



ADMINISTRATIVE TRIBUNAL

Judgement No. 1340

Case No. 1423

Against: The Secretary-General
of the United Nations

THE ADMINISTRATIVE TRIBUNAL OF THE UNITED NATIONS,

Composed of Mr. Spyridon Flogaitis, President; Mr. Julio Barboza; Ms. Brigitte Stern;

Whereas, on 23 June 2005, a staff member of the United Nations Development Programme (hereinafter referred to as UNDP), filed an Application containing pleas which read as follows:

“Section II: Pleas

9. The Applicant respectfully requests the Administrative Tribunal to find:
 1. that there were fundamental denials of due process that [were] not remedied by either UNDP or the ... [UNDP/ United Nations Population Fund (UNFPA)/ United Nations Office for Project Services (UNOPS) Disciplinary Committee (DC) (DC)];
 2. the Applicant was denied access to documents that would have tended to exonerate him;
 3. that there was denial of due process when the [DC] engaged in speculation;
 4. that there was mistake of fact in the [DC] deliberations;
 5. there was bias against the Applicant at several points in the case;
 6. that there was abuse of discretionary authority in applying a penalty that was disproportionate to the nature of the offence;
 7. that [the] Administrator’s final decision was unduly harsh and tainted by mistake of fact.
10. The Applicant most respectfully requests the Administrative Tribunal to order:

- (a) that the Applicant be reinstated;
- (b) that the Applicant be paid compensation of three years' [net] base salary for denial of due process and unfair treatment.

Or failing that:

- (c) that the Applicant be paid three years' [net] base salary in lieu of reinstatement;
- (d) that the Applicant be paid additional compensation of three years' [net] base salary for denial of due process and unfair treatment.”

Whereas at the request of the Respondent, the President of the Tribunal granted an extension of the time limit for filing a Respondent's answer until 23 November 2005 and once thereafter until 23 December;

Whereas the Respondent filed his Answer on 21 December 2005;

Whereas the Applicant filed Written Observations on 27 February 2006;

Whereas the statement of facts, including the employment record, contained in the report of the DC reads, in part, as follows

“II *EMPLOYMENT HISTORY*

... [The Applicant] first joined [UNDP] as an Administrative Trainee in August 1987. [At the time of the events which gave rise to his Application, he held the P-5 level position of Deputy Resident Representative (Operations) (DRR/O), Rwanda.] ...

III *EVENTS LEADING TO DISCIPLINARY CHARGES*

[On 5 November 2002, the Office of Audit and Performance Review, UNDP, (OAPR) informed the Rwanda Office that it intended to conduct a review of procurement actions in the Office involving a company named [GDS] Enterprises. In its subsequent report, which was issued on 28 May 2003, OAPR concluded that the Applicant had ‘neglected his responsibility as chief procurement officer of UNDP Rwanda, deliberately circumvented UNDP procurement rules, participated in bid rigging, and violated ethical duties’.]

Report on Investigation of Procurement Actions Related to [GDS] Enterprises by UNDP Rwanda

... The OAPR investigation of the alleged procurement irregularities in the Rwanda UNDP office was started in 2002 ‘after [the Applicant] used his personal funds to reimburse UNDP for a \$16,500 overpayment to the vendor’. He was also reported to have engaged in other acts of wrongdoing including the following:

- ‘(1) violations of various procurement rules, including those relating to competitive bidding, bid evaluation, consulting with local contracts committee, and advance payments;
- (2) misuse of office to favor a third party; and,
- (3) failure to disclose a personal relationship with a vendor’.

After reviewing [the Applicant's] conduct during the thirteen-month period from 2001 to 2002, the OAPR concluded that:

‘[the Applicant] neglected his responsibility as chief procurement officer of UNDP Rwanda, deliberately circumvented UNDP procurement rules, participated in bid rigging, and violated his ethical duties. Consequently, we recommend that appropriate disciplinary action be considered against him.’

