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## **Annual report on the activities of the IFAD Ethics Office for 2022**

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**Action:** The Executive Board is invited to take note of the annual report on the activities of the Ethics Office for 2022.

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**Technical questions:**

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*For more information on IFAD Code of Conduct, the whistleblower protection against retaliation procedures, the IFAD policy in preventing and responding to sexual harassment, sexual exploitation and abuse, please visit the Ethics Office page on the corporate website [here](#).*

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# Annual report on the activities of the IFAD Ethics Office for 2022

## I. Introduction

1. In 2022, the Ethics Office (ETH) addressed a record number of matters, showing an increase of 32 per cent over 2021. ETH maintained its vigilance in upholding the organization's core values of respect, integrity, professionalism and focus on results, protecting its reputation, and enabling all personnel<sup>1</sup> to address ethical dilemmas. In cooperation with partners inside and outside the organization, the Office also continued to respond promptly and proactively to specific and high priority ethical concerns, including sexual harassment and sexual exploitation and abuse (SH/SEA), and hate speech, racism and discrimination.
2. During the year, ETH was staffed with a Director (D-1 grade), a Senior Ethics Officer (P-4 grade – this position remained vacant and under recruitment) and an Ethics Administrative Assistant (G-5 grade) servicing the IFAD workforce. ETH also uses the services of consultants, primarily to assist in developing awareness-raising materials.
3. In 2022, the ETH mandate and organizational set-up was revised with a view to further strengthen its independence and fully reflect its additional responsibilities and activities. As a result of this review, a direct reporting line to the President was established. The practice of ETH's formal and informal access to IFAD governing bodies was codified and the annual report on ETH activities, which was previously disclosed internally, is now presented to the Executive Board and disclosed publicly on the IFAD website. Finally, in the future the Office will be headed by a Chief at P-5 grade with a term of four years, renewable once, with post-employment restrictions. An internal recruitment process has been launched to select the successor of the current incumbent, whose five-year term has expired.
4. This report reflects the work and achievements of ETH in 2022, referring where necessary to previous years. In doing so, the report:
  - Outlines the Office's priorities and major areas of work during the year;
  - Gives an overview of current trends and patterns in matters raised by personnel and addressed by ETH; and
  - Highlights the Office's role in corporate initiatives, policies and procedures.

## A. Mandate and responsibilities of the Ethics Office

5. ETH is responsible for promoting and upholding the highest ethical and conduct standards of the organization, its Code of Conduct and core values. The Office operates independently and was able to perform its mandate in 2022. ETH works closely with the Office of Audit and Oversight (AUO), the Human Resources Division (HRD), the Office of the General Counsel (LEG) and the Medical Service Unit as well as other divisions and departments throughout IFAD, in particular the Programme Management Department (PMD).
6. ETH mandate and responsibilities include:
  - (i) Contribute to the establishment of an enduring ethical culture in the organization and, to this end, lead corporate efforts with respect to specific ethical related topics as may be decided from time to time by the President such as efforts to combat hate speech, racism and discrimination.

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<sup>1</sup> The term "personnel" means IFAD staff and non-staff, including consultants and interns.

