World Bank Group Directive

Staff Rule 6.27 – Special Compensation Measures

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Public

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June 30, 2020

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June 30, 2020

Content
This Directive, Staff Rule 6.27, "Special Compensation Measures," (hereinafter Rule) sets for the framework for special administrative actions used to supplement normal compensation practices under Staff Rule 6.01, "Compensation." This Rule supersedes all prior Special Compensation Measures, their triggers, market analyses, and their applications.

Applicable to
IBRD, IDA, IFC, MIGA, ICSID

Issuer
Vice President, HRDVP; Executive Vice President, MIGEX; IFC Chief Executive Officer, IFCEO

Sponsor
Director, HR Compensation and Performance, HRDCP; Director, IBRD/MIGA Client Services, HRDCS; Director, IFC Human Resource Department, CHRDR
SECTION I – PURPOSE AND APPLICATION

1.01 This Directive, Staff Rule 6.27, "Special Compensation Measures," (hereinafter Rule) sets forth the framework for special administrative actions used to supplement normal compensation provisions under Staff Rule 6.01, "Compensation."

1.02 This Rule applies to the World Bank Group (WBG).

SECTION II – DEFINITIONS

2.01 Capitalized terms and acronyms in this Rule have the meanings ascribed to them in Staff Rule 1.01, "General Provisions," and as follows:

a. **Conditional Trigger**: means an event when a specified macroeconomic indicator has reached or exceeded the threshold for a Special Compensation Measure.

b. **Consumer Price Index (CPI)**: means an index used to measure inflation and changes in the price level of a market basket of consumer goods and services.

c. **IBRD**: International Bank for Reconstruction and Development.

d. **ICSID**: International Centre for Settlement of Investment Disputes.

e. **IDA**: International Development Association.

f. **IFC**: International Finance Corporation.

g. **MIGA**: Multilateral Investment Guarantee Agency.

h. **Salary Scale**: means the range of salary that Staff may be paid at each grade based on pay practices in the local market. Salary Scales are published annually by Vice President, HRDVP.

i. **Special Compensation Measure**: means an administrative action taken by the World Bank Group to respond to disruptive macroeconomic developments in a particular country, as further described in the Procedure, "Special Compensation Measures."

j. **Virtual Indexation**: means the computation of the value of salaries in U.S. Dollars during an application of the Special Compensation Measure due to depreciation.

k. **Staff or Staff Member**: means a person(s) holding Regular, Open-Ended, Term, Local Staff Regular, Extended Term Consultant and Extended Term Temporary appointments whose salary plan is denominated in local currency, other than the U.S. Dollar or Euro if either is the currency of the salary plan.

l. **World Bank Group** or **WBG**: is the common name used for concurrent identification of all World Bank Group Institutions.

m. **WBG Institution or Institutions**: means any one of the International Bank for Reconstruction and Development (IBRD), the International Development Association
(IDA), International Finance Corporation (IFC), Multilateral Investment Guarantee Agency (MIGA).

SECTION III – SCOPE

03. General

3.01 A sudden or severe change in the economic conditions in a country may cause the WBG Institutions to adopt Special Compensation Measures for Staff who are on that country’s salary plan.

04. Application of Special Compensation Measures

4.01 HRDPC implements Special Compensation Measures, as further described in the Procedure, "Special Compensation Measures."

4.02 For Short-term Consultants and Short-term Temporaries, the relevant WBG Institution Regional Vice Presidents responsible for the applicable country office have discretion to apply the specific measure as described in the Remuneration Guidelines for Short-term Consultants and Short-term Temporaries in country offices.

SECTION IV – EXCEPTION

None

SECTION V – WAIVER

The Issuers, or their designees, may waive any provision of this Rule, with respect to their Staff, with advice from the Vice President, HRDVP.

SECTION VII – TEMPORARY PROVISIONS

1. The following provision applies to Staff on the Argentina salary plan who are eligible for the Special Compensation Measure due to depreciation on June 30, 2020, in the event that eligibility for the Special Compensation Measure due to depreciation continue beyond July 1, 2020:

   a. From July 1, 2020 to October 31, 2020: 100% of the Special Compensation Measure monthly payments are calculated according to the provisions of the Special Compensation Measures Directive and Procedure effective until June 30, 2020.

   b. From November 1, 2020 to April 30, 2021: Monthly Special Compensation Measure payments are calculated on the October 31, 2020 Special Compensation Measure payment following the schedule below:

<table>
<thead>
<tr>
<th>Month</th>
<th>Size of Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 2020</td>
<td>90% of the October 2020 depreciation Special Compensation Measure payment</td>
</tr>
<tr>
<td>Month</td>
<td>Percentage of the October 2020 depreciation Special Compensation Measure payment</td>
</tr>
<tr>
<td>--------------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>December 2020</td>
<td>70%</td>
</tr>
<tr>
<td>January 2021</td>
<td>50%</td>
</tr>
<tr>
<td>February 2021</td>
<td>30%</td>
</tr>
<tr>
<td>March 2021</td>
<td>20%</td>
</tr>
<tr>
<td>April 2021</td>
<td>10%</td>
</tr>
</tbody>
</table>

2. The depreciation Special Compensation Measure payments paid to Staff specified in paragraph 1, between July 1, 2020 and April 30, 2021, continue to be pensionable.

3. In the event that Staff specified in paragraph 1 continue to be eligible for the Special Compensation Measure due to depreciation on May 1, 2021, any such payments paid to Staff on or after that date are no longer pensionable. As of May 1, 2021, application of the Directive and the Procedure: Special Compensation Measures effective as of July 1, 2020 applies, with calculation of the first month’s Virtual Indexation exchange rate based on the average of the 12-month period from May 1, 2020 through to April 30, 2021.

4. For Staff on the Argentina salary plan who become eligible for the Special Compensation Measure due to depreciation on or after July 1, 2020, the Directive and the Procedure: Special Compensation Measures effective as of July 1, 2020 apply, with calculation of the first month’s Virtual Indexation exchange rate based on the average of the 12-month period from July 1, 2019 through June 30, 2020, and any such payments are not pensionable.

**SECTION VIII – EFFECTIVE DATE**

This Directive is effective as of the date on its cover page.

**SECTION IX – ISSUER**

The Issuers of this Directive are stated on the cover page.

**SECTION X – SPONSOR**

The Sponsors of this Directive are stated on the cover page.

**SECTION XI – RELATED DOCUMENTS**

Procedure, "Special Compensation Measures"
Staff Rule 6.01, "Compensation"

**ANNEX(ES)**
Questions regarding this Directive should be addressed to the Sponsor.