The series of events giving rise to the above conclusions [is] detailed below:

... [The Applicant] ... began dating [Ms. G. D. S.] in 1999 and in due course of time the relationship evolved to the point where they started cohabiting in the fall of 2001. [He] naturally came to learn that [she] owned a company that sold office supplies to international clients and subsequently ‘recommended’ her company to the Rwanda office as a potential vendor. Through his personal intercession, [she] was hired as ... a volunteer in UNDP’s finance unit and ... a ‘paid consultant’ in UNFPA Rwanda. The couple vacationed together with [the Applicant] lending [her] \$4,500 for the trip. In mid-April, [she] wire-transferred \$21,000 to [the Applicant] to cover the \$4,500 personal loan and the \$16,500 overpayment for which he reimbursed UNDP. [The Applicant’s] assignment in Rwanda ended in June 2002 whereupon he returned to New York. He reportedly then helped [her] to secure a consulting job at UNDP headquarters in New York.

... Upon checking the *bona fides* of [GDS] Enterprises, OAPR found that the company was formed on August 4, 1998 as ‘a close corporation in Pretoria, South Africa’. However it lacked the hallmarks of a solid and viable firm and, contrary to claims made by Ms. [G. D. S.], was bereft of an independent office address, fax and telephone numbers and appeared to be a fly-by-night operation. ...

... [The coordinator of the UNDP Rwanda Office Service Center] ... testified that in early 2001 she informed [the Applicant] that she had obtained three quotes from three international vendors for the procurement of \$25,070.50 worth of copier paper that the office needed, only to have [the Applicant] dissuade those vendors from acting on the quotes, and then going on to assure the procurement officers that he was personally ‘taking care of this procurement’. And by that he meant he had a cheaper source for the product from a certain vendor, who happened to be Ms. [G. D. S.] ... (Thus he directed the procurement business of the Office away from established sources to benefit himself financially.) [The Applicant] reportedly took his subordinates to task for obtaining the three quotes when he had supposedly alerted them to his intention of using an alternate source. ...

On April 17, 2001 Ms. [G. D. S.] faxed to the Rwanda office ‘what purported to be independent quotations from three vendors’ including her own quotation which turned out to be the lowest. She later admitted that she had been previously shown the quotations of the other companies by [the Applicant], who reportedly even asked her ‘to have an appropriate purchase order prepared’. After consulting ... the procurement specialist, [the coordinator of the Service Center] warned [the Applicant] that ‘the auditors would question this transaction’ because UNDP procurement rules were not obeyed. After reportedly stating that ‘he would take responsibility for the transaction’, [the Applicant] then went on to approve ‘a purchase order to [GDS] Enterprises for the paper’.

... On April 24, 2001, [GDS] Enterprises demanded ‘100 percent upfront payment’ claiming in the letter that only such payment ‘can guarantee the favourable price ... quoted’. [The Applicant] reportedly approved the requested advance payment ... Before the payment was made, [the coordinator of the Service Center] consulted the procurement officer who advised against it. But [the Applicant] rejected that piece of advice and also refused to seek quotations from ‘vendors whom the Rwanda office already knew’. He then requested ‘an inter-office memo ... authorizing the advance’ to be prepared for his signature. This memorandum, (which claimed that Ms. [G. D. S.’s] quotation was selected only after the office had compared the three different quotes), was disavowed by [the coordinator of the Service Center and the procurement specialist]. [The Applicant] then signed the check for \$25,070.50, which was subsequently endorsed by Ms. [G. D. S.].

Procurement of Office Supplies for \$28,927.80 in July 2001

... In June 2001, [the Applicant] decided to increase office supplies and directed [the coordinator of the Service Center] to obtain the necessary quotations from ‘three specific firms in South Africa,’ one of which was [GDS] Enterprises. When [the coordinator of the Service Center and the procurement specialist] sought to vary this with the suggestion that additional quotes from known and reliable vendors be obtained, they were met with a stern rebuke from ... [the Applicant, who] ... proceeded to override the protestations of the two staff members and approved [a] 100 percent advance payment to Ms. [G. D. S.] for the amount of \$28,927.80.