- (ii) Develop standards and training programmes on ethics issues.
  - (iii) Provide guidance to Management to ensure IFAD rules, policies, procedures and practices reinforce and promote the highest ethical and conduct standards required in the organization.
  - (iv) Advise personnel on actions that may constitute a contravention or violation of IFAD's ethical and conduct standards, as reflected in the Code of Conduct and relevant procedures and policies.
  - (v) Lead corporate efforts to prevent and respond to all forms of harassment, including SH and SEA, and the coordination of the SH/SEA focal points/alternates programme.
  - (vi) Manage the yearly certification by staff that they will abide by the Code of Conduct and the annual financial disclosure programme.
  - (vii) Receive and conduct an initial/prima facie review of allegations of unsatisfactory conduct/misconduct including harassment and SH/SEA and refer matters to AUO for investigation in presence of facts that could potentially support the allegations.
  - (viii) Manage the informal resolution procedures for reported allegations of unsatisfactory conduct/misconduct.
  - (ix) Manage the whistleblower procedures for protection against retaliation.
  - (x) Oversee the assessment of organizational risk for unsatisfactory conduct/misconduct and non-compliance with IFAD's Code of Conduct and core values.
7. Some of the policies, rules, procedures and guidelines governing conduct by personnel include:
- The [Human Resources Policy](#).
  - The implementing procedures, including the [Code of Conduct](#) and the [Whistleblower Protection Procedures](#).
  - The IFAD [Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse](#) (SH/SEA policy).
  - The [Guidelines to Prevent Harassment, Sexual Harassment and Discrimination at Events Hosted or Organized by IFAD](#).
8. To fulfil its mandate, ETH focuses on preventive activities and strategies, including training and awareness-raising, and on supporting personnel at all levels to navigate ethical challenges and enabling them to make ethical decisions. ETH ensures that the ethical component is fully understood by all personnel so they are cognizant of their ethical obligations wherever they are.
9. ETH uses a stand-alone secure database system to store confidential data on trends related to issues that are brought to the Office. The system provides indicators about the use and effectiveness of programmes designed to promote awareness of and adherence to the Fund's ethical standards. By gathering and analysing this data, ETH strives to understand the ethical issues and other factors – including emerging concerns – that create a conducive and supportive working environment for all personnel.
10. Although IFAD's core values of respect, integrity, professionalism and focus on results are generally known across the organization, ETH's experience has shown that continuous and robust prevention measures such as awareness-raising are necessary at all levels throughout the organization to maintain a shared understanding of the types of behaviours expected in IFAD. SH/SEA, hate speech, racism and all forms of discrimination remain at the

forefront of global public concern. ETH plays a key part in coordinating IFAD's response to those global scourges, both within the organization and in cooperation with partners, including the United Nations system, international financial institutions (IFIs) and the Rome-based agencies (RBAs). IFAD has shown itself to be proactive and innovative in its approach to SH/SEA and hate speech and discrimination in the United Nations common system and IFIs.

11. Supporting the Fund's ongoing work to combat SH/SEA remains a top priority for ETH. Ensuring that personnel are able to recognize all aspects of SH/SEA and that they are fully aware of their obligation to report concerns is a key focus of the Office's work in this regard. The IFAD SH/SEA focal points and alternates programme continues to function as ETH's eyes and ears on the ground across the IFAD environment and the programme has been expanded in 2022 to all countries where IFAD has funded operations. In addition to the SH/SEA focal point programme, ETH reporting mechanisms are available inside and outside the organization, including a mobile WhatsApp-enabled cell phone that can be used all over the world to reach the Office in real time.

## II. Activities

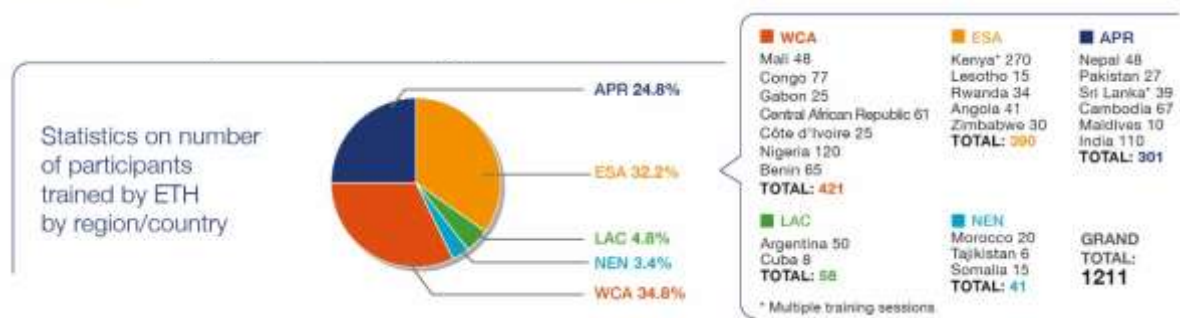
### A. Outreach, training and education

Chart 1  
Training and awareness-raising sessions (2022)



