following paragraph only:

Security- Although the Gombe area is relatively safe, there have been limited incidences of armed robbery before. Avoid being out late by yourself at night. Taking photograph (sic) of public buildings and some strategic places (airport, military camp, etc.) is prohibited. If you plan to travel in-country, please inform ... in advance for the Security Clearance and ... for travel arrangements. **DO NOT GO OUT LATE AT NIGHT WITH ANY OF THE RESIDENT MISSION'S CARS WITHOUT THE COUNTRY OFFICE MANAGER'S AUTHORIZATION.** DO NOT STOP IN CASE YOU HIT SOMEONE ACCIDENTALLY, GO TO A NEARBY POLICE STATION INSTEAD AND CALL IMMEDIATELY THE SECURITY TEAM. (*Emphasis original*)ⁱⁱⁱ

incidents/developments likely to have an adverse impact on Bank Group operations to the Head of the Global Security Unit, GSDSO and Regional Senior Management."

Nothing in this security brief could have prepared Lansky or any other staff for the increased risks in December 2005 in Kinshasa.

Minimizing Expenditures on Safety and Security

Public records show that the World Bank has been squabbling with the High-Level Commission on Management (HLCM) of the UN System about paying its share of the costs of safety and security for years. In 2000, contentious discussions took place at the General Assembly concerning the World Bank's free-ridership on the UN's safety and security measures:

It must equally be noted that, although they benefit fully from the services of the United Nations inter-organizational security management system, the World Bank does not participate in the cost-sharing mechanism. This means in effect that the other organizations of the United Nations system are "carrying" this organization. Efforts by the Consultative Committee on Administrative Questions to put in place a system whereby the World Bank would pay its fair share of the interorganizational security management system, based on the number of staff in the field have not succeeded.^{iv}

Six years later, the minutes of the HLCM of the Chief Executives Board meeting (October, 2006) showed that the cost-sharing dispute had not been resolved. The document reveals a continued refusal on the part of the World Bank to pay its share of the safety and security apparatus and the lack of leverage available to the other UN agencies to oblige the Bank to pay up.⁴

On the issue of the World Bank's participation in the UN security management system and on the payment of its corresponding share, the Chairperson informed that she had met with the World Bank in July and that the Bank President had promised an answer on this issue before the CEB meeting in October 2006. The UN also noted that the World Bank's biennial share in the field-security system amounted to approximately USD 10 Million. Such an amount, of (sic) not duly

⁴ Conclusions of the Twelfth Session of the High Level Committee on Management (Rome, 30 September – 1 October 2006). The World Bank representative provided the Committee with some historical background on this issue, explaining that in September 2004 the then Under-Secretary for Management had written to the World Bank to initiate a process to clarify the scope of cooperation between the World Bank Group and the United Nations Security Management System. Following initial discussions with DSS in mid-2005 and in connection with an analysis of both the value of services received and their corresponding costs, a letter outlining the Bank's position on the subject was sent to the Secretary of HLCM on 5 October 2005, and was discussed at the Committee's 10th session. Following extensive consultations over several months with the World Bank, at both the working and senior management levels, a formal response to this position was provided by DSS on 25th September 2006. The World Bank reiterated its commitment to continued dialogue with the United Nations, in order to resolve the current impasse and stated its firm belief that a solution could be found very quickly through continued negotiations, with DSS being empowered by stakeholders, including the HLCM, to reach an acceptable agreement.

paid, could not be absorbed by the UN and it would result in all the organizations participating in the system having to share the difference.

Similarly, according to a subsequent document issued by the Federation of International Civil Servants' Associations (FICSA) and the Coordinating Committee for International Staff Unions and Associations of the United Nations System (CCISUA):

The World Bank still refuses to pay its full assessed share which poses significant risk for the coverage of security costs for 2007 and 2008/2009. Their share is about \$11 mln per biennium and it is of paramount importance to retain them as part of the UN security management system. The resolution of the dispute may have to be referred to the Member States.^v

The World Bank's freeloading jeopardizes not only the lives of its own staff members but also affects employees throughout the UN system.

