

CLIMATE INVESTMENT FUNDS

July 12, 2017

CTF and SCF Trust Fund Committees

CODE OF CONDUCT (REVISED JULY 12, 2017)

PROPOSED DECISION

The CTF and SCF Trust Fund Committees, having reviewed the document entitled, *Code of Conduct (Revised July 12, 2017)*, approves the revised *Code of Conduct* dated July 12, 2017.

I. Introduction

1. At its joint meeting in May 2015, the CTF and the SCF Trust Fund Committee considered the paper, JOINT CTF-SCF/TFC.14/4, Measures to Improve the Governance of the Climate Investment Funds. On the issue of boosting stakeholder integrity and accountability, the joint meeting requested the CIF Administrative Unit to develop for review and approval by the joint meeting: (i) consolidated documents on roles and responsibilities for Co-Chairs, Trust Fund Committee and Sub-Committee members and observers; and (ii) a code of conduct for Trust Fund Committee and Sub-Committee members, observers and technical experts to better address issues of integrity, accountability and conflict of interest.

2. This document proposes a Code of Conduct (hereafter the “Code”) for Trust Fund Committee and Sub-Committee members, observers and technical experts to establish a consensus on the required standards of integrity, accountability and to improve the identification, avoidance and mitigation of conflicts of interest.

II. Applicability

3. As requested in the decision taken at the joint meeting in May 2015, Trust Fund Committee and Sub-Committee members (including their alternates and advisors), observers and technical experts should follow this Code in relation to their participation in the Trust Fund Committees and Sub-Committees. The Code would supplement rather than replace the other ethics rules and other codes of conduct that members, observers or experts have to observe in the organizations they work for. An individual who is subject both to the present Code and another code of conduct is expected to apply both and, in the event of contradictions between two rules, is expected to apply the stricter one. When it is not possible to determine which provision is stricter, members and observers will apply the rule of the organization they work for the longest number of hours in the year, while experts will apply this Code and the policies and procedures of the World Bank.

III. Consequences of non-compliance

4. A member or observer who fails to comply with the provisions of the present Code in a visible, significant and undisputable manner is expected to resign. A technical expert working for the CIF Administrative Unit may be investigated for misconduct if s/he is in breach of the provisions included or referred to in this Code.

5. Upon proposal from the CIF Administrative Unit, the Trust Fund Committee will appoint a point of contact (hereafter the “Contact Point”) who may provide advice to members, observers and experts at their own request on how best to implement the Code in specific situations and who may be notified of possible non-compliance with the Code to review remedial and mitigating measures with the relevant parties.

IV. Code of Conduct for the Members of the Trust Fund Committees and Sub-Committees

6. Each member of the Trust Fund Committee and Sub-Committee shall:
- (a) Discharge his/her duties to the best of his/her abilities and judgement with honesty, integrity and full regard for his/her responsibilities as a Trust Fund Committee or a Sub-Committee member. In particular, members are expected to formulate questions and comments about projects or documents without restriction (the CIF Administrative Unit, before publishing or circulating these to a broader audience, will ensure that such questions or comments do not contain confidential information).
 - (b) Hold the interest of the CIF paramount over personal and private interest.
 - (c) When receiving information that is marked as “confidential”, observe the following rules:
 - (i) Use such information for the sole purpose for which it was distributed, and not share such information with third parties, unless required to do so under the relevant national laws or regulations on freedom of information and access to public records;
 - (ii) For the avoidance of doubt, members of the Trust Fund Committee and Sub-Committee may share information (including information marked as “confidential”) with their governments/government in their respective constituencies
 - (iii) Only share analyses that are based on such information with those in possession of the original information, unless it is not possible to reconstruct the original information from the analysis presented; and
 - (iv) Protect the confidentiality of any confidential deliberations of the Trust Fund Committees or Sub-Committees, as long as this does not contravene the relevant national laws or regulations on freedom of information and access to public records.
 - (d) Provide accurate information on all circumstances and maintain the principle of transparency in the preparation and delivery of information to other Trust Fund Committee and Sub-Committee members and observers.
 - (e) Consult the Contact Point about any of the following potential conflicts of interest and the required remedial or mitigating measures or otherwise, from time to time at the request of the CIF Administrative Unit, confirm in writing to the CIF Administrative Unit to not be involved in the following potential conflicts of interest:
 - (i) Activities, including business, government or financial interests which might influence or be perceived as influencing his/her ability to discharge his/her duties and responsibilities objectively;
 - (ii) Any financial, contractual or personal relationship or link with an Implementing Entity (MDBs) seeking or receiving funding from the CIF, or with an Executing Entity involved in a program and/or project proposal submitted to or in execution under the CIF;
 - (iii) Activities or interests of his/her spouse, personal partner, ascendant or dependent that would be perceived as influencing his/her independence of decision or the impartiality of his/her information sources with respect to the

subject matter that is being considered by the Trust Fund Committees and Sub-Committees;