12. Ongoing and regularly updated outreach, training and education are fundamental to successfully creating and nurturing an ethical culture both within the organization and with our partners to ensure that they understand the ethical requirements of working with IFAD. Online ethics training is mandatory for IFAD personnel. Furthermore, recertification of all ethics trainings is obligatory after three years to ensure that all personnel working with IFAD remain up to date and fully informed in relation to their rights and responsibilities in these key areas.
13. ETH tracks completion of mandatory training on the Learning Management System (LMS) and follows up directly with personnel who are not up to date with required training. Completion of mandatory ethics training is required for the finalization of staff performance evaluation cycle and this contributes to significantly increase completion rates. Ethics training is embedded in key corporate processes, including induction of new personnel, start-up workshops, and other local or regional events. Online training is conducted on the LMS in Arabic, English, French and Spanish and can also be completed through the consultants portal.

**Chart 2**  
SH/SEA training for implementing partners in 2022



WCA – West and Central Africa Division; LAC – Latin America and the Caribbean Division; ESA – East and Southern Africa Division; NEN – Near East, North Africa and Europe Division; APR – Asia and the Pacific Division

14. Overall throughout the year, over 3,200 individuals were trained by ETH (chart 1). Of this total over 1,200 implementing partners and government officials were trained through 26 events on SH/SEA (charts 1 and 2) in face-to-face virtual classroom events in various regions.
15. Training can take place in a face-to-face virtual session or through online ethics modules and courses. Sessions fell into the following categories covering the ETH mandate: SH/SEA, anti-harassment (including a new module on SH in the workplace), Code of Conduct (including a new module on conflict of interest), and other ethical themes such as confidentiality and unconscious biases. ETH also developed and conducted an awareness programme for national staff within the D2.0 field staff upskilling programme for personnel in country offices. Furthermore, ETH developed and conducted training sessions for diversity, equity and inclusion (DEI) advocates in collaboration with HRD. At the end of 2022, 98 per cent of staff had completed mandatory Code of Conduct training with the SH in the workplace module, the anti-harassment awareness programme, and SH/SEA training (chart 1).

## **B. Ethical advice and matters addressed**

### **Overview**

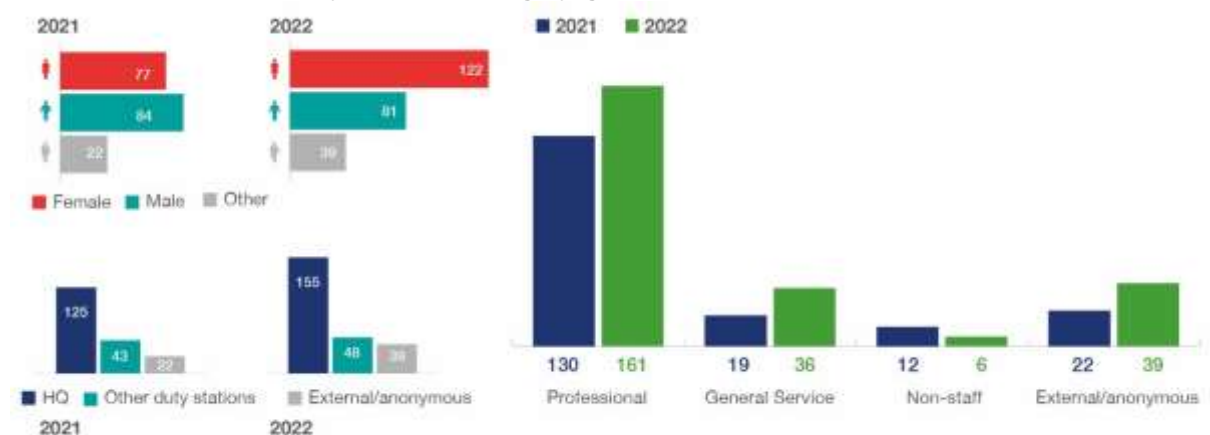
16. ETH provides confidential guidance and advice on the Code of Conduct and a wide range of ethical concerns to the IFAD community at large, including external third parties when applicable. ETH is contactable by a confidential e-mail address, confidential helplines and a dedicated confidential WhatsApp-enabled mobile. Advice can also be sought in face-to-face conversations, either by appointment or on a walk-in basis, by phone, or on virtual platforms such as Teams, Zoom or Skype. ETH also posts information on the intranet (intranet/divisions/eth) and on the corporate website IFAD.org.
17. Support may also involve a single or multiple meetings to: seek advice on possible approaches to a concern; identify other sources of support; improve personnel's understanding of relevant duties and rights, and the due processes; ensure proper disclosure of an incident or activity; provide information on available options including informal dispute resolution; submit a formal complaint; or simply benefit from an independent and objective perspective. Following an initial review, when a matter is not related to ETH's mandate the Office redirects it to the appropriate channels.