This refusal to pay for security measures comes at a time when security conditions are increasingly deteriorating for UN staff worldwide, due to such factors as "the blurring of the distinction between civilians and combatants in conflict areas; the privatization and fragmentation of armed forces and the increased availability of weapons; the globalization of terror movements; and the spreading of religious and fundamentalist ideologies."^{vi} According to the UN General Assembly, "over the past decade, threats and attacks against the safety and security of humanitarian personnel have escalated dramatically."^{vii} Moreover, according to data released by the UN:

In 2008, 260 humanitarian aid workers were killed, kidnapped or seriously injured in violent attacks. This toll is the highest on record. The overall number of attacks against aid workers has risen steeply over the past three years, with an annual average almost three times higher than the previous nine years. Relative rates of attacks per numbers of aid workers in the field have also increased — by 61%.^{viii}

In the absence of adequate security measures, and with expanding operations in violent settings around the world, injuries to World Bank staff were, and still are, assured.

Moreover, Bank management is fully aware of the serious risks to which staff are exposed. At a corporate seminar held at the Bank in April, 2000, more than five years before the Lansky incident in DRC, the Bank's HR Vice President convened a group of health experts, attorneys and corporate risk managers to debate this issue and consider its implications. Curiously, the World Bank's Legal Advisor repeatedly stressed the need to have guidelines in place to avoid ad hoc responses in cases of medical emergencies. He freely admitted that the Bank was unprepared for such situations:

I think that being said, one of the most basic lessons that can be conveyed is to have a clear, corporate understanding of what the obligations are of the organization with respect to people that are traveling, whether they are staff members of the organization or independent contractors or in some other capacity traveling. And we have all these different types working with the World Bank,

and this should be a policy that is worked out in advance, not made up as we go along. And I think many times, certainly in our organization, we end up making things up as we go along, and that's when we get in trouble because we have not a very coherent manner for making these things or a very good, reasoned way for reaching the conclusions that we do.^{ix}

Rather than address the Bank's lack of preparation for an emergency in the field, the same Legal Advisor counseled Bank managers against setting a precedent for providing care to staff beyond that required under Bank guidelines, as minimal as they were. The Bank's Legal Advisor went as far as to advise his audience in methods to avoid liability: to establish attorney-client privilege in the event of injury, early in the process so as to avoid the obligation of releasing potentially damaging information in a lawsuit:

The one thing I did want to emphasize in an international organization context...is that in places like the World Bank, just doing something, even if it's not set out in a policy, can set a precedent that other staff members later on here at the Bank certainly will expect will be the standard of care for them as well. So we always have to be mindful that whatever we're doing is setting a precedent for others....

The final point that I wanted to touch on here is a quality assessment of the medical care provided, and just to say that if there are any questions about the quality of care or the potential for a claim, to be mindful that any communications that are made could be discoverable. I think it's very important to notify your Law Department so that attorney-client privilege can be established and those documents are then shielded from discovery later on.^x

The prevailing attitude in administrative circles at the World Bank about staff safety and security in the field was, and remains, one of avoidance of responsibility. Managers were advised by the Bank's Legal Department not to provide services above the minimum necessary because they could inadvertently set a new, higher standard of care. In addition, they should be careful to take the steps necessary to ensure that embarrassing or costly information remain protected in the event of a legal challenge.

II. The 2003 Paradigm Shift in Staff Safety at the UN

The World Bank's lack of consideration for staff safety and security can be measured when viewed in the context of the Bank's reaction to the 2003 bombing of the UN and World Bank office in Baghdad. In that bombing, one Bank staff member and more than 20 UN employees died. More than 100 others were seriously injured. Despite the carnage, when Joseph Saba, World Bank Country Director for Iraq, was asked when it would be safe for World Bank staff to return to Baghdad, he responded:

I can't give you a straight answer to your question, but when I know I can get out and have a reasonable exchange with my Iraqi counterparts, that's when I know it is safe for me to send the staff back. Our jobs are not to hunker down in

bunkers, but to get out there and work with our counterparts. When we can do that, it is safe enough....^{xi}

In contrast, the Chairman of the Panel on Security of UN Staff in Iraq told the press that the bombing:

[W]as a wake-up call and demonstrated that security arrangements had to be examined before decisions were made...Asked if any of the mistakes came about because the United Nations felt pressure to appear more open to the Iraqis, he said that, traditionally, the United Nations did not want to create a “bunker” mentality, and it wanted to mix with the people it was helping. **This was a huge problem, and in the future United Nations staff would have to compromise and accept stricter security measures.**^{xii} (*Emphasis added*)

