

Code of Conduct of the Council of Europe Development Bank

**applicable to the Governor, Vice-Governors, staff members
and to contractual collaborators or service providers**

(Approved by the Governing Board on 27 November 2009)

1. Introduction

The purpose of this Code of Conduct (hereafter referred to as “the Code”) is to set forth, from a deontological point of view, the rules applicable to questions of ethics and professional behaviour that CEB’s Appointed Officials, staff members and occasional collaborators must follow and to help to guarantee compliance with the values promoted by the CEB in accordance with the current rules.

2. Scope of application and definitions

This Code is applicable to the Governor and to the Vice-Governors (collectively referred to as “Appointed Officials”), as well as to all staff members and to the CEB’s occasional contractual collaborators regardless of their legal status. Insofar as it shall be mentioned in their contract, the Code also applies to any third party who has been contracted to provide services or any other type of work for the CEB.

3. General principles

3.1 Values to be promoted

In working for the CEB, Appointed Officials, staff members and occasional contractual collaborators enjoy the opportunity to contribute to implementation of several of its major objectives such as participating in financing of social projects, responding to emergency situations and thereby contributing to improving living conditions and social cohesion in the less advantaged regions of Europe.

The foregoing imposes certain duties and obligations; the CEB’s Appointed Officials, staff members and occasional contractual collaborators are thus expected to commit themselves to the CEB’s objectives loyally, honestly and impartially and to subscribe to high standards of professional ethics.

3.2 Basic rules

In discharging their professional duties for the CEB, Appointed Officials, staff members and occasional contractual collaborators shall, in particular, be required to:

- act, in all circumstances, in the interest of the CEB, without allowing themselves to be influenced by any personal considerations or relations and to avoid any situation liable to give rise to a conflict of interest or the appearance of a conflict of interest;
- carry out their duties in a professional manner devoting themselves fully to the tasks with which they are entrusted, satisfying the CEB’s legitimate expectations, complying with professional best practices and observing professional secrecy;
- respect the private lives and dignity of the CEB’s Appointed Officials, staff members and occasional contractual collaborators and to observe the principles of integrity.

3.3 Respect for diversity and non-tolerance of discrimination

It shall be prohibited to show any illicit discrimination based on sex, race, colour, ethnic or social origin, political, philosophical or religious convictions, membership of any national minority, property, birth, disability, age or sexual orientation, nationality or, in general terms, the way in which the CEB's Appointed Officials, staff members and occasional contractual collaborators choose to conduct their private lives, insofar as this remains compatible with the principle set forth in Article 3 of the Staff Regulations.

4. Confidentiality

The CEB's Appointed Officials, staff members and occasional contractual collaborators are bound by the obligation to treat with due confidentiality any documents, information or other elements received in the context or course of their duties, in compliance with the CEB's rules, policies and guidelines in such matters.

Special provision shall be made to ensure respect for the confidentiality of nominative information, in particular to guarantee the right of access of persons working for the CEB to such information and, where appropriate, the right to rectify it, in compliance with the principles contained in the "Regulations on a system for the protection of personal data at the CEB".

5. Inside information

The CEB's Appointed Officials, staff members and occasional contractual collaborators who, in the context or course of their duties, have direct or indirect access to inside or privileged information in respect of companies or bodies with which they entertain direct or indirect relations, or concerning transferable securities of any kind, whether issued by such companies or bodies or by the Bank, shall not disclose such inside information to any other person unless such disclosure is made within the normal course of the exercise of their profession, employment or duties.

The CEB's Appointed Officials, staff members and occasional contractual collaborators may not use, either directly or indirectly, such inside information in order to carry out, recommend or advise against financial transactions, either for their own account or for that of any third party.

Any CEB's Appointed Official, staff member and occasional contractual collaborator professionally arranging transactions in financial instruments who reasonably suspects that a transaction might constitute insider dealing shall forthwith notify the Chief Compliance Officer (hereafter referred to as "the CCO").

6. Financial activities

6.1. Professional transactions / private transactions

The CEB's Appointed Officials, staff members and occasional contractual collaborators must not use the CEB's official communication procedures or professional contacts to manage their own private affairs or any external activities that they have been authorised to carry out.

6.2. Private investments

The CEB's Appointed Officials, staff members and occasional contractual collaborators shall immediately notify the CCO of any financial activity that is not in compliance with the Code or that could be or appear to be in conflict with their official duties.