**Chart 3**  
**Number of matters addressed by ETH since its establishment**



18. ETH addressed a record of 242 matters in 2022 (chart 3), which constitutes an increase over the previous years and in particular over the last two years of the pandemic. Factors such as the progressive return to work in an office setting as part of the post-COVID measures, increase in personnel count, mobility and reassignment processes, and the increased visibility of ETH may have contributed to this trend.

**Chart 4**  
**Ethical matters addressed by personnel category, gender<sup>2</sup> and location**



19. As in past years, a significant majority of individuals who sought ETH's advice in 2022 were in the Professional category (161 Professional, as compared with 36 General Service and 6 non-staff) (chart 4).
20. Some 39 matters were raised by external parties or anonymously, a marked increase over 2021 (22 matters raised in this way). This increase in numbers may be related to the enhanced visibility of ETH that resulted from training

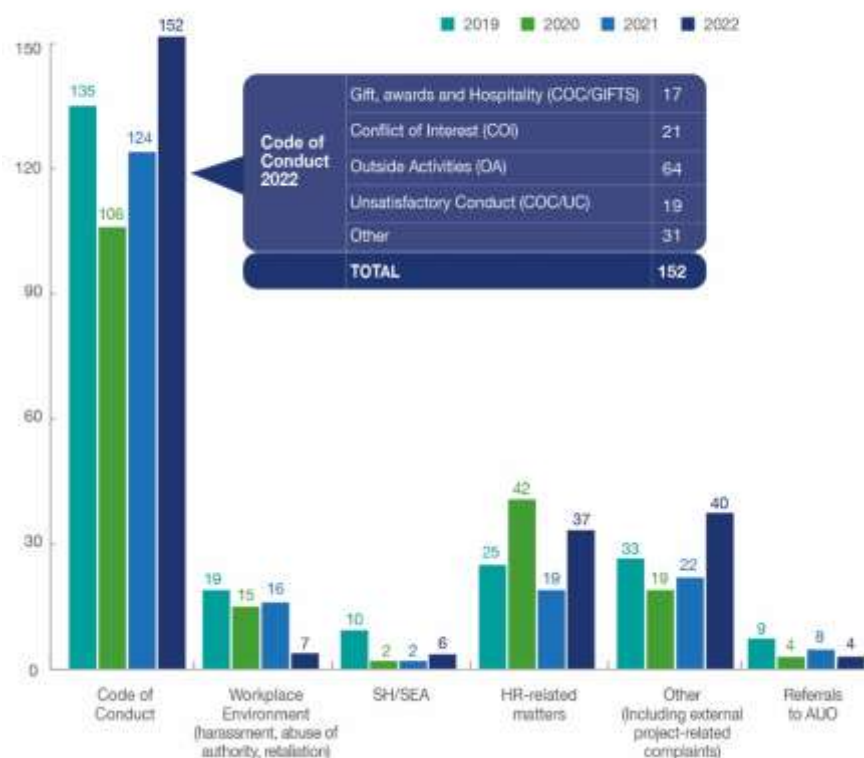
<sup>2</sup> The references to any gender in this report are for convenience only and shall not form part of, or affect the interpretation of this report. Unless the context clearly indicates otherwise, each pronoun herein shall be deemed to include the masculine, feminine, neuter, singular and plural forms thereof. Where specific references are made to masculine and feminine gender in this report, those are for convenience of reference only and shall not be construed as an opinion on gender limitation.



