



ETHICS OFFICE

# Reflecting and Reconnecting

ANNUAL REPORT 2022

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# ACRONYMS AND ABBREVIATIONS

<b>COM</b>	Communications Department	<b>LEG</b>	Legal Department
<b>CSF</b>	Corporate Services and Facilities Department	<b>LWOP</b>	Leave Without Pay
<b>CY</b>	Calendar Year	<b>LWOP IOF</b>	Leave Without Pay in the Interest of the Fund
<b>DAPP</b>	Domestic Abuse Prevention Program	<b>MCM</b>	Monetary and Capital Markets Department
<b>DMD</b>	Deputy Managing Director	<b>MDT</b>	Mediation Office
<b>DRS</b>	Dispute Resolution System	<b>OII</b>	Office of Internal Investigations
<b>EA</b>	External Activity	<b>OMB</b>	Ombuds Office
<b>ENMO</b>	Ethics Network of Multilateral Organizations	<b>PRW</b>	Peers for a Respectful Workplace
<b>ETO</b>	Ethics Office	<b>RFP</b>	Request for Proposals
<b>FIN</b>	Finance Department	<b>SAC</b>	Staff Association Committee
<b>HRD</b>	Human Resources Department	<b>SHRP</b>	Strategic Human Resources Partner
<b>INV</b>	Investment Office	<b>SPR</b>	Strategy, Policy, and Review Department
<b>ISR</b>	Institutional Safeguards Review	<b>TOR</b>	Terms of Reference
<b>ITD</b>	Information Technology Department		

## MISSION STATEMENT

The Ethics Office provides independent ethics advice to the Fund and its staff and promotes ethical awareness through outreach and training.

The office is headed by the Ethics Advisor who reports directly to the Managing Director under a limited term appointment not to exceed six years.

# MESSAGE FROM THE ETHICS ADVISOR URSULA WELLEN

The 2022 Annual Report of the Ethics Office of the International Monetary Fund is entitled “Reflecting and Reconnecting,” to highlight and share with colleagues the two broad trends that accompanied us throughout the year:

There was clearly a reflective element related to external events such as the war in Ukraine and the continued influence of the COVID-19 pandemic. As it relates to the war in Ukraine, many IMF employees felt impacted and very concerned, while looking for ways to help. This resulted in the Ethics Office issuing a guidance note to employees on [Standards of Conduct Related to the Situation in Ukraine](#).



**URSULA WELLEN**  
IMF Ethics Advisor and  
Head of the Ethics Office

There also was a reflective element related to internal events and the IMF's Institutional Safeguards Review, where we considered in some depth how the Ethics Office could best contribute to the IMF's internal governance system. Throughout the year, the Ethics Office actively participated in the Institutional Safeguards Review. We welcomed the opportunity to exchange with the external, independent review panel, and to consider input from colleagues throughout the Fund. This was an intense and time demanding process. But we believe it allowed the Ethics Office to demonstrate that it has, and proactively pursues, a strong and clear vision of its unique mandate.

The passing of Ms. Rajna Nikolovska, Ethics Assistant, in late February 2022 ([In Memory of Rajna Nikolovska](#)), also made us pause and reflect, acknowledging with deep gratitude how integral she had been to the work of the Ethics Office.

The second trend that accompanied the Ethics Office throughout the year was the opportunity and the challenge to reconnect with colleagues throughout the IMF, at all levels and in all locations, after almost two years of remote working. The Ethics Office

worked hard to re-establish those connections through a variety of channels and communication modes: throughout the year, we provided a bi-weekly hybrid Ethics induction for new joiners and reached out to over 500 new employees. We restarted the Mandatory Ethics Training and changed its format so that it can be delivered via in person workshops, or virtually or in a hybrid setting. And we held the first virtual Ethics Office Open House, at a time when HQ buildings were closed, except for essential services, and colleagues were grateful for the opportunity to reconnect virtually across time zones.

Looking forward to 2023, the Ethics Office is optimistic. We will continue the Fund-wide roll-out of the revised Mandatory Ethics Training and we look forward to reaching and re-connecting with everyone, everywhere to continue fulfilling the Office's mandate.

In closing, I would like to sincerely thank all colleagues in the Ethics Office team in helping me get up to speed and find my bearings quickly. My sincere appreciation goes also to the other Heads of the Dispute Resolution System and Integrity Offices, for our strong collaboration throughout the year. Last but not least, I would also like to extend my gratitude to the Senior Management Team, for their trust and support, while also providing us with the independence we need to do our work well.

With best wishes,

A handwritten signature in black ink, reading "Ursula Wellen". The signature is written in a cursive style with a light grey background behind it.

**Ursula Wellen**

IMF Ethics Advisor and  
Head of the Ethics Office





# SECTION 1 PROVISION OF INDIVIDUAL ADVICE AND GUIDANCE

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Requests for Advice and Guidance  
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The following section provides data for calendar year 2022, illustrating the range of ethics issues on which the Ethics Office was contacted for individual advice and guidance. The matters brought to the attention of the Ethics Office were responded to and resolved through advisory consultations or referrals to other appropriate offices within the Fund. The tables and charts in this section will assist the Ethics Office in identifying trends or issues that may require response or attention. They also provide accountability for the Ethics Office and greater transparency for staff.