Procurement of Tires for \$7,372.00 in July 2001

... In July 2001, the office needed new automobile tires and once again Ms. [G. D. S.] admitted she obtained ‘quotations’ from two other vendors in South Africa that enabled her to offer the lowest quotation. She then faxed the three quotations to the Rwanda Office whereupon her offer was chosen on July 30th 2001. On that same day [the Applicant] ‘approved a purchase order to [GDS] Enterprises ... [and] ... authorized a wire-transfer to [the company] for \$7,372.00’.

Procurement of Scanners for \$1,451.05 in August and December 2001

... In August 2001, [the Applicant] decided that the Rwanda Office needed six new scanners whereupon the staff members drew his attention to an invoice [for] previously purchased ... scanners. Ms. [G. D. S.] then offered to sell six scanners to the office for a total price of \$1,068.00 ‘subject to a 100 percent advance payment’ with free shipping costs. [The Applicant] approved the purchase order on August 24 ... On October 15 ... Ms. [G. D. S.] submitted a ‘supplementary invoice’ for shipping costs of \$383.05, renegeing on her previously offered waiver of shipping charges ... [and the Applicant] approved the payment ...

Procurement of Office Equipment from a Different Vendor

... In the fall of 2001 during [the Applicant’s] absence, ... the acting DRR/O authorized the purchase of a paper machine and a UPS device from a known and reliable Canadian vendor. On his return, [the Applicant] inquired as to why Ms. [G. D. S.’s] services had not been employed despite the fact that she had not demonstrated any competence in that field. He then admonished the staff to first contact Ms. [G. D. S.] before dealing with foreign vendors.

Procurement of Equipment for \$28,383.16 in February 2002

... On January 2002, [the procurement specialist] (who had obtained quotations from reliable and known vendors for computers and office equipment), was confronted by [the Applicant] as to why no South African vendors were solicited for the order. On February 12 ... [the Applicant] proceeded to give [the procurement specialist] a quotation from [GDS] Enterprises which was lower than those received by the Office but ‘was premised upon 100 percent advance payment’. In spite of the fact that the purchase order on hand did not include advance payment, [the Applicant] disregarded it and signed a check to Ms. [G. D. S.] for \$31,769.09 which covered the price of the products and the advance payment. The Bank initially refused to honour the ... check because of a numerical error so [the Applicant] took it upon himself to sign another check to Ms. [G. D. S.] for \$16,500 in partial payment for the procurement. When the original check eventually cleared, there was an overpayment to Ms. [G. D. S.] of \$16,500. [The Applicant] later reimbursed UNDP for this amount ‘shortly before he departed Rwanda’ and it was this occurrence that subsequently triggered the present investigation.

Procurement of UPS Devices for \$3,385.93 in February 2002

... At the request of [the acting DRR/O] who was acting on orders from [the Applicant, the procurement specialist] prepared a regular purchase order for six UPS devices. [The acting DRR/O] then gave him a raft of quotations of which Ms. [G. D. S.’s] was the lowest. [The Applicant] subsequently signed a check in the amount of \$3,385.93 for Ms. [G. D. S.] for the procurement price and an advance

payment although the purchase price had only called for ‘payment after delivery’. [The Applicant] sought to justify the advance payment with the assertion that it eventually produced ‘a lower price’.

Procurement of ECG Machine for \$2,201.49 in April 2002

... When on April 23, 2002 a request was made for an ECG machine, [the Applicant], without requesting any quotes from competing vendors, directed [the procurement specialist] ... to prepare a purchase order to [GDS] Enterprises for the ECG machine. [The Applicant] then showed the latter an invoice from [GDS] Enterprises dated April 18 ... and approved the corresponding order and signed a check in the amount of \$2,201.49 for Ms. [G. D. S.]. ...