provided to external parties and participation in workshops and start-up events that include external parties.

21. Those seeking advice from ETH this year were predominantly women (122 women overall, as compared with 81 men) (chart 4) and while there was a slight increase from personnel in country offices, the majority of the requests for advice came from personnel at headquarters.

**Chart 5**  
**Comparative breakdown of number of matters addressed by topic (2019–2022)**



### Code of Conduct

22. As in previous years, the majority of requests for advice received in 2022 related to the Code of Conduct (152 in 2022 compared to 124 in 2021) (chart 5). These concerns were related to gifts, awards and hospitality; conflict of interest; outside activities; unsatisfactory conduct and other related issues.
23. Matters addressed in relation to gifts, awards and hospitality made up 11 per cent of the total under Code of Conduct in 2022. Ahead of the year-end holiday season, ETH raises awareness and provides proactive support to personnel in this connection posting an announcement on the log-on message, reminding them to avoid accepting gifts wherever possible, and to disclose any gifts that are received to ETH.
24. The majority of matters addressed under the Code of Conduct concern the involvement of personnel in outside activities including taking up board membership of not-for-profit organization, publications, teaching engagements and participation in personal enterprises. The Office is cognizant that it is extremely important for all personnel to avoid situations and activities that might give rise to either apparent or real conflicts of interest and reflect



unfavourably on the Fund. All matters were addressed and where appropriate the necessary authorization and mitigation measures were implemented.

25. Matters addressed in relation to unsatisfactory conduct (which includes interpersonal conflict) made up 13 per cent of the total under Code of Conduct in 2022. Guidance was also provided on a variety of other issues related to the Code of Conduct (20 per cent of the total), such as compliance with personal legal obligations, confidentiality requirements and social media etiquette.

#### **Workplace environment**

26. Matters related to the workplace environment include harassment, abuse of authority, retaliation and SH/SEA. In 2022, the overall number of matters addressed relating to the workplace environment decreased from the previous years (from 16 in 2021 to seven in 2022). However, ETH observed an uptick in sexual misconduct allegations (six in 2022, compared to two in 2021) (chart 5), primarily from implementing partners. All credible allegations are promptly reported on the Member States Interactive Platform, which is also accessible to the IFAD workforce.
27. Where SH/SEA allegations are concerned, ETH adopts a victim-centred approach which, among other things, requires the consent of the victim throughout the process. Where appropriate, ETH recommended preventive measures to protect complainants.
28. As in previous years, the majority of harassment matters addressed by ETH were resolved through informal processes. These include discussion with the individual seeking advice on possible ways to resolve the concern, a conversation with the parties concerned, and coaching on difficult conversations and how to manage unacceptable behaviour in the workplace. ETH referred four cases to AUO for investigation, which represents a 50 per cent decrease compared to 2021. This number is consistent with the decrease observed in matters related to the workplace environment.

#### **Human resources-related matters**

29. The number of individuals seeking advice about human resources-related matters almost doubled in 2022 (from 19 in 2021 to 37 in 2022). The increase could be commensurate to the volume of human resources processes conducted in 2022. The issues raised included compliance with current human resources rules and procedures, ethical issues concerning hiring of personnel, queries on contractual status and other human resources processes related to performance evaluation or the application of the mobility framework. Where appropriate, individuals were redirected to appropriate channels for information and resolution of the issue.