As evident in these responses, the bombing of the UN office in Baghdad led – in other UN agencies – to a safety and security paradigm shift. The contrast between the two statements shows that at other UN agencies, staff safety is an important concern. Staff members in other parts of the UN system would not be sent into situations, subjectively judged from afar, to be simply, “safe enough”.⁵

Insurance Incentive

In part at least, the caution in other UN agencies is linked to financial penalties should employees be injured or killed. Unlike the World Bank, staff insurance in other UN agencies is linked to compliance with Minimum Operational Security Standards (MOSS). This means that non-compliance with MOSS may result in the insurance underwriters denying coverage or increased insurance premiums. This ensures an incentive for other UN organizations to comply with MOSS as failure to do so would result in higher costs in the event of an injury.^{xiii}

After the 2003 bombing, in fact, the underwriter for the Malicious Acts Insurance Policy (MAIP) advised the UN that it would not underwrite the policy without significant improvements in the UN’s safety and security system. The 2003 bombing obliged the UN to invest nearly \$100 million in improving safety and security systems. Some of the additional safety and security measures included:

- strengthening the UN’s security management system by establishing a Department of Safety and Security;^{xiv}
- increasing security-related expenditures and personnel;
- developing a system-wide procedure for threat and risk assessment;
- issuing technical guidance on improvements in equipment and facilities that have been recommended to counter the threat of explosive attacks;^{xv}
- developing “concepts for a lighter international footprint for humanitarian and

⁵ Ironically, Jean-Michel Happi, the Country Manager in the DRC when the Lansky incident occurred, was later appointed Country Manager in Iraq, where he is currently posted.

- other United Nations activities in high-risk areas;” and
- creating “country-specific Minimum Operating Security Standards, special security structures, and rigorous controls on staff numbers, visits and travel, to address the particularly high risks encountered in Iraq and Afghanistan.”^{xvi}

UN agencies also agreed to take a systemic approach to security, based on recommendations from independent security experts. These experts believed that it was “inappropriate to continue to deal with security in a compartmentalized way: multiple security systems can create doubt in the minds of those who have to work under pressure. Doubt can lead to mistakes and mistakes in security terms can lead to serious injury and loss of life.”^{xvii}

In contrast, the World Bank decided to ignore the findings of the independent experts and to disregard the systemic approach. The Bank was subsequently rebuked by UN agencies for its “menu of options” approach to safety and security, whereby it arbitrarily picks and chooses security measures. The World Bank was reminded – to no avail – of its “moral responsibility” to its staff. According to the “Update and discussion on the World Bank’s participation in the UN Security Management System” section of the December 22, 2006, HLCM Chief Executives Board meeting minutes:

Organizations indicated that there was a ‘moral responsibility’ to maintain the UN Security Management System as a unified system and not as a ‘menu of options’ for participating organizations, which had an obligation to comply with the approved funding arrangements until a revised formula would be adopted in the context of HLCM.

All organizations shared such a sense of ‘moral responsibility’ which they said should inspire all discussions and agreements on this subject, with a view to the common objective of ensuring the safety and security of UN system staff.

The World Bank, reiterating their availability to continuing negotiations to resolve the impasse, indicated that the current cost sharing arrangements for 2006-2007 did not meet their agreement and that they had formally stated this position earlier... In a conclusive remark, organizations again expressed their strong preference for an agreement which would permit the World Bank to continue its participation in the UN Security Management System, which would be in the interest of all...

Further, according to the 13 August 2008 Report of the Inter-Agency Security Management Network: “The IASMN recommends that HLCM instruct that security requirements are systematically considered as an integral part of every activity undertaken by the organizations of the UN system and guarantee sufficient resources preferably provided by the regular budget of the United Nations, so that the organization does not have to compromise on security matters. The World Bank reserves its position on this matter and is not prepared to increase its contribution to the UN System as it has its own internal security apparatus.”

Accountability

In Lansky's case, the Country Manager was responsible for her safety but not accountable because, unlike the UN, there are no disciplinary repercussions for non-compliance with safety and security measures at the Bank. The Country Manager failed in his safety duties by approving a trip to Kinshasa during a UN Security Phase II; requiring travel in a battered-up pickup truck through an opposition stronghold; and failing to brief staff on the dangers in Kinshasa at that time. Despite these flagrant security failures, no disciplinary actions were ever taken against the manager by the Bank.