# CASELOAD: INDIVIDUAL REQUESTS FOR ADVICE AND GUIDANCE

These Advice categories correspond to Key Ethics Issues identified by the Ethics Office. Information about these issues, as well as on other ethics issues, can be found on the Ethics Office website under "Key Ethics Issues." The information provided on the Ethics Office website includes links to relevant provisions of the Fund's N-Rules, Code of Conduct, GAOs, and Staff Handbook, as well as helpful intranet articles and other resources.

## KEY ETHICS ISSUES



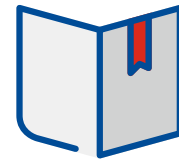
Obligations as an International Civil Servant



External Activities



Discrimination



Publications, Press Statements, and Copyright



Gifts



Financial Conflicts of Interest



Harassment; Retaliation



Misuse of Resources and Non-Public Info



Personal Conflicts of Interest



Political Activities



Post-Fund Employment



Household Obligations

## REQUESTS FOR ADVICE AND GUIDANCE IN 2022: HIGH LEVEL SUMMARY, TRENDS, AND STATISTICS

In 2022, the Ethics Office responded to a total number of 357 individual requests for advice and guidance. Compared to the previous reporting year, CY21, the total number of individual requests for advice and guidance slightly increased (by 7%) but did not yet return to pre-pandemic levels.

It is hard to assess the reasons for this drop compared to pre-pandemic levels: it could be associated with Fund employees being still or newly pre-occupied with other concerns, either COVID-19 related concerns or concerns triggered by the war in Ukraine, or it could be associated with the remote working environment, where Ethics issues may be less easily identified and managed, or with a drop in visibility for the Ethics Office due to the change in leadership and/or less effective outreach efforts due to the remote and then hybrid working environment.

It is however noteworthy that certain core Ethics advice areas, such as advice on gifts, on financial and personal conflicts of interest, and on political activities, bounced back to pre-pandemic levels, whereas requests for advice on post-Fund employment remained low (possibly due to an overall lower turnover amongst Fund employees), as did requests for advice on harassment and unfair preferential treatment / bias (where it is more difficult to find a clear explanation).

### Individual advice and guidance in relation to external activities by Fund employees

The most prevalent category of requests for advice and guidance was—consistent with previous years’ reporting—requests for advice and guidance on external activities: in line with policies and practices in many other international governmental organizations, Fund employees are generally required to seek prior approval by Management or HRD before engaging in a so-called external activity (EA). Under Fund policies, the term external activity is defined deliberately broadly: it includes any outside employment, occupation, or profession, as well as any educational, professional, business, or other activity, whether compensated or not. The purpose of the prior approval requirement for EAs is to uphold the duty of loyalty to the Fund, by protecting the Fund against otherwise potentially undisclosed conflicts of interest and against potential reputational risks if Fund employees were to engage in EAs that are not compatible with the status of an international civil servant or the



**357**  
Individual Requests  
for Advice and Guidance



**70**  
New Program Queries



**427**  
Total Number of Individual  
Requests and Queries

mandate of the Fund. It does not include authorized activities carried out by Fund employees in an official capacity, as part of their official duties.

In 2022, the Ethics Office reviewed and provided advice and guidance on 202 requests for EAs. While the Ethics Office does not have approval authority regarding EAs, the Office is part of the review process once the request for assessment is received by HRD. In some instances, Fund employees seek individual advice and guidance on a potentially envisaged EA before submitting a formal approval request with HRD, partly in order to “test” whether a formal request for approval of a particular EA—if filed with HRD—would obtain the support by the Ethics Office and partly also to expedite the formal HRD approval process, for instance by pointing out that mitigation steps for a potential conflict of interest have already been put in place. The number of 202 requests in total includes both situations, as well as EAs that are related to requests for approval of a leave without pay arrangement (LWOP), during which a staff member may undertake an EA which—if approved—is deemed to be in the interest of the Fund (IOF).

Throughout 2022, the Ethics Office continued to engage collaboratively with the respective HRD Team to ensure a smooth and streamlined process when providing advice and guidance to HRD on requests for approval of an EA. Such streamlined

processing was particularly relevant and necessary due to the sheer volume of EA approval requests.