#### **Other matters**

30. Matters addressed under this category include allegations of non-compliance and ethical concerns in relation to external project operations funded by IFAD. A total of 40 such matters were addressed in 2022, as compared to 22 in 2021. This increase could be attributable to the successful mobile WhatsApp-enabled helpline and the visibility of ETH with project partners. Where appropriate, allegations of fraud, corruption or other prohibited practices were forwarded to AUO.

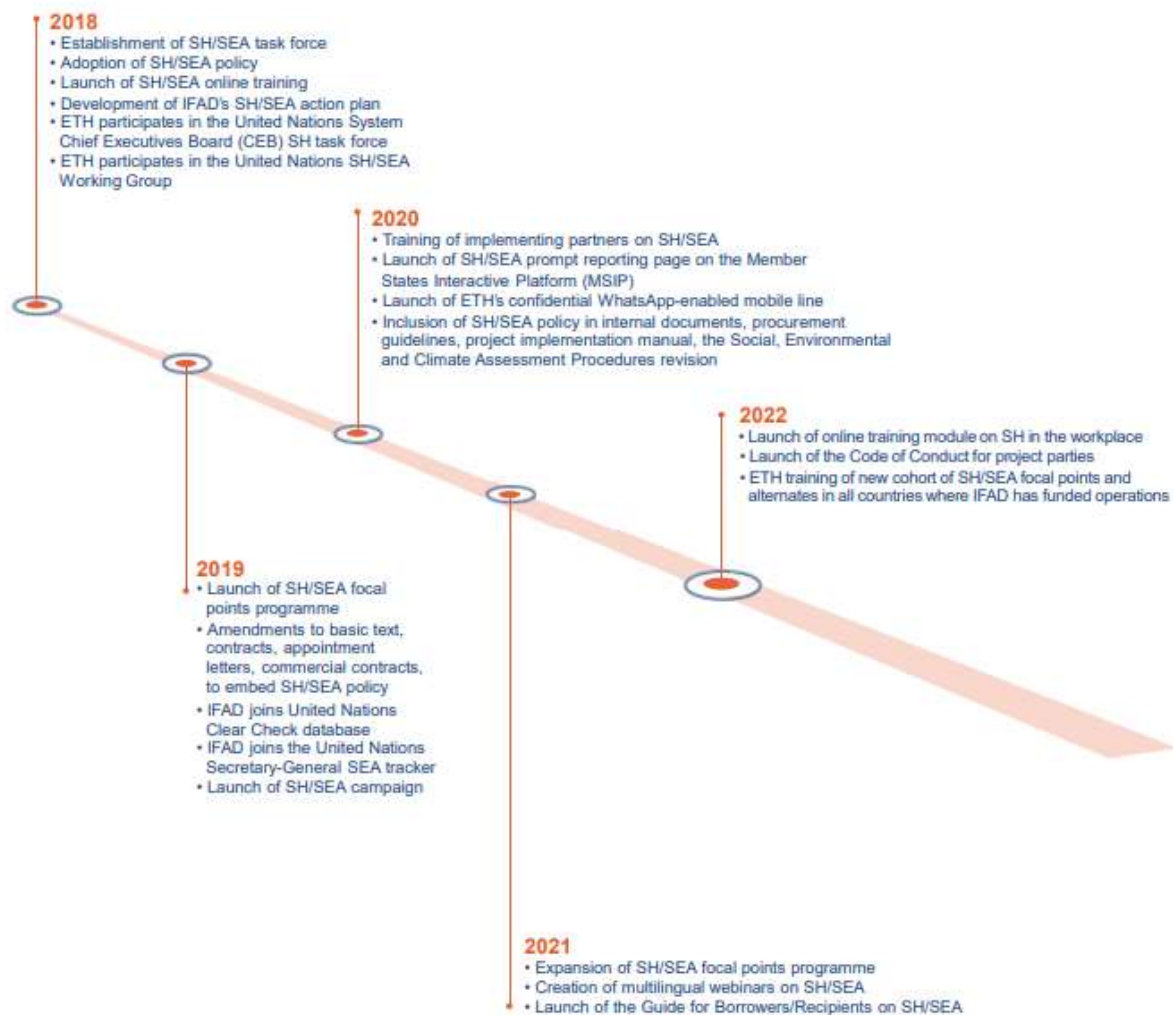
### **C. Financial Disclosure Programme**