7. Conflicts of Interest

The CEB's Appointed Officials, staff members and occasional contractual collaborators must avoid any situation involving an actual or apparent conflict of interest, that is to say any situation in which private or external interests can influence or reasonably be perceived as influencing the impartial and objective exercise of their functions.

The CEB's Appointed Officials, staff members and occasional contractual collaborators should not exercise any activity, whether paid or otherwise, liable to give rise to a conflict of interest or the appearance of conflict of interest.

They are required to be attentive to any conflict of interest or the appearance of conflict of interest and to take the necessary measures to avoid it.

Any CEB's Appointed Official, staff member and occasional contractual collaborator who find themselves in a situation that is liable to result in a conflict or the appearance of a conflict between their interests and those of the Bank shall bring the matter to the attention of the CCO who will report thereon to the Governor. Declarations made by the Governor and Vice-Governors shall be sent to the Governing Board and to the CCO.

Any conflict of interest or appearance of conflict of interest concerning a candidate either to a staff member position, or to a contract for occasional collaboration or to an elected position at the CEB must be solved prior to any engagement.

The CEB's Appointed Officials, staff members and occasional contractual collaborators shall discharge their official duties in such a way as to preserve their personal integrity and that of the CEB.

8. Incompatibilities and external activities

8.1 General guidelines

CEB's staff members must devote their professional activities to the service of the Bank. They must not exercise any other professional activity outside the Bank without prior authorisation from the Governor.

8.2 Special rules concerning the Governor and Vice-Governors

The Governor and the Vice-Governors may exercise another professional activity if authorised by the Governing Board. In considering a request for authorisation, the Governing Board will take account of factors such as the compatibility with the official's work requirements at the CEB and whether the activity creates a conflict of interest.

Should such authorised activities be remunerated, the amounts of the corresponding emoluments shall be communicated to the Chairman of the Governing Board.

The Chairman of the Governing Board keeps a record of these declarations. The members of the Governing Board that may wish to have knowledge of them can contact the Chairman who will pass them on to them in appropriate forms of confidentiality.

The provisions of this article 8.2 shall apply to the Governors and Vice-Governors elected or reelected taking up their functions at the CEB after the date of entry into force of the present Code of Conduct.

8.3. Voluntary or community-based work

The CEB's Appointed Officials, staff members and occasional contractual collaborators may, during their free time, exercise unpaid and non-financial activities, notably in the cultural, scientific, educational, sporting, charity, religious or social field, or any other charitable activities, provided that these do not have any negative incidence on the discharge of their obligations in respect of the CEB. The CEB's Appointed Officials, staff members and occasional contractual collaborators may also accept unpaid functions of responsibility within such associations or organisations, provided that these functions remain compatible with their work at the Bank and with the other provisions of the Code and of the Staff Regulations.

8.4. Teaching and research

The CEB's Appointed Officials, staff members and occasional contractual collaborators are allowed to engage in teaching or research activities, in particular in subject matters related to their work.

8.5. Political activities

Articles 33, 34 and 35 of the Staff Regulations apply to this matter.

8.6. External communications and relations

The CEB's Appointed Officials, staff members and occasional contractual collaborators must, in all circumstances, endeavour to deal loyally and in good faith with third parties and, in particular, with the Bank's business partners and stakeholders.

In discharging their professional duties, the CEB's Appointed Officials, staff members and occasional contractual collaborators are required to conduct themselves in a professional and courteous manner in all forms of communication, whether oral or written, including e-mails, over the internet, electronic bulletin boards or any other means of electronic communication.

9. Post-employment period

Staff members and occasional contractual collaborators who cease to work for the CEB may not, for a period of twelve months, offer their services to any person or body in private law in which the CEB has an interest, concerning subjects or cases in which they had a personal and substantial involvement while they were working for the CEB.

The Bank may not employ members of its Collegial Bodies or their substitutes as staff members or consultants for a period of 24 months after they cease to hold office.

10. Gifts and sundry advantages

Since honesty and integrity are essential values, the CEB's Appointed Officials, staff members and occasional contractual collaborators may not accept any gifts or personal advantages that might jeopardise these values.

In any event, any person bound by this Code receiving any gifts or advantages above a token value must, as soon as possible and regardless of the nature of the gift or advantage, notify the CCO in writing and, over and above a certain significant value, must surrender the gift or refuse the advantage. If the CEB's Appointed Officials, staff members and occasional contractual collaborators do not know whether or not they may accept a gift or any other advantage, they must ask for the opinion of the CCO.