In 2006, the Inter-Agency Security Management Network (IASMN) brought together representatives of organizations, agencies, funds and programs comprising the UN system and adopted 80 security-related recommendations. At that meeting, an agreement was reached that:

Executive heads of the UN specialized agencies, funds and programmes, without prejudice to their accountability to their own governing and legislative bodies, are accountable to the UN Secretary-General in ensuring that the goal of the security management is met and the coordinating role and authority of the UNSG in matters related to the safety and security of UN personnel. Following adoption of the text, the IMF and the World Bank advised the participants that their organizations could not accept the framework for accountability. Both IMF and World Bank advised that their Legal Counsels were examining the situation.^{xviii}

The importance of accountability in security management was one of the key findings of The Independent Panel on the Safety and Security of UN Personnel in Iraq, which found in 2003 that:

A major deficiency identified by the Panel is the lack of accountability for the decisions and positions taken by UN managers with regard to the security of UN staff. The United Nations needs a new culture of accountability in security management. Personal accountability of those entrusted with the safety of personnel as well as all staff in the field for their compliance with security rules should be paramount.^{xix}

Lack of Psychosocial Support

As Lansky traveled to the airport on December 9th, 2005, the pickup truck stopped in a traffic jam and was surrounded by a group of about 15 Congolese men, apparently members of the political opposition in the DRC. They tried to open the doors of the vehicle, and the locks started to give way as Lansky struggled to keep the doors closed. Attackers then climbed into the back of the pickup truck to break through the rear window. Meanwhile, the occupants of a car in front of the World Bank truck were forced out of their vehicle and assaulted.

The UN system has a Critical Incident Stress Management Unit that was developed to help staff members cope with such incidents. This unit defines a critical incident as “an event out of the range of normal experience – one which is sudden and unexpected, makes you lose control, involves the perception of a threat to life and can include elements of physical or emotional loss. Critical incidents include natural disasters, multiple-casualty accidents, sexual or other types of assault, death of a child, hostage-taking, suicide, traumatic death in family, duty-related death of a co-worker and war-related civilian deaths.”^{xx} This Unit provides counseling and psychosocial services for affected staff and trains staff on how to manage stress. The UN has also created critical incident stress intervention cells to “provide immediate assistance to staff at the country level” and regional rapid intervention cells “to ensure urgent provision of psychosocial support to United Nations staff and their dependants in emergency situations.”^{xxi} According to the UN’s training on critical incidents, “critical incident stress is a major factor in the development of posttraumatic stress disorder (PTSD). However, the onset of PTSD can often be prevented by proper preparation, plus the appropriate use of defusing and debriefing (CISD) group and individual sessions after the critical incident has taken place.”^{xxii}

The Bank, on the other hand, does not have systematic procedures for recording, intervening, defusing or debriefing critical incidents. After the attack in the DRC, Lansky was expected to continue her trip in Africa, and was only allowed to return home after persistent requests from her husband. The World Bank’s failure to engage with the UN on critical incident stress issues is recorded in the 2008 IASMN report:

The IASMN welcomes the progress made on achieving consensus and agreement amongst the critical incident stress counselors of the UN system. The IASMN points out that, as flagged also in the report of the Independent Panel (IPSS), there are not enough critical stress counselors in the UN system nor are there enough financial resources to hire such expertise in the event of crisis to provide the required coverage globally. The IASMN requests the Critical Incident Stress Management Working Group to develop proposals to be submitted to HLCM and CEB that would address this shortcoming. The World Bank reserves its position on this matter.^{xxiii} ⁶

Several weeks after the incident, Lansky suffered the symptoms of severe PTSD, which a subsequent diagnosis confirmed. She experienced sleeplessness, depression, anxiety, acute distress, hyper-vigilance and generalized fear. Nevertheless, she returned to work and expected to recover quickly with prescribed treatment and explicit work schedule adjustments.

But the work adjustments were ignored by the IFC, and her condition deteriorated.

⁶ In another instance of discordance, the report also states that “The IASMN notes the serious concerns of its members (with the exception of the World Bank) regarding the increasing use of private security providers and recommends that extreme caution be exercised in engaging such outsourced services so as not to contradict the resolution of the General Assembly.” (para. 62).