31. ETH is responsible for managing IFAD's comprehensive Financial Disclosure Programme (FDP), which helps identify and assess conflict of interest risks arising from the financial investments and outside activities of staff and their close family members. The programme enables IFAD to ensure that conflicts of interest are proactively addressed. Thus, the FDP is a key element of IFAD's

- risk management framework, and contributes to building public confidence in the organization.
32. The FDP has two main elements: the annual declaration of compliance with the Code of Conduct that is required from all staff, the declaration of non-IFAD income, goods, services or assets (declaration); and, for those eligible staff members, the financial disclosure statement (financial statement). This process is managed through an application under ETH's administration.
  33. Staff are required to submit a financial statement if they meet any of the following criteria:
    - (i) Staff members at P-3 grade and above;
    - (ii) All staff members involved in the investment of IFAD's assets, procurement activities, or the operations, and/or administration of any IFAD accounts; and
    - (iii) All professional staff members working in an IFAD Country Office, including international staff posted outside headquarters.
  34. In 2022, 734 staff were requested to participate in the FDP for the 2021 reporting period. At the end of the process a total of 475 had completed the financial statement and 231 had completed the declaration. Those staff members who did not complete the process either left the organization or were exempted for other reasons, such as medical leave.
  35. At year-end a 100 per cent completion rate was achieved. ETH reviewed all cases of possible or actual conflict of interest and all were resolved by requesting the staff member to either cease the conflictual activity or obtain the necessary authorization in accordance with the Code of Conduct and adopt appropriate measures to mitigate the conflict.
  36. In order to further strengthen the FDP, in 2022 ETH launched a dedicated training module on conflicts of interest. The aim of the training is to provide a common understanding of integrity and how it translates into the work carried out in IFAD. The module is part of the Code of Conduct online mandatory training.

## D. Preventing and responding to sexual harassment, sexual exploitation and abuse

Chart 6  
IFAD prevention and response to SH/SEA at a glance



37. SH/SEA is a corporate priority and ETH has led IFAD's efforts to combat this scourge over the past five years by overseeing the development and implementation of the SH/SEA policy and corporate action plan and ensuring that this important theme remains very much present within IFAD and with implementing partners. ETH gives high priority to its work on combating SH/SEA; there is no time limit for reporting suspected sexual misconduct and anonymous reporting is allowed. During 2022, ETH trained over 1,200 external project partners on SH/SEA in more than 20 countries in a classroom setting, using virtual platforms (chart 2). Mandatory online SH/SEA training for the IFAD workforce is closely monitored by ETH (98 per cent completion rate).
38. IFAD expects its implementing partners to abide by the same high ethical standards as IFAD personnel. In 2022, ETH published the [Code of Conduct for Project Parties](#), which applies to all parties involved in the implementation of IFAD-supported projects. It sets out the standards of conduct expected and underlines that conduct should always be motivated by the highest ethical standards and in accordance with the provisions of the [Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations](#), as well as the [IFAD Policy on Preventing and Responding to Sexual Harassment and Sexual Exploitation and Abuse](#).

39. Relevant awareness-raising materials developed by ETH specifically for project staff are systematically distributed to all trainees. These include the Guide for Borrowers/Recipients and the No-Excuse Card that clearly illustrates their obligations with respect to SH/SEA.
40. During 2022, ETH expanded the SH/SEA focal points programme, increasing staff performing the role from 20 to more than 70 in all country offices. ETH developed and provided a specific training programme for focal points and alternates. Their task is to promote the no tolerance stance of IFAD, raise awareness in their location and liaise with local United Nations Country Teams and resident coordinators.
41. IFAD participates in the United Nations "Clear Check" secure online database, which is a tool for screening applicants for sexual misconduct, and is continuously exploring the adoption of other tools available for background checks. IFAD also takes part in the United Nations real-time SEA tracking system and is the only organization with a confidential system for prompt reporting of credible SH/SEA allegations that is accessible to Member States, through the dedicated MSIP.
42. In consultation with ETH, a Management letter signed by the President is also sent on a yearly basis to the Secretary-General and the letter is also posted on the MSIP.