### **Individual advice and guidance on**

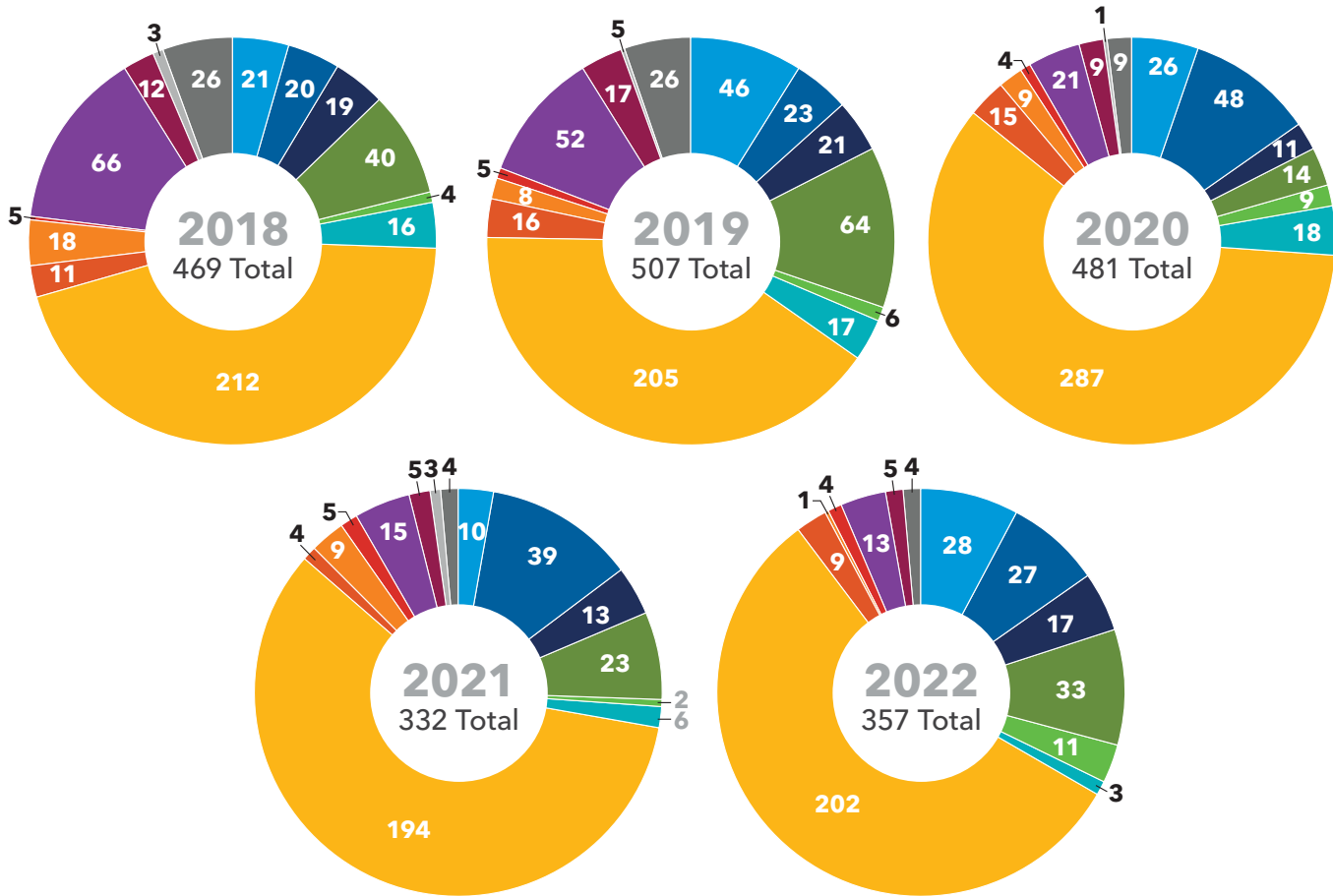
**other Ethics topics** The second most prevalent category of requests for advice and guidance was requests for advice on gifts and hospitality. Because a high number of new Fund employees came on board during the pandemic, the Ethics Office circulated a reminder on gifts and hospitality which was well received and generated a number of individual follow-up requests. The Ethics Office will be working on a stand-alone gift policy, together with the relevant internal stakeholders, to make it easier for Fund employees to find all relevant rules in one single place and have clarification on commonly occurring gifts questions, such as hospitality and gifts involving vendors.

In light of the unfolding situation in Ukraine, a number of employees across the Fund raised questions about their potential participation in related public assemblies and rallies, on how to handle media queries on organizing and participating in fundraisers, and they were looking for clarity on the Fund’s guidelines for using personal social media accounts. The Ethics Office therefore issued a note on applicable standards of conduct related to the situation in Ukraine, which also resulted in several individual follow-up requests and constructive feedback from Fund employees.



<b>ADVICE BY CATEGORY</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2022 Percentages</b>
Obligations as an International Civil Servant	27	21	46	26	10	28	7.8
Financial Conflicts of Interest	22	20	23	48	39	27	7.6
Personal Conflicts of Interest	16	19	21	11	13	17	4.8
Gifts	29	40	64	14	23	33	9.2
Political Activities	6	4	6	9	2	11	3.1
Post-Fund Employment	9	16	17	18	6	3	0.8
External Activities	196	212	205	287	194	202	56.6
Publications & Public Statements	18	11	16	15	4	9	2.5
Misuse of Resources & Non-Public Information	16	18	8	9	9	1	0.3
Discrimination	6	1	5	4	5	4	1.1
Harassment	41	66	52	21	15	13	3.6
Household Obligations	14	12	17	9	5	5	1.4
Retaliation	3	3	1	1	3	0	0
Unfair Preferential Treatment/ Bias	7	26	26	9	4	4	1.1
<b>TOTAL</b>	<b>410</b>	<b>469</b>	<b>507</b>	<b>481</b>	<b>332</b>	<b>357</b>	<b>100</b>

## ADVISORY MATTERS BY TOPIC GROUPS 2018–2022



- Obligations as an International Civil Servant
- Financial Conflicts of Interest
- Personal Conflicts of Interest
- Gifts
- Political Activities
- Post-Fund Employment
- External Activities
- Publications & Public Statements
- Misuse of Resources & Non-Public Information
- Discrimination
- Harassment
- Household Obligations
- Retaliation
- Unfair Preferential Treatment/Bias

## SECTION 2

# TRAINING AND OUTREACH

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The following section addresses Training and Outreach activities of the Ethics Office in 2022. While—during the first few months of 2022—the operating status of HQ continued to impact in person training and outreach plans, the Ethics Office launched a new cycle of its Mandatory Ethics Training, which can be delivered virtually, in person or hybrid, and re-launched a number of Ethics outreach initiatives.



