

PAUL A. VOLCKER

610 FIFTH AVENUE
NEW YORK, NEW YORK 10020

PHONE: (212) 218-7070
FACSIMILE: (212) 218-7070

RECEIVED
CORRESPONDENCE UNIT

2009 NOV 12 P 2:05

OFFICE OF THE PRESIDENT

November 11, 2009

Mr. Robert B. Zoellick
President
The World Bank
1818 H Street, NW
Washington, DC 20433

Re: Follow up visit by the Independent Review Panel for
The World Bank Group's Office of Institutional
Integrity.

Dear President Zoellick,

Thank you for hosting a return visit for the Independent Review Panel on October 14, 2009, which was just over two years since the date of our report to The World Bank Group. The primary purpose of our visit was to familiarize ourselves with the status of the implementation of the Report's recommendations. We also sought to obtain some impressions about the progress that has been made bringing anti-corruption processes into the Bank's mainstream operations.

Overall, we were impressed by the contrast between now and two years ago with respect to INT. We noted positive change at the Bank both procedurally and attitudinal. The following points summarize our impressions of the visit:

- o We were pleased to see that our full list of 18 recommendations was implemented within the World Bank Group, and that those requiring

follow-through were being monitored by INT and senior management.

- o We were also pleased to hear that the new disclosure arrangements had been put in place smoothly and without controversy.
- o There is greater attention within the international arena to fraud and corruption issues, and the results and actions at the Bank are aligned with this trend.
- o We heard from Bank staff that relations between INT and the Regions had improved.
- o We were pleased to see procedures in place to follow up on investigative results by Regions and OPCS, but the need may exist to strengthen monitoring and dissemination of lessons learned and to find methods for assuring follow-up legal or corrective action in the host nation.
- o We felt the anti-corruption employee handbook was very well done and usable.
- o Caseload statistics presented by the INT investigation and enforcement staff were useful, but we noted that there is some way to go in order to establish a system which properly measures the effectiveness and impact of the INT's work.

Our sense from the briefings and discussions with senior management is that the anti-corruption philosophy and practices are better understood across the Bank Group. We observed the support of senior management and particularly your leadership. We heard more support from the Board than two years ago. In sum, we sensed that the Bank's organization was working with INT in a more cooperative and productive manner.

The extent to which Bank staff is fully committed to implementing the anti-corruption effort -- and is doing so effectively -- is difficult to judge. We certainly urge you and your senior colleagues to continue giving priority

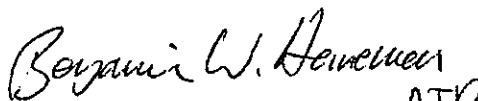
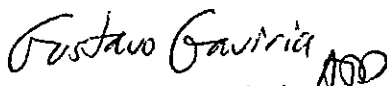
to the removal of opportunities for corruption in the use of Bank funds, as well the more recent efforts to formalize international cooperation with the other development banks.

Congratulations to you and your team for moving forward on the panel recommendations in such a strong and meaningful manner.

With very best regards,



Paul A. Volcker, Chairman


Benjamin W. Heineman *AJD*
Gustavo Gaviria *AJD*

J M M Vereker

Sir John Vereker

cc: Mr. Juan Jose Daboub
Mr. Leonard McCarthy