Lansky's supervisor was informed that she required a lighter workload but instead of cooperating, he increased her workload by reducing her staff without correspondingly reducing demands.^{xxiv} Subsequently her physician determined that occupational stress resulting from an increased workload was compounding the effects of PTSD.

Three months after the attack in the DRC, Lansky's physician became convinced that her recovery could take as long as a year. He also documented the fact that the IFC was aggravating the problem by imposing stressful working conditions and refusing to guarantee the timely processing of her worker's compensation claims. These circumstances were also cited by him as factors impeding her recovery and ultimately he urged her to resign from the IFC.

III Safety and Security for World Bank Staff: Minimizing Cost, Protection and Medical Care

For Lansky, what followed her diagnosis of PTSD was a lengthy chronicle of changing policies on claims reimbursements, rotating claims adjustors, increasingly detailed and contradictory demands for information and in her words, "relentless, time consuming follow ups," even as she struggled with the effects of PTSD. Lansky's physician believed she would recover faster if she left her employment at IFC.

Reimbursement for Medical Expenses and Disability Payments

According to [Judgment 425](#) of the World Bank's Administrative Tribunal (AT), Lansky struggled through 2006 with the complex requirements imposed on her by a medical claims adjuster contracted by the Bank. "Administrative difficulties seemed to follow her: she had to submit some of her claims more than once; the adjuster's fax machine would sometimes malfunction; the adjuster would be frequently absent from her office and fail to answer her e-mail messages. The [Lansky's] contact person at the Bank's Human Resources ("HR") Department tried to move the process forward but had limited success. Thus, according to the Applicant [Lansky], she continued to experience stress and anxiety and was unable to return to work as she had originally expected. As evident in the records her condition deteriorated as her PTSD continued. After the Applicant had used all of her accumulated sick leave, she began using her accumulated annual leave to secure 100% of her regular salary. Eventually, she became eligible to receive short term disability benefits."

There a new set of financial difficulties arose. The Bank's disability program is exceptionally parsimonious with compensation for work-related injuries. The program imposes an:

- Automatic 30% salary cut after exhausting accumulated sick leave; and

- Employment termination 24 months after the start of sick leave.⁷

Should the employee not recover within a 21 month period, the World Bank will send a three-month notice terminating the staff member's employment. Termination also ends the staff member's life insurance coverage, employment benefits, and education benefits for children.

When a staff member is seriously injured, then, the Bank exchanges an employment contract for a disability payment that is, in many cases, far below the income earned previously. For example, if a staff member has a regular contract and a family with three young children, the income replacement rate would equal about 48 percent of gross earnings (including education benefits). Comparative calculations show that this replacement rate is well below international requirements for work-related illnesses and even below the historical standard of US workers' compensation: two-thirds replacement of gross earnings.

Remarkably, the disability guidelines show that staff members sent by the Bank to work in dangerous countries who are injured in the line of duty are treated in the same fashion as staff injured on a beach holiday.

Inadequate Insurance Coverage

The World Bank goes to considerable lengths to maximize savings on insurance premiums, even as it dispatches staff to volatile places such as Kinshasa, Baghdad, Islamabad and Kabul. For example, the workers' compensation provided to other UN staff is far more comprehensive and generous than the provisions at the Bank. While total disability payments to injured Bank staff may be lower than 50 percent of regular salary and benefits, at the UN a disabled staff member receives: "annual compensation equivalent to two-thirds of his final pensionable remuneration, plus one-third of such annual rate in respect of each unmarried child of the staff member qualifying under the article."^{XXV}

Moreover, virtually all international organizations – other than the World Bank – maintain Malicious Acts Insurance (MAI) for their employees, in addition to the more generous workers' compensation and disability benefits. The World Bank, in contrast, does not maintain MAI. As a result, Bank staff on mission to a city such as Baghdad have no more insurance than they would have on a vacation. Under the typical MAI policy, locally and internationally-recruited staff in designated countries are covered around-the-clock for accidents resulting in death or disability caused by war, revolution, rebellion, insurrection, riots or civil unrest, sabotage, or terrorist activities, among other

⁷ One employee sustained third degree burns from an attack while on mission, and was hospitalized for nearly one year. Upon exhausting sick leave, the World Bank cut his income by 30 percent. This practice, of course, compounds the work injury with financial hardship to employees and their families.

possible calamities.