## OVERVIEW OF ETHICS TRAINING: DIFFERENT DELIVERY MODELS AND WORK STREAMS

### **Revised Mandatory Ethics Training**

**workshop-style** In 2011, Management authorized Mandatory Ethics Training for all Fund Employees for the first time. The training was implemented Fund-wide beginning in 2012 and is required to be completed every three years. Since the last Mandatory Ethics Training cycle had been launched in March 2019, the Ethics Office relaunched the next cycle of Mandatory Ethics Training in 2022/Q2.

Starting this year, the Ethics Office decided, however, to revise the format of the Mandatory Ethics Training and to move away from the previous traditional lecture-style format to a case-study based workshop-style format, with a strong focus on peer learning and interactive participant involvement and customized to specific Offices and Departments. Compared to the previous format, which entailed the same content Fund-wide, the revised format is more adapted to the post-COVID 19 hybrid working environment, and more in line with behavioral insights on adult learning.

At the same time, the workshop-style training format only allows for smaller cohorts to be trained per session, so that it will take longer to complete the training Fund-wide for all Fund employees. Preparations for delivering the workshop-style training also take longer since the case studies are fine-tuned to the needs of the respective Office or

Department. It was therefore decided that going forward, the Mandatory Ethics Training would not be provided in a campaign-style once-every-three-years format, but rather on an ongoing rolling basis, with the goal that each Office or Department be covered at least once every three years, including Fund employees and offices outside Headquarters.

In 2022/Q2, the Ethics Office first piloted the revised Mandatory Ethics Training for two departments. Based on the positive participant feedback and high attendance rates, the Ethics Office decided to move forward with a Fund-wide roll-out and covered two additional departments, during 2022/Q3 and Q4. Preparations for the Fund-wide roll-out, in early 2023, were under way at the end of the reporting period.

### **Preparations for new e-learning Ethics course**

While initial planning for two new additional e-learning Ethics courses already began at the end of 2021 and continued in early 2022, the Ethics Office engaged an external service provider only towards the end of the reporting period. Building on the success of the Positive Workplace e-learning course that was launched in 2021, it is envisaged that the new courses will address the Obligations as an International Civil Servant that all Fund employees are expected to meet, and Personal Conflicts of Interest.

It is intended that these two additional e-learning courses, together with the Positive Workplace e-learning course, on the one hand, and the in person Mandatory Ethics Training, on the other hand, will complement and reinforce each other: the e-learning courses will both serve as a prelude to the revised in person Mandatory Ethics Training (started in 2022 and to be continued in 2023), by introducing issues for new staff and staff who have yet to take the training, while also being a supplement, reinforcing the learning carried out in the training for staff who already have taken the training. They are expected to be launched at the end of 2023 Q1 or early in 2023 Q2.

**Continuation of ethics briefings for new Resident Representatives** During 2022, the Ethics Office continued its ethics briefings for staff going on assignment to country offices as Resident Representatives. In 2022, the Ethics Office provided ethics briefings to nine new incoming Resident Representatives, mostly remotely and only in a few instances in person. The ethics briefings for new incoming Resident Representatives combine traditional didactic teaching with more interactive elements. Connecting with staff in this situation affords not only the opportunity for a refresher on key ethics issues areas that may arise, but also for discussion and questions. Looking ahead, the Ethics Office is taking stock to consider ways in which Ethics conversations can continue with and amongst Resident Representatives after they have started their assignments.



## OVERVIEW OF THE ETHICS OFFICE'S 2022 OUTREACH EFFORTS

### Relaunch of ethics induction for new joiners

In early 2022, following suspension in March 2020 when the Fund moved to full remote working due to the COVID-19 pandemic, the Ethics Office relaunched the Ethics Induction for New Employees as part of the HRD Onboarding briefing for all new staff. After its 2022 relaunch, this outreach initiative was initially conducted virtually and subsequently in a hybrid and in person format, as the Fund transitioned to Phase 4B of the resumption of operations at the Fund's Headquarters in July 2022. By the end of 2022, the Ethics Office had delivered 20 presentation sessions on Ethics and Values, addressed to a total of over 500 new Fund employees. During each of these sessions, the respective new Fund employees received an introduction to the work of the Office in the form of an overview of the Ethics Office's mandate, an introduction to the Fund's Core Values, a summary of key ethics issues on which the Ethics Office is most often consulted, ethics training requirements, and other useful resources, including Ethics Office contact information. These sessions not only allow new employees to "put a face" to the name of the Ethics Office, they also allow the opportunity for them to raise questions.

### First Virtual Ethics Office Open House

On February 14, 2022, the Ethics Office hosted once again its annual Open House event, also known as "I ♥ Ethics." After a pandemic-related break in 2021, the 2022 Ethics Office Open House marked in fact the 10th anniversary of the event. At the same time, there was an important new element to it: for the first time ever, the event was held virtually via a series



of Teams meetings, across all time zones, and with other language options in addition to English.

Attendees had the opportunity to meet and speak with members of the Ethics Office Team, actively participate and make their voices heard during their respective sessions by using an interactive polling tool, share their specific questions related to ethics during the pandemic, ethics in the hybrid working environment, and any other ethics-related areas of interest. Attendees also had the opportunity to send their questions by email in advance of the session in their time zone. The event was well received, and attendees received the presentation slides after the sessions concluded. The Ethics Office anticipates hosting its next Open House event both virtually and in person in early 2023.