Procurement of Automotive Supplies for \$20,806.01 in April 2002

... In April 2002 the Service Center ... got a request for automotive supplies whereupon [the procurement specialist] requested a quotation from a previous supplier in Dubai. When [the Applicant] later learnt of the request he re-directed the Office’s attention to his South African sources and in May ... he presented two quotes from those sources, with that of [GDS] Enterprises being the lowest. ... Thereafter [the Applicant] approved the purchase order for [GDS] Enterprises and signed a check in the amount of \$20,860.01 for Ms. [G. D. S.] ...”

On 26 June 2003, UNDP sent the OAPR report to the Applicant, inviting him to comment thereon and advising him “at this stage there is no disciplinary case against you but failure to provide reasonable explanations excusing your alleged misconduct ... may lead to the initiation of a disciplinary proceeding”. The Applicant provided his comments on 23 July, generally refuting the allegations and concluding that, after a year of investigation, it could not be proven that UNDP had incurred any financial loss from dealing with [GDS] Enterprises.

On 3 September 2003, the Applicant was charged with serious misconduct “for the violation of the procurement rules and the ethical duties of officials dealing with procurement, in awarding procurement business to [GDS] Enterprises”. The charge letter detailed numerous occasions on which the Applicant “disregarded ... procurement rules in favour of [GDS] Enterprises and indicated that his behaviour was “not consistent with the highest standards of integrity expected of an international civil servant, and particularly that of a staff member with supervisory functions, [thus] constitut[ing] misconduct”. The Applicant responded to the charges on 6 October, however his explanations did not prove satisfactory and the matter was referred to the DC.

On 24 February 2005, the DC submitted its report. Its conclusion and recommendation read as follows:

“CONCLUSION

53. After reviewing the documents of the case and [the Applicant’s] demeanour as reflected in his deposition and at the hearing, the [DC] was struck by the fact that he did not seem to appreciate the nature and gravity of his numerous violations of the financial and procurement rules nor indeed of the ethical duties he had consciously bound himself to obey. ... The [DC] was also mystified by his tendency to shift the blame for his actions onto his subordinates in circumstances that were illogical and unreasonable but still expected his explanations to be accepted as valid. In direct response to [the Applicant’s] intransigent attitude, the [DC] held the view that it was really immaterial whether he was formally trained in procurement procedures or not, because the lessons of his extensive experience in the Organization and a required commitment to the express provisions of the Staff Rules & Regulations as well as to the Standard of Conduct expected of International Civil Servants, should have informed his conduct in the procurement actions he took in the Rwanda Office. Additionally, as an experienced and senior staff

member, it was incumbent on him to apprise himself of the relevant UNDP rules and ethical obligations of the [United Nations] so as to faithfully maintain the integrity of UNDP. The [DC] further observed that like all staff members, [the Applicant] was duly furnished with copies of the Staff [Regulations and Rules] to guide his official conduct. Thus knowledge of the provisions of those documents should be constructively imputed to him. This is because it is the duty of every staff member to familiarize himself with the dictates of relevant ... Statutes and to conform his professional conduct to the letter and spirit of those instruments.

54. The [DC] was also perturbed by the total lack of remorse on [the Applicant's] part and determined that coupled with his lack of appreciation of the unavoidable need for staff members to obey rules and conduct themselves in an ethical manner, it was more than likely that should he ever be placed in a similar position of high-trust and managerial responsibility, he may very well repeat his errors of judgment. This factor weighed heavily with the Committee when it formulated its recommendation for the resolution of the case.

RECOMMENDATION

55. *The Disciplinary Committee unanimously recommends that [the Applicant] be separated from service with notice and compensation in lieu thereof, notwithstanding rule 109.3."*

On 8 March 2005, the Administrator, UNDP, transmitted a copy of the DC report to the Applicant and informed him that he had decided to accept its recommendation, which he characterized as "consistent with the disciplinary sanctions imposed for serious breach of the highest standards of integrity expected of [United Nations] officials". The Applicant was advised that, with effect from close of business on the day he received the Administrator's letter, he was dismissed from service, with payment in lieu of notice but without termination indemnity.