Despite the grave risks to which they are exposed, Bank employees are not told that they are responsible for insuring themselves before they confront threats or emergencies in the field. A senior Bank official confirmed this exposure:

Many times we find individuals travel and *they are not aware of the obligations that they have to undertake*, whether to obtain life insurance or medical insurance or some other form of coverage. And I think it is very important to inform these individuals of what their benefits are, what their obligations are, and in some cases even – we do it by contract, but have them undertake to provide written evidence that they have done this, obtained the necessary insurance coverage and things of that sort. And inform the traveler of the risks that are going to be confronted either to health or safety.^{xxvi} (*Emphasis added*)

In short, staff receive little or no security training, are not provided with appropriate safety and protection, and in addition, are not informed about their lack of insurance coverage. As a result, World Bank staff traveling in difficult security circumstances are often unaware that they are neither protected nor insured against injuries that might occur as a result of violence in the countries in which they are working.

The World Bank does carry Workers Compensation and Disability Insurance, but it has elected to self insure for Workers Compensation, rather than pay the cost of premiums to an external insurance company. This arrangement allows the World Bank to save both on the premiums paid and on the ‘management’ of payouts to injured staff members. Then, by denying valid insurance claims and encouraging injured employees to use their general insurance to cover the treatment of wounds suffered as a result of malicious acts, the Bank achieves considerable savings.

This lack of adequate coverage directly contradicts standards established by the International Labour Organization (ILO) Administrative Tribunal, which adjudged “that organizations bear responsibility for the assignment or travel of staff members to potentially dangerous areas and ruled that an employee is not obliged to run abnormal risks for the benefit of his/her employer, at any rate, unless he/she is given adequate insurance coverage.”^{xxvii} Similarly, according to the Report of the Independent Panel on the Safety and Security of UN Personnel in Iraq, “As a matter of policy, insurance coverage should be guaranteed (by the Malicious Acts Insurance policy, or, subsidiarily, by the United Nations) to all UN staff operating in hazardous missions.”

To further aggravate the situation, the World Bank has outsourced the administration of its insurance programs to the [Reed Group](#)⁸, “The World’s Most Trusted Return-to-Work

⁸ Prior to 20007, the Bank’s Claims Administrator was Crawford & Company. In 2006, a case was filed against Crawford in the U.S. Sixth Circuit alleging that Crawford “employed mail and wire fraud in a scheme to deny worker’s compensation benefits under the Michigan Worker’s Disability Compensation

Experts.” The Reed Group’s emphasis is, it seems, on return-to-work. The company markets itself by suggesting to potential clients, in veiled language, that disability cash flows will be terminated as soon as credibly possible:

Reed Group’s LTD [Long Term Disability] Services start focusing on return-to-work before an LTD case even begins. We reduce the number of cases that transition from STD [Short Term Disability] to LTD by identifying potential LTD cases and diagnoses early, initiating interventions and creating appropriate care and recovery plans. Our active disability case management facilitates multiple options for employees to return to their own occupations completely, with necessary accommodations, or transition to other types of employment.^{xxviii}

In fact, the Reed Group of New York state is neither licensed nor regulated to serve as a third party administrator (TPA) of Workers’ Compensation or Disability Programs. A listing of TPAs obtained from the New York State Workers’ Compensation Board does not reference the company, and under US law, therefore, Reed’s operations would be illegal.^{xxix} Unlike other employers, however, the World Bank is exempt from civil or criminal lawsuit because its operations are shielded by diplomatic immunity. Without immunity, national legislation would require the Bank to establish minimum safety and security standards and hold management accountable by applying penalties and criminal charges.

Finally, in cases of injury leading to disability, the World Bank cancels the injured staff’s life insurance automatically, leaving staff and their families unprotected. At the same time, once the injury has been sustained, securing alternative life insurance is difficult, leaving the family exposed to continuing and significant risks.

IV. Conclusion

To date, no resolution to the shabby treatment of staff members injured in the line of duty is in sight at the World Bank. On the contrary, four years to the day after the attack on the vehicle in which Lansky rode to the airport in Kinshasa, December 9th, 2009, the AT issued a virtually meaningless ruling on the question of compensation for injured staff. The AT decided: “to recommend that the Bank, with the cooperation of the Staff Association, proceed to formulate and develop appropriately detailed rules of procedure that claimants and administrators should follow in the processing of claims for payment or reimbursement under the WC [workman’s compensation] and Disability Programs of the Bank.”