### Introductory meetings with new Ethics Advisor

The new Ethics Advisor, Ms. Ursula Wellen, took office starting January 2, 2022 while the Fund remained closed and most activities were remote only. She therefore held a full round of introductory meetings

remotely, connecting not only with the Managing Director and all of the DMDs individually, and through the joint setting of the Senior Management Team, but also met all Department Directors, the other Heads of the Dispute Resolution System (DRS) Offices and the Office of Internal Investigations, as well as representatives of the Staff Association Committee. While the remote working modus probably allowed for a greater number of meetings (since they can be held irrespective of location), it also meant that opportunities for establishing close professional working relationships might have been slowed down. It was only during the second half of the reporting period that the Ethics Advisor was able to meet with a greater number of her counterparts in person, and the Ethics Advisor will continue her in person outreach efforts in 2023.

**Enhanced Ethics Office visibility: wider use of internal communication tools** To re-connect with Fund colleagues worldwide and to compensate for the limited possibility to have in person interactions, the Ethics Office worked hard on using a wider range of internal communication tools: in particular, the Ethics Advisor recorded an introductory video while still in remote working mode, she then participated in a video interview recorded as part of the new Fund internal Insider series, and a range of Fund colleagues contributed to a video promoting the Annual Ethical Conduct and Core Values Certification. The Ethics Office took part in a remote Town Hall during which the external panel report, prepared as part of the Institutional Safeguards Review (ISR), was discussed with Fund colleagues. In addition, the Ethics Office participated in hosting a hybrid awareness raising

event featuring the DRS Offices, the Office of Internal Investigations and the Ethics Office. Finally, as already described in more detail above, the Ethics Office shared two Fund-wide internal reminders concerning standards of conduct applicable to political activities and to gifts. For 2023, the Ethics Office envisages further expanding and enhancing its internal communications, again with the ultimate goal to build even stronger connections with Fund colleagues worldwide, to further raise Ethics awareness.

**Ethics Office intranet page update** Since its inception in 2010, the Ethics Office Intranet site has become a resource all Fund employees worldwide can rely on to obtain ethics-related information. To reflect changing needs and changes in the technological requirements, the Ethics Office started a redesign of the page in 2022, as part of the Fund's Intranet Project, which is aimed to deliver a modern Intranet that is better aligned with the Fund's work, supports its internal communication strategy, and promotes improved knowledge and information sharing.

As a first step, and in collaboration with the Knowledge Management Unit and ITD, the Ethics Office completed a content audit process which included a comprehensive Intranet site review, update, and removal/archiving of old content. Completing the Ethics Office Intranet redesign in 2023 Q1/ Q2 will allow for additional functionality that is intended to better engage colleagues and better serve the hybrid work environment.

**Outreach and engagement with SHRPs** During the reporting period, the Ethics Advisor met twice with the SHRPs as a group, first for a virtual introduction and then to discuss how the SHRPs could support the Annual Ethical Conduct and Core Values Certification, which the Ethics Office ran for the second time this year.

In addition, the Ethics Advisor met with most of the SHRPs also on a one-on-one basis, on an ad hoc and as needed basis, partly to discuss and get their input on upcoming training initiatives, and partly to advise on individual situations requiring Ethics advice and guidance, on a wide range of matters covering interpersonal conduct related matters as well as other key ethics topics covered by the Ethics Office's mandate.

**Outreach and engagement with PRWs** The Ethics Office also connected with the PRWs, both collectively as a group and for individual advice and guidance: in April 2022, the Ethics Office held a virtual session with the existing PRW cohort, to re-connect and compare notes after the pandemic, and in November, the Ethics Advisor held two training sessions with the new incoming cohort of PRWs, to ensure they would have a comprehensive understanding of the mandate and day to day work of the Ethics Office. As part of the implementation plan for the external panel recommendations, following the Institutional Safeguards Review, it is envisaged to further strengthen the Ethics training for PRWs.

**Contributions to the development of the 2022 Staff Engagement Survey** In preparation for HRD's launch of the Fund's 2022 Staff Engagement Survey (which was an important notable step, considering that the last comprehensive Staff Engagement Survey took place in 2017), HRD consulted the Ethics Office, so that the Ethics Office could contribute to the development of meaningful and pertinent survey questions related to the mandate of the Ethics Office. In its contributions, the Ethics Office was guided by two goals, namely to seek and identify relevant comparator information, both compared to previous survey efforts and from comparable institutions, and to ensure new questions would fully address current ethics and workplace issues, including issues around positive workplace and inclusion.

## PEER LEARNING FOR THE ETHICS OFFICE: ENMO 2022

As part of its external outreach activities, the Ethics Office is a member of the Ethics Network of Multilateral Organizations (ENMO). A peer learning and information sharing opportunity, ENMO's annual conference brings together colleagues from other multi-lateral organizations around the world. In 2022, the conference included timely sessions on a variety of issues, ranging from cutting-edge training in the virtual environment, to whistleblowing trends and use of data analytics. The Fund's Ethics Advisor organized and moderated a session on the topic of "What can we learn from behavioral science to increase ethical behavior and prevent misconduct?"