11. Abuse of an official position

The CEB's Appointed Officials, staff members and occasional contractual collaborators must not attempt to use their position at the CEB to influence any person or entity whatsoever with a view to gaining any personal advantage or any advantage to their authorised outside functions or external activities.

12. Independence and vulnerability to influence

The CEB's Appointed Officials, staff members and occasional contractual collaborators must not allow themselves, to be placed in any situation that would oblige them to return a favour to any person or entity whatsoever. Likewise, their conduct, both in public and in private, must not render them vulnerable to undue influence by a third party.

In compliance with the provisions of Article 25 of the Staff Regulations, the CEB's Appointed Officials, staff members and occasional contractual collaborators must not allow themselves to be influenced or accept instructions from a government or from any other entity or person outside the Bank.

13. Internal relations

13.1. General principles to be adhered to in working with colleagues

The CEB's Appointed Officials, staff members and occasional contractual collaborators must carry out their work in a professional manner, devoting themselves fully to the tasks entrusted to them, satisfying the CEB's legitimate expectations and adhering to professional best practices.

13.2. Behaviour toward superiors and subordinates

The CEB's Appointed Officials, staff members and occasional contractual collaborators are required to respect the authority of their superiors and loyally to carry out the tasks assigned to them, provided that these are compatible with their duties.

Because of their function and visibility, superiors must set an example.

Relations of subordination shall be applicable only to instructions of a professional nature.

13.3. Sexual harassment and blackmail

All forms of sexual harassment and blackmail are strictly forbidden.

14. Use of the Bank's services and facilities for private purposes

Any CEB's Appointed Official, staff member and occasional contractual collaborator must ensure that the goods, facilities, services and financial resources entrusted to them are managed and used in a useful, efficient, responsible and economic way, with the utmost care, guarding against waste and abuse. They must not be used for private purposes by the CEB's Appointed Officials, staff members and occasional contractual collaborators or by any third party.

15. Respect for private life

The CEB's Appointed Officials, staff members and occasional contractual collaborators must respect the private lives of their colleagues and of all other persons working for the CEB. According to the provisions of the "Regulations on a system for the protection of personal data at the CEB", the CEB guarantees the confidentiality of the personal data of all persons working for the CEB as well as their right of access to such data and possible rectification thereof.

16. Benefit of the privileges and immunities

The privileges and immunities enjoyed by the CEB's Appointed Officials, staff members and occasional contractual collaborators are accorded in the sole interest of the CEB and not for their own personal advantage. They must be used in accordance with the spirit in which they were granted. These privileges and immunities shall in no way exempt the CEB's Appointed Officials, staff members and occasional contractual collaborators from fulfilling their private obligations or from observing the applicable national law. In particular, they must fully comply with the laws and police regulations in force.

The Governor must be informed as soon as practicable if any person working for the CEB is arrested, charged or convicted of any criminal offences, save for minor violations.

17. Application measures

17.1. Administration of the Code

The CCO shall ensure adherence to the Code.

Unless there are specific provisions to the contrary, at the request of any interested party the CCO gives his/her opinion on the application and interpretation of the Code. The CCO informs the Human Resources Director and, if necessary, the Governor of any outstanding violation of the Code brought to his/her knowledge.

The CEB's Appointed Officials, staff members and occasional contractual collaborators may refer to the CCO in the event of any doubt regarding the application of this said Code.

17.2. Reporting

Any CEB's Appointed Official, staff member and occasional contractual collaborator who has knowledge of elements that could lead them to presume the existence of a case of corruption, money laundering or financing of terrorism must forthwith notify the CCO. The provisions of Article 30 of the Staff Regulations are also applicable.

If the facts brought to his/her knowledge appear sufficiently serious, precise and conclusive, the CCO refers the case to the Governor.

The CCO guarantees that the information brought to his/her knowledge shall be treated with due confidentiality and that the person who reported the suspected misconduct will be protected from reprisals or retaliation.

18. Sanctions

Any staff member who violates the duties and obligations laid down by the Code is liable, according to the gravity of the case, to one of the disciplinary measures provided for in the Staff Regulations, in compliance with the procedures contained therein. Breach of the code by a person working for the CEB on a temporary basis may result in termination or non-execution of the contract, or such other penalties as may be expressly provided for in the contract. As regards Appointed Officials, the Bank can review the basis of its collaboration with the Appointed Official concerned.

19. Entry into force

This Code shall enter into force on 1st January 2010.