The ruling is replete with loopholes:

1) It is a recommendation and not a binding decision;

Act (“WDCA”), MICH. COMP. LAWS § 418.301, in violation of the Racketeer Influenced and Corrupt Organizations Act (“RICO”), 18 U.S.C. §§ 1961(1)(B), 1962(c), 1964(c)...”

- 2) It encourages the Bank to ‘proceed to formulate,’ i.e., the Bank should begin a process;
- 3) It does not specify standards the procedures to be formulated must meet;
- 4) It does not include a deadline for completing the process;
- 5) It does not include a deadline for either adopting or implementing the procedures formulated.

Thus, while the ruling appears to address a serious administrative deficit in the Bank’s procedures for meeting the needs of injured staff, in reality it does nothing of the kind.

In March, 2010, the security and safety commitments from the Bank to its staff remain much as they were in 2000, when the Bank’s Legal Counsel warned managers to avoid setting too high a standard for medical care in an emergency and to protect deliberations about medical care from possible discovery in an internal legal challenge. This year, however, Bank management will present the Development Committee with “New World, New World Bank Group: (II) Internal Reform Agenda” based on decentralizing the institution further by stationing larger numbers of staff members in the field.

In addition, the Bank will be expanding its operations, i.e., the number of staff members, including consultants, in countries in conflict or in post-conflict situations. According to the IFC’s Road Map for FY 09-11, for example:

Fragile/Conflict-Affected Countries. IFC is innovating in infrastructure development especially in conflict-affected countries where the needs for regional integration are great... Collaborating with the World Bank, MIGA and other partners has been key in delivering results in these difficult markets. In terms of sectors, IFC is expanding its investment and advisory services in infrastructure, agribusiness, financial market products targeting women and SMEs, and health and education in countries affected by conflict. IFC is on the ground in post-conflict countries, in Democratic Republic of Congo (DRC), Lebanon and Liberia, and is focusing on advisory work that improves the business enabling environment.^{xxx}

According to a Background Paper that accompanied this road map:

Fragile/Conflict-Affected Situations are also now an explicit part of IFC’s first strategic pillar, and there has been considerable progress in expanding IFC programs in relevant countries in Africa, Middle East and North Africa and other parts of the world. Investments in this group were over \$616 million in FY08 and over 12% of advisory projects were in these countries. IFC engages with the World Bank Group thematic group on this topic and has recently enhanced its investment and strategic approaches...^{xxxi}

IFC launched the Conflict-Affected States in Africa (CASA) program in Africa to provide an umbrella and coordinated approach to IFC Advisory Services in fragile and conflict-affected situations (FCS). Initially focusing on Central African Republic, Democratic Republic of Congo, Liberia and Sierra Leone, the CASA

program has brought a strategic focus integrating advisory programs into coherent country programs, mobilized additional partner funding, and is *placing AS [Advisory Services] managers in each office...*^{xxxii}

IFC continues to expand cautiously its advisory and investment activities in fragile and conflict-affected situations (FCS). Supporting private sector development in these countries requires heightened risk assessment, *informed by presence on the ground* or strong local networks^{xxxiii}... IFC continues to extend its reach to small, frontier and conflict-affected countries, including Afghanistan, Angola, Burundi, Democratic Republic of Congo, the Gambia, Haiti, Liberia, Rwanda, Sierra Leone, Syria, Tajikistan and the West Bank and Gaza.^{xxxiv}
(*Emphasis added*)

At the same time, the internal reform agenda includes plans to increase staff flexibility, i.e., reduce employment security, so that it is more difficult to object to dangerous assignments, missions and working conditions. The agenda repeatedly cites the successes of IFC decentralization as a model, but makes no mention whatsoever of security for staff and consultants.

The Bank and the IFC are increasingly placing the lives of their staff at risk.⁹

ⁱ Minimum Operating Security Standards, Instructions For Implementation.

ⁱⁱ World Bank Country Office memo, DRC, updated March 1, 2007.

ⁱⁱⁱ Ibid. p. 5.

^{iv} UN General Assembly. Fifty-fifth session, Agenda items 20 (a), 117 and 123. Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: strengthening of the coordination of emergency humanitarian assistance of the United Nations Programme budget for the biennium 2000-2001. Human resources management. December 1, 2000.