# SECTION 3 POLICY DEVELOPMENT AND COMPLIANCE WORK STREAMS

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## POLICY DEVELOPMENT RELATED WORK STREAMS

Under the Ethics Advisor’s Terms of Reference, the Ethics Advisor’s responsibilities shall include the “provision of advice to management and the Human Resources Department regarding the promotion of ethical standards within the Fund.” One very important way for the Ethics Advisor to help with the promotion of ethical standards within the Fund is by contributing to policy reviews and policy development. This is because policy development potentially reaches all Fund employees, whereas advice and guidance are typically addressed only to individual Fund employees, broadly comparable to macro versus micro interventions, to use an analogy that may be easily relatable for Fund economists.

### **Ethics Office contributions to the Institutional Safeguards Review, in particular benchmarking of the Executive Board’s Code of Conduct**

The Fund’s Institutional Safeguards Review had been announced by the Fund’s Executive Board in a public statement on December 17, 2021, and some of the work had already started at the beginning of the reporting period when the current Ethics Advisor came on board. The ISR was completed on June 30, 2022, with a detailed Implementation Plan adopted on December 16, 2022. The background of the ISR

and the various workstreams that formed part of the ISR are set out in and further explained in several documents available in the public domain.<sup>1</sup>

Throughout the reporting period, the Ethics Advisor provided ongoing input for all of the various workstreams, in particular by providing comments on the draft report to Management by the Fund-internal Working Group on Institutional Governance and Staff Voice, participating in a series of virtual meetings with the members of the External Panel of Experts that undertook the Review of the IMF's Dispute Resolution System, and participating in the Board Steering Group meetings.

In addition, the Ethics Advisor actively participated in the Task Force that prepared the Implementation Plan. As part of the Implementation Plan, the Executive Board agreed for the Ethics Committee to conduct a full review of the Code of Conduct for Members of the Executive Board and the ethical framework applicable to the Managing Director, with input from LEG and the Ethics Advisor.

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<sup>1</sup> IMF Executive Board Announces Follow Up Work on Institutional Safeguards, IMF Board Endorses Implementation Plan in Response to Institutional Safeguards Review and Statement by the IMF Executive Board and Management on the Institutional Safeguards Review, June 30, 2022, IMF Press Release PR22/238.

Other key Ethics-related recommendations by the External Panel that were accepted by Management and the Board included the preparation of a comprehensive Whistleblower Protection Policy and, going forward, an opportunity for the Ethics Office to present and discuss its Annual Report with the Executive Board.

#### **Input for Staff Handbook updates July 2022**

In 2022, the Ethics Office provided input on several policy revisions to be included in the Staff Handbook, which serves as a compilation of rules applicable to Fund staff. The Ethics Office will continue with further input on policies specifically related to the Standards of Conduct for staff, including with respect to close personal relationships, gifts, and external activities, as well as the Financial Disclosure and Financial Conflict of Interest Framework, discussed immediately below.

**Other** Beyond the ISR and the 2022 Staff Handbook updates, the Ethics Office was informally consulted on more than ten other policy development related matters, often on an early brainstorming basis. The Ethics Office very much welcomes this collaborative approach which allows for any Ethics-related policy input to be considered at an early design stage.



## COMPLIANCE-RELATED WORK STREAMS

### **Ethics Office contributions to the 2022 Financial Disclosure Program and follow-up to 2021 Financial Disclosure Program**

**Financial Disclosure Program** In its tenth year, the Fund's well-established electronic filing of annual disclosure reports was carried out by the Fund's External Compliance Advisor, KPMG. The annual exercise demonstrates the Fund's commitment to transparency and to avoiding any conflicts of interest with respect to staff members' work for the Fund and their personal financial interests and transactions. The Ethics Office works closely with KPMG and HRD to ensure the program is comprehensive and to address issues, including appropriate mitigation, should conflicts of interest be identified. Staff participating in the financial disclosure program are at the A-15 level in area departments, COM, LEG, MCM, and SPR, in addition to all B-level staff, and A-level staff in CSF, FIN, and INV, as identified by each respective department.

In 2022, a total number of 634 individuals were identified as staff filers, and the Fund ultimately achieved a 100% participation rate: KPMG reviewed 631 electronic submissions and obtained before the end of the reporting period and three additional late submissions as paper filings. Of the 631 electronic submissions, KPMG discussed a total of 14 cases with the Ethics Office, of which there was a finding of an apparent conflict of interest in nine cases, a potential conflict of interest in three cases and an actual conflict of interest in only one case.



While the program thus is clearly robust, it is envisaged that additional safeguards will be implemented in 2023, in part related to the Institutional Safeguards Review (above Sub-Section on Policy Related Workstreams), including public disclosure for senior Fund officials.

**Ethics Office contributions to the Request for Proposal Process, for the Fund's External Compliance Advisor** Consistent with Fund policy and best practices, the External Compliance role was subject to a Request for Proposals (RFP) in 2022. Based on the experience of the Ethics Office working on the annual Financial Disclosure Program and its in-depth knowledge base on conflicts of interest, the Office played a key role in the RFP process and accompanying documentation. At the end of the reporting period, the RFP process was still ongoing, so that more details will be included in the 2023 Annual Report.