#### **E. Addressing hate speech, racism and discrimination**

43. ETH spearheads IFAD's approach to hate speech, racism and other forms of discrimination, in partnership with the Communications Division (COM). The Office co-leads IFAD's multi-divisional task force, which was set up in response to the United Nations Secretary-General's Strategy and Plan of Action on Hate Speech. The IFAD plan of action developed by the task force is under implementation.
44. As a result of the survey conducted in 2021 with staff, personnel and contractors, the plan was revised during the year to address the vulnerabilities identified and submitted to the Executive Board in December 2022 for review. Awareness-raising and capacity-building activities are an important part of the revised plan. ETH takes part in other related workstreams, such as in the Diversity, Equity and Inclusion Working Group.

#### **F. Additional standard setting, policy support and advocacy**

45. During the year, ETH contributed to IFAD's response to multiple external assessments providing inputs on safeguarding and ethical aspects, including the Code of Conduct and SH/SEA. ETH also contributed to internal processes ensuring that the SH/SEA policy and the related obligations are fully embedded in internal procedures, documents and agreements.
46. The Office contributed to briefs on SH/SEA and ethics for Senior Management in preparation for participation in meetings of the United Nations High-Level Committee on Management (HLCM) and the United Nations System Chief Executives Board (CEB). ETH contributed input to HRD on the revised staff rules and regularly collaborated with the Office of Enterprise Risk Management in relation to the Corporate Risk Dashboard. Upon request, ETH also contributed to reporting on the Twelfth Replenishment of IFAD's Resources (IFAD12) midterm review in relation to corporate commitments on SH/SEA.

## **G. Cooperation with the other Rome-based agencies, United Nations counterparts, international financial institutions and the Ethics Network for Multilateral Organizations**

47. ETH cooperates with counterparts in the RBAs, United Nations and IFI networks regarding to exchanging knowledge on best practices and new approaches to maintain the highest ethical standards and protect the Fund's reputation. ETH meets regularly with counterparts to share information, collaborate on common issues, and look ahead at emerging areas of concern.
48. ETH represents IFAD on the United Nations SH/SEA Working Group, the CEB Task Force on Addressing Sexual Harassment and the IFIs working group on SH/SEA hosted by the World Bank.
49. Throughout 2022, ETH continued to participate in the Ethics and Compliance Initiative best practice community, the European Business Ethics Forum, the International Ombuds Association and the Ethics Network of Multilateral Organizations (United Nations and IFIs).

## **III. Observations**

50. In light of the major challenges for development in every sphere, there is a need today, more than ever before, to deliver as one IFAD. The core values of the organization – respect, integrity, professionalism and a focus on results – are key to fostering a positive ethical culture. Also paramount to a culture of ethics is the assurance that leaders at all levels throughout the organization own and promote those values in their daily interactions and decision-making.
51. An effective and dedicated ethics function that promotes a culture of ethics at work and while engaging with external partners, beneficiaries and the public as a whole is essential to the credibility and reputation of international organizations. To this end, ethics offices must enjoy the independence necessary to exercise their mandate; an oversight role by a committee that advises or assists a governing body can help strengthen this independence. Important steps were taken in 2022 to strengthen the independence of ETH, including clarifying its reporting line and initiating a discussion on an oversight function by an IFAD governing body over the Office. Finally, in a global environment where international organizations are increasingly called upon to do more with existing resources, it is important that ethics functions be appropriately equipped to fulfil their mandates.