On 18 March 2005, the Applicant wrote to the Administrator, UNDP, asking him to consider granting an agreed separation, rather than imposing disciplinary sanctions, for humanitarian reasons. On 18 April, the Administrator responded that he had decided to maintain his decision to dismiss the Applicant but, "in light of [the Applicant's] continuing need for [medical] insurance coverage", UNDP was prepared "for humanitarian reasons, to defer the entry into force of [that] dismissal until [he] reached ... early retirement age ... or ... found a new job [with] medical coverage". The Applicant was informed that he was being placed on special leave without pay (SLWOP) as of 1 April 2005.

On 23 June 2005, the Applicant filed the above-referenced Application with the Tribunal.

Whereas the Applicant's principal contentions are:

1. The DC mistakenly characterized errors in managerial judgement as criminal activities.
2. UNDP manipulated the case against him.
3. UNDP imposed a harsh and disproportionate sanction.
4. The Applicant's rights of due process were violated in a number of ways.

Whereas the Respondent's principal contentions are:

1. It is within the discretionary power of the Secretary-General to determine what constitutes misconduct or serious misconduct, as well as the disciplinary measures cited in staff rule 110.3 to be imposed.

2. The facts on which the disciplinary measure was based have been established.
3. The Applicant failed to meet the standards of integrity required of staff members as international civil servants and his conduct amounted to serious misconduct.
4. The Applicant's due process rights were not violated and there were no other substantive or procedural irregularities.
5. The sanction imposed was not disproportionate to the offence committed by the Applicant.

The Tribunal, having deliberated from 5 to 27 July 2007, now pronounces the following Judgement:

I. The Applicant entered the service of UNDP in August 1987 as an Administrative Trainee. At the time of the events which gave rise to his Application, he held the P-5 level position of Deputy Resident Representative (Operations), Rwanda.

On 5 November 2002, OAPR informed the Rwanda Office that it intended to conduct a review of procurement actions in the Office involving a private company, [GDS] Enterprises. The audit was apparently triggered by a personal payment made by the Applicant to reimburse UNDP US\$ 16,500, which had been overpaid to the company in question. In its subsequent report, OAPR concluded that the Applicant had "neglected his responsibility as chief procurement officer of UNDP Rwanda, deliberately circumvented UNDP procurement rules, participated in bid rigging, and violated ethical duties". The Applicant was alleged to have systematically manipulated the procurement process in order to award tenders to a company owned and operated by Ms. G. D. S., his girlfriend. The report was sent to the Applicant on 26 June 2003 and he was invited to comment thereon. He provided detailed comments on 23 July, denying most of the allegations and asserting that an office known as the Service Centre had been primarily involved in procurement activity. He criticized the general tenor of the report and the investigative techniques employed by OAPR, and claimed that the investigation had been misled by two staff members who had conspired to harm him.

On 3 September 2003, the Applicant was charged with serious misconduct "for the violation of the procurement rules and the ethical duties of officials dealing with procurement, in awarding procurement business to [GDS] Enterprises owned by Ms. [G. D. S.], with whom you had intimate relations". The Applicant responded to the charges on 6 October but the matter was subsequently referred to the DC. In its report of 24 February 2005, the DC found that the Applicant had committed misconduct and had breached the standard of integrity as set out in Article 101.3 of the Charter. It noted its concern over his

"total lack of remorse ... and determined that coupled with his lack of appreciation of the unavoidable need for staff members to obey rules and conduct themselves in an ethical manner, it was more than likely that should he ever be placed in a similar position of high-trust and managerial responsibility, he may very well repeat his errors of judgment".