- (iv) Any actual or perceived conflicts of interest of a direct or indirect nature of which s/he is aware and which s/he believes could compromise in any way the reputation or performance of the Trust Fund Committees and Sub-Committees, in particular any benefit that the member or his/her spouse, personal partner, ascendant or dependent would receive directly or indirectly as a result of the activities of the CIF; and
 - (v) Any personal link with other members of the Trust Fund Committees, the Sub-Committees, observers or technical experts of the CIF.
- (f) Refrain from soliciting and disclose to the Contact Point any free or discounted goods or services (including accommodation, long-distance transportation and entertainment other than those paid by the member's employer(s)) received as a direct result of his/her involvement with the Trust Fund Committees or Sub-Committees. The Contact Point may suggest remedial or mitigating measures and the CIF Administrative Unit may disclose this information to the Co-Chairs of the relevant Trust Fund Committee or Sub Committee and to the other Trust Fund Committee or Sub-Committee members. In the same way, members should avoid giving personal or individual gifts that would be offered as a direct result of the member's involvement with the Trust Fund Committees or Sub-Committees.
- (g) Be absent during the deliberations and adoption of the recommendations or decisions related to proposals for funding and any other matter for which s/he has an actual or perceived conflict of interest, and be excluded from the dissemination of information about the said deliberations.
- (h) Exercise personal discretion in deciding whether s/he has an actual or perceived conflict of interest with respect to any matter under consideration by the Trust Fund Committees and Sub-Committees. S/he may also seek the advice of the Co-Chairs of the Trust Fund Committees and Sub-Committees, as applicable, as to whether a conflict of interest exists.
- (i) Remain committed to observing, developing and implementing the principles embodied in this Code in a conscientious, consistent and rigorous manner.

7. All disclosures foreseen in 6 (e) and (f) above must take place before receiving confidential information from the relevant Trust Fund Committee or Sub-Committee on such activities and before the Trust Fund Committee or Sub-Committee starts to consider a subject matter in relation to which the member is expected to make a disclosure. If it comes to the knowledge of the CIF Administrative Unit that a Trust Fund Committee or Sub-Committee member has not complied with the disclosure requirements, then the CIF Administrative Unit may ask the relevant Co-Chairs to inform the other members of the relevant Trust Fund Committee or Sub-Committee.

V. Code of conduct for the CIF observers

8. The observers, including CSO, private sector and Indigenous Peoples' focal points, shall:

- (a) Work in line with the role for observers as defined in the Governance Framework Document of the CTF and the SCF to ensure compliance with the common objectives of the CIF.
- (b) Maintain the integrity of the observer participation in the CIF by providing information in a transparent manner to all relevant parties regarding how the interests that s/he represent would be affected.

9. The focal points of the CSO, private sectors and Indigenous Peoples' observers at the Trust Fund Committees and Sub-Committees shall:

- (a) Demonstrate commitment, integrity and fairness by acting with accountability, responsibility and transparency.
- (b) Perform their duties prudently and participate in the Trust Fund Committee and Sub-Committee meeting deliberations with the relevant facts and in good faith.
- (c) Establish relationships with fellow focal points based on mutual respect and trust, share information and cooperate with them, when relevant.
- (d) Perform their "active" observer functions in a way conducive to dialogue and constructive exploration of options.
- (e) Strive to have and maintain mutually respectful relations with Trust Fund Committee and Sub-Committee members, MDBs and the CIF Administrative Unit, in ways that ensure the efficient functioning of the CIF.
- (f) Not use his/her position as an observer for either personal or political gain.
- (g) Maintain the highest standards of accountability by not sharing confidential information and by communicating information that is intended to be public in a transparent manner.

10. When issuing reports or public statements or when giving interviews to the media, observers shall take all reasonable steps to ensure that the information is accurate and clearly indicate that an observer does not speak on behalf of the CIF.

11. Before contributing to the discussion of an issue, observers shall disclose to the Contact Point any financial interest, personal or family connection, gift and advantages (transportation, accommodation, etc.) received from any party that would be involved in any way with the subject matter under review. On that basis, the Co-Chairs may request certain observers not to participate in the deliberations and receive information on that particular subject matter. In case of disagreement between the Co-Chairs, or between the Co-Chairs and an observer facing a potential conflict of interest, the Co-Chairs may ask the relevant Trust Fund Committee or Sub-Committee to express its views as to whether the said observer should abstain from receiving information and participating in the deliberation on that particular subject matter.

VI. Code of conduct for the technical experts

12. This Code covers the technical experts hired by the CIF Administrative Unit in relation to CIF activities. Within two years of accepting such assignment, a technical expert is expected not

to work on any directly related assignment, except when requested to do so by the CIF Administrative Unit or with the agreement of the CIF Administrative Unit.

13. Before accepting an assignment, technical experts should inform the CIF Administrative Unit if (a) they, their spouse, personal partners, ascendants or descendants have any direct and substantial financial interest in the related activity, and (b) if the employment of their spouse, personal partners, ascendants or descendants is directly connected to the related activity.

14. In addition, the CIF Administrative Unit utilizes the human resources and procurement policies and procedures of the World Bank. Any technical expert hired by the CIF Administrative Unit is covered under such policies and procedures and required to follow them. In case of a conflict between the policies and procedures of the World Bank, and other ethical rules applicable to a technical expert, the policies and procedures of the World Bank shall prevail.