

The World Bank
Washington, D.C. 20433
U.S.A.

Anne-Marie Leroy
Senior Vice President and Group General Counsel

April 13, 2010

Ms. Beatrice Edwards
Government Accountability Project
1612 K Street, N.W. Suite 1100
Washington, D. C. 20006

Dear Ms. Edwards:

I write to acknowledge receipt of your letter of April 9, 2010, regarding the work of the Independent Panel Review of The World Bank Department of Institutional Integrity (the "Volcker Panel" or "Panel"). Your letter calls attention to recent World Bank Administrative Tribunal decisions in cases brought by current and former staff of the Department of Institutional Integrity ("INT"). These decisions touch on a variety of matters, including the work of the Volcker Panel.

World Bank President Paul Wolfowitz announced the formation of the Volcker Panel in February 2007. The Panel conducted its work over the next several months. It completed its work with the submission of a report dated September 13, 2007. The Panel's report included a wide number of recommendations aimed at placing the work of the Department of Institutional Integrity ("INT") in the context of the World Bank's Governance and Anticorruption ("GAC") strategy. These recommendations were carefully reviewed by World Bank Management, adopted and implemented. Over the course of the subsequent years, these recommendations have resulted in many positive improvements in the Bank's anti-corruption agenda generally and in the work of INT specifically.

The implementation of the Volcker Panel recommendations has now been completed. An International Advisory Board (IAB) (itself a recommendation of the Volcker Panel) has been established to provide external advice on INT-related issues to the President, the Audit Committee (on behalf of the Executive Directors) and the INT Vice President. As envisioned by the Volcker Panel, the IAB is charged with helping to protect INT's independence and strengthening its accountability. In discharging its responsibilities, the IAB continues to focus on systemic issues and to provide advice to Bank management on the performance of INT.

Ms. Beatrice Edwards

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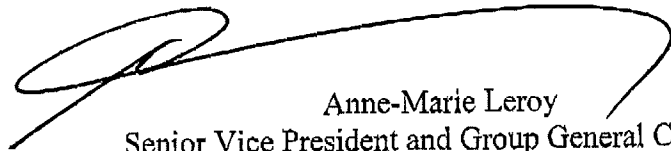
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While the findings of the Administrative Tribunal in the cases to which you allude have been disheartening to current Bank Management, there is nothing in those findings that undermines the validity of the Volcker Panel's multiple recommendations. Indeed, experience has shown that the implementation of those recommendations has strengthened the World Bank's anti-corruption agenda as well as improved the organization and administration of the Integrity Vice Presidency, as INT is now named.

World Bank staff who believe they have been aggrieved in the course of their employment have the right to bring their cases to the World Bank Administrative Tribunal, consistent with the Tribunal's Statute and Rules of Procedure. Before the Tribunal, Bank staff have the ability to present their side of events and to introduce whatever evidence they believe may be material to their case. In the cases to which you have called attention, the staff members each were afforded full opportunity to present their case. A panel of three judges drawn from the Administrative Tribunal's pool of seven internationally-renowned jurists have now rendered their judgment and awarded compensation determined by them to be commensurate with the harm suffered. These decisions are final and binding on the Bank.

With the issuance of these decisions, the Bank considers this matter now closed. I therefore conclude by thanking you for your letter which has afforded me this opportunity to respond to the points you made.

Sincerely,



Anne-Marie Leroy
Senior Vice President and Group General Counsel