^v “HLCM sessions: Dialogue with representatives of FICSA and CCISUA (staff federations).”

⁹ The Government Accountability Project (GAP) will issue a briefing paper on the security risks to personnel posed by the Internal Reform Agenda.

<<http://74.125.113.132/search?q=cache:NbCkiPJ8LYIJ:www.energyandenvironment.undp.org/UNDP/indexAction.cfm%3Fmodule%3DLibrary%26action%3DGetFile%26DocumentAttachmentID%3D2106+%22UN+Security+Management+System%22+World+Bank&cd=4&hl=en&ct=clnk&gl=us>>.

vi “Report of the Independent Panel on the Safety and Security of UN Personnel in Iraq.” p. 19. <www.un.org/News/dh/iraq/safety-security-un-personnel-iraq.pdf>.

vii A/RES/60/123, 24 March 2006. para. 8.

viii “World Humanitarian Day Security Trends.” <http://www.uniraq.org/documents/WHD_security_sheet_page_e220809.pdf>.

ix “Corporate Risk & Responsibility: Legal Responsibilities; Medical Evacuations; Corporate Policies & Stress: An International Travel Health Symposium.” 28 April 2000, remarks of David Rivero, Chief Counsel, Administration, Legal Department, World Bank. <<http://www-hsd.worldbank.org/symposium/428-4-nayar-rivero-jarris.htm>>.

x Ibid.

xi “World Bank Update Briefing on Iraq.” 21 August 2003 <<http://go.worldbank.org/43HVZ6D360>>.

xii “Press Briefing by Chairman of Panel on Security of UN Staff in Iraq.” 22 October 2003. <<http://www.un.org/News/briefings/docs/2003/ahtisaaribrf.doc.htm>>.

xiii “Minimum Operating Security Standards (MOSS) Instructions for Implementation.” <<http://www.uniraq.org/documents/Guidelines%20-%20New%20MOSS%20Instruction%20Paper%20-%2012%20Nov%2002.doc>>.

xiv A/60/424, 11 October 2005. para. 1.

xv A/59/365, 11 October 2004. para. 9.

xvi A/59/332, 3 September 2004. para. 11.

xvii A/59/365. para. 5.

xviii “FICSA News.” May 2006. <http://www.searo.who.int/LinkFiles/News_and_Updates_FICSANews-2006-05.pdf>, p. 3-4.

xix “Report of the Independent Panel on the Safety and Security of UN Personnel in Iraq.” Executive Summary.

xx <<http://dss.un.org/MissionReadiness/beingthere4.html>>.

xxi A/61/531. 19 October 2006. para. 24.

xxii <<http://dss.un.org/MissionReadiness/beingthere5.html>>.

xxiii “Report of the Inter-Agency Security Management Network.” Chief Executives Board for Coordination. 13 August 2008. CEB/2008/HLCM/13, p. 8-9.

xxiv E-mail from James R. Striker to Jyrki Koskelo, February 14, 2006.

xxv ST/SGB/Staff Rules/Appendix D/Rev. 1. United Nations, 1966, Article 11.1 (c).

xxvi “Corporate Risk & Responsibility:”

xxvii “Report of the Independent Panel on the Safety and Security of UN Personnel in Iraq.” p. 5.

xxviii <<http://www.reedgroup.com/>>.

xxix NYS Workers’ Compensation Board Third Party Administrators Section 50 (3b/d).

xxx “IFC ROAD MAP, FY09-11 Creating Opportunity: Doing Our Part for an Inclusive and Sustainable World.” P. 9

<[http://www.ifc.org/ifcext/disclosure.nsf/AttachmentsByTitle/IFC_Roadmap_FY09_11_Final/\\$FILE/IFC_Road_Map_FY09_11_Final.pdf](http://www.ifc.org/ifcext/disclosure.nsf/AttachmentsByTitle/IFC_Roadmap_FY09_11_Final/$FILE/IFC_Road_Map_FY09_11_Final.pdf)>.

xxxi “IFC Road Map Background Paper – Creating Opportunity in Extraordinary Times.” Para 1.20

<www.ifc.org/ifcext/.../IFC...Background.../IFC_Road_Map_Background_FY10_12.pdf>.

xxxii Ibid. para. 1.49.6

xxxiii Ibid. para. 1.51

xxxiv Ibid. para. 1.88