**Ethics Office contributions to further develop the Designated Officer Role** In connection with the Fund's institutional conflicts framework, the Ethics Advisor serves as the Financial Conflict of Interest Designated Officer Role for the Investment Oversight Committee (Designated Officer). First appointed by the Managing Director on an interim basis in 2014, the Ethics Advisor's role was made permanent in 2018. Enhancements to the Designated Officer role have continued to be considered as part of the broader risk management framework in 2020 and 2022. Specific elements of the role were approved by the Board during the reporting period, which the Ethics Advisor will be working to implement in 2023, in close collaboration and consultation with colleagues in LEG and FIN.

### **2022 Ethical Conduct Certification process**

During 2023 Q4, the Ethics Office carried out the mandatory Annual Ethical Conduct and Core Values Certification, through the Fund's Workday portal. The final overall compliance rate was 97%. Considering that it was only the second time that the Fund embarked on this comprehensive certification exercise and that it was purposefully held within in a very tight, pre-defined time span of only one month, the Ethics Advisor considers this a respectable outcome.

The Ethical Conduct Certification exercise is both a means of acknowledging and a formalized tool for documenting that all Fund employees are accountable and responsible for Ethics at the Fund and can make a difference in promoting an ethical workplace. It is also intended to demonstrate that Fund employees are committed to carrying out their work for the Fund according to the highest standards of conduct, in light of their status as international civil servants.

A total of almost 4,300 Fund employees, namely all Fund staff and long-term contractual employees worldwide, in HQ and overseas offices, were asked to certify that they have read and understood the various provisions of the Fund's Ethics framework, that they will comply with the Fund's Ethics framework, and that they will act in accordance with the Fund's Core Values.

To raise visibility, understanding and buy-in for the 2022 Ethical Conduct Certification process, the Ethics Office engaged in significant outreach efforts: as a part of these outreach efforts, and with the valuable support of the Fund’s internal communications team, the Ethics Office disseminated not only an updated comprehensive Q&A document, but also a video clip featuring a wide range of Fund employees, with diverse professional and personal backgrounds, explaining the importance of and expressing their support for the Ethical Conduct Certification process. While the Ethics Office still received and responded to over 70 individual queries, the number of such queries was much lower than in 2021, the inaugural year of the Certification, which may at least partially be attributed to the Ethics Office’s enhanced outreach efforts.

In addition to support by the Fund’s internal communications team, the 2022 Ethical Conduct Certification process crucially benefited from a very smooth and effective collaboration between the Ethics Office and the HRD Cloud Support Team, ITD, and the SHRPs. The Ethics Advisor would like to acknowledge these contributions with true gratitude.

### **Ethics Office participation in the Oversight Committee of the IMF Hotline**

In 2022, the Ethics Advisor and/or a designated representative of the Ethics Office attended three meetings of the Integrity Hotline Oversight Committee<sup>2</sup>. Each of the meetings offered valuable opportunities to not only confidentially discuss, on an interdepartmental basis, the Integrity Hotline reports, but also to address additional promotional activities and policy development opportunities.

### **Ethics Office participation in the Domestic Abuse Prevention Program (DAPP)**

The Fund’s Committee on Prevention of Domestic Abuse (the Committee) was created in 2012. It consists of representatives from several Fund offices and departments, namely the Ethics Office, OII, LEG, Security Services within CSF, the Human Resources Department, and the HSD Counselling Unit.<sup>3</sup> In 2022, the DAPP was seized of, and the Ethics Office was consulted on six DAPP matters.

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<sup>2</sup> [IMF.org/integrityhotline](https://www.imf.org/integrityhotline)

<sup>3</sup> [www.intranet.IMF.org/departments/HumanResources/myHR/myLife/WorkLifeServices/Pages/DomesticAbusePrevention.aspx](https://www.intranet.IMF.org/departments/HumanResources/myHR/myLife/WorkLifeServices/Pages/DomesticAbusePrevention.aspx)

## SECTION 4

# IMPORTANT DEVELOPMENTS

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### REFLECTING: THE FUND'S INSTITUTIONAL SAFEGUARDS REVIEW FROM THE ETHICS OFFICE'S PERSPECTIVE

When the current Ethics Advisor came on board at the beginning of the reporting period, the ISR had been publicly announced just shortly before, although some of the internal work, in particular the work of the Fund-internal Working Group on Institutional Governance and Staff Voice, had already started or was even well advanced. Ensuring that the Ethics Office's perspective was adequately considered and reflected was therefore not without its own challenges. In that respect, the Ethics Advisor would like to gratefully acknowledge the support not only by the Ethics Office's own team as well as her peers, namely the Heads of the DRS Offices, but also by the DMD Management, who ensured that comments by a newcomer were still taken into account.

While the ISR absorbed a very significant amount of the Ethics Office's time and resources during the reporting period, it was a unique opportunity for the Ethics Office to participate in this important process where systemic institutional concerns were identified, considered, and addressed at the most senior institutional level.

The ISR also provided an opportunity for the Ethics Office to reflect on and re-assess how it can best fulfill its mandate, in particular on how it can create greater visibility, transparency and accountability for its work and its mandate amongst Fund colleagues, without compromising the confidentiality of its individual advice and guidance. While this is an ongoing effort, the External Panel's recommendations provided a useful stepping-stone for the road ahead.



## RECONNECTING IN THE FACE OF "CRISIS UPON CRISIS:" ETHICS OFFICE READY TO SUPPORT

The Fund's Annual Report 2022, covering the Financial Year 2022, i.e., the period from May 1, 2021 through April 30, 2022, is entitled "Crisis upon Crisis." The term—used by the Fund's Managing Director during her Curtain Raiser address, at the opening the Fund's 2022 Spring Meetings—very appropriately describes the background for the Ethics Office's work during the reporting period:

First, the pandemic—just like everyone else within the Fund, the Ethics Office had to adjust and address challenges raised by the pandemic, in terms of transferring and adapting its advice and guidance as well as outreach and training efforts to the remote and then to the hybrid working environment, in terms of identifying and responding to new substantive ethical dilemma related to the pandemic, and in terms of coping with illness and personal loss amongst the Ethics Office team.

Second, the war—the Ethics Office reached out and connected with Fund colleagues at an early stage to identify the ethical parameters and standards of conduct related to the situation in Ukraine, to avoid divisions and tensions between Fund colleagues during this additional crisis.

Finally, the events leading up to the ISR—while the Fund managed to turn this situation around into an opportunity to reflect and get stronger, it also required a special effort to maintain and nurture staff engagement under these challenging circumstances. The Ethics Office took up the challenge by working on raising its visibility and profile, to signal to Fund colleagues that the Ethics Office is ready to support, even and especially when difficult questions are raised.

Against this background, the Ethics Office took this moment of "crisis upon crisis" as an opportunity to reconnect with Fund colleagues, especially when the Fund re-opened and hybrid working became the new normal: initiatives such as the first virtual Ethics Office Open House, the revised Mandatory Ethics Training, which was delivered at times hybrid, in person or remotely, depending on the needs of the respective Department, and the hybrid joint DRS awareness event, were all intended to demonstrate to Fund colleagues that the Ethics Office understands and can relate to the challenges that Fund colleagues are facing, that the Ethics Office is open for business, in whatever working mode it takes to reach Fund colleagues, and that the work of the Ethics Office is relevant and in fact crucial for the Fund's success in pursuing its mandate, even more than ever during moments of crisis.

## SECTION 5

# LOOKING AHEAD

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### REACHING EVERYONE EVERYWHERE—EFFORTS THAT ARE ALREADY UNDER WAY

As already described above, the ISR highlighted the Ethics Office’s need to create even greater visibility, transparency and accountability for its work and its mandate amongst Fund colleagues. A number of efforts are already under way in that respect, while the ultimate goal is for the Ethics Office’s mandate and work to reach everyone everywhere within the Fund, no matter their level of seniority and no matter where they are based: Looking ahead, the Ethics Office is looking forward to the full roll-out of the revised and customized, workshop-style Mandatory Ethics Training, at the Fund’s Headquarters and also for offices outside Headquarters. The Ethics Office is working on developing an even stronger Field engagement, in particular by including colleagues in the Field in its outreach and training efforts, for instance by holding the Ethics Office Open House again in a hybrid format, and by tailoring even further sessions of the workshop-style Mandatory Ethics Training to meet the needs of colleagues in the Field. In addition, the Ethics Office is looking forward to the development and launch of two additional modules of the e-learning-based Mandatory Ethics Training, to cover a fuller range of relevant Ethics topics, as yet another way of reaching everyone everywhere.

## REACHING EVERYONE EVERYWHERE—DEVELOPING A COMPREHENSIVE INTERNAL COMMUNICATIONS STRATEGY

Looking ahead, the Ethics Office is aiming to develop a comprehensive internal communications strategy, beyond the enhanced efforts that it has already made during the reporting period to ensure that

future outreach efforts are supported by behavioral insights and professional communications skills. As part of its efforts to reach everyone everywhere, the Ethics Office will continue to consider the best and most effective ways to achieve this goal, to create and maintain in the long-term an even greater visibility, transparency, and accountability for the Ethics Office's work and its mandate amongst Fund colleagues.



# THE FUND'S CORE VALUES

**EXCELLENCE** We strive for excellence in our work and in all our interactions with our member countries and all stakeholders of the Fund. We work together to the highest professional standards for the common public good of our global membership.

**HONESTY** We tell the truth. We are straightforward in our actions and honest in our relationships. When we say we will do something, we follow through and honor our commitments.

**IMPARTIALITY** We are objective, neutral, and impartial in providing advice and in discharging our professional obligations. Our professional judgment is not influenced by partisan politics, outside authorities or personal bias. We are responsible to our members and earn their trust and confidence every day.

**INCLUSION** We value diversity. We build diverse professional networks and teams fostering an engaging and inclusive environment that values individual uniqueness. We treat people as we would like to be treated. We respect each other and do not tolerate discrimination.

**INTEGRITY** We do what is right for our members, our communities, the Fund, and each other. We make hard decisions and tough choices. We do not compromise our values.

**RESPECT** We treat our colleagues, whether supervisors, peers, or subordinates, with courtesy and respect, without harassment, or physical or verbal abuse.







Information disclosed to the Ethics Office will be handled confidentially unless it involves possible past misconduct or raises a potential threat of physical harm. In such cases, information may be disclosed to other IMF officials on a need-to-know-basis.

If you have an ethics question, please contact the Ethics Office at ext. x39665, email us at [ethics@IMF.org](mailto:ethics@IMF.org), or visit our office in HQ2 at 3A-372. We are available for in person, virtual, and hybrid consultations and meetings. You may also seek advice or report concerns about potential misconduct anonymously via the Integrity Hotline at +(1) 800.548.5384 (in North America), or [IMF.org/integrityhotline](https://IMF.org/integrityhotline) (anywhere in the world).