The unanimous recommendation of the DC was that "the Applicant be separated from service with notice and compensation in lieu thereof, notwithstanding rule 109.3". On 8 March, the Administrator, UNDP, advised the

Applicant that he had decided to dismiss him from service, with payment in lieu of notice but without termination indemnity.

On 18 March 2005, the Applicant wrote to the Administrator asking him to consider granting an agreed separation, rather than imposing disciplinary sanctions. In his response of 18 April, the Administrator indicated that he intended to maintain his decision to dismiss the Applicant but, for humanitarian purposes, would defer the effective date of dismissal until the date upon which the Applicant reached the age on which he could take early retirement or the date upon which he secured other employment which provided medical insurance, whichever came earlier. Accordingly, the Applicant was informed that he had been placed on special leave without pay as of 1 April. On 23 June, the Applicant filed his Application with the Tribunal. The Applicant is currently due to be dismissed from service on 27 August 2007, when he is eligible for early retirement.

II. The Tribunal notes, first, the peculiar circumstances under which the Applicant will separate from service. After having been disciplined, he was maintained in office at his own request, so that he could benefit from the Organization's medical insurance coverage. The Tribunal, however, will not enter into this issue, or its potential impact on the *locus standi* of the Applicant, because it feels that it is not necessary in the present case.

III. The Tribunal now turns its attention to the disciplinary action taken against the Applicant as well as the relevant investigation and disciplinary proceedings.

The Tribunal recalls its Judgement No. 941, *Kiwanuka* (1999), in which it set out the following jurisprudential review of its principal findings in disciplinary measures:

“As early as 1953 (Judgement No. 29, *Gordon*) the issue of disciplinary measures engaged the attention of the Tribunal. The jurisprudence on the subject has developed considerably since then. The Tribunal has made a variety of general statements. Many of these have been determined by the issues arising in the case before the Tribunal. For example, in Judgement No. 583, *Djimbaye*, paragraph VI (1992), it was said that ‘... in disciplinary matters the Secretary-General has a broad power of discretion. Its exercise can only be questioned if due process has not been followed or if it is tainted by prejudice or bias or other extraneous factors.’ (Cf. Judgements No. 351, *Herrera*, para. VII (1985); No. 529, *Dey*, para. V (1991); No. 582, *Neuman*, para. III (1992); and No. 584, *Adongo*, para. I (1992)). In its jurisprudence, the Tribunal has

‘consistently recognized the Secretary-General’s authority to take decisions in disciplinary matters, and established its own competence to review such decisions only in certain exceptional conditions, e.g. in cases of failure to accord due process to the affected staff member before reaching a decision.’ (Judgements No. 300, *Sheye*, para. IX (1982); and No. 210, *Reid*, para. III).”

Furthermore, in *Kiwanuka*, the Tribunal set out the standards by which it scrutinizes disciplinary cases, standards which it has consistently relied upon in its post-*Kiwanuka* jurisprudence:

“In reviewing this kind of quasi-judicial decision and in keeping with the relevant general principles of law, in disciplinary cases the Tribunal generally examines (i) whether the facts on which the disciplinary measures were based have been established; (ii) whether the established facts legally amount to misconduct or serious misconduct; (iii) whether there has been any substantive irregularity (e.g. omission of facts or consideration of irrelevant facts); (iv) whether there has been any procedural irregularity; (v) whether there was an improper motive or abuse of purpose; (vi) whether the sanction is legal; (vii) whether the sanction

imposed was disproportionate to the offence; (viii) and, as in the case of discretionary powers in general, whether there has been arbitrariness. This listing is not intended to be exhaustive.”

IV. The Applicant contends that the sanction of dismissal was disproportionate to any wrongdoing on his part, acts he characterizes as errors in managerial judgement rather than misconduct. The Tribunal, however, “has consistently recognized that the Secretary-General has broad discretion in determining the conduct that is expected of an international civil servant, what constitutes misconduct, and, the appropriate disciplinary sanction to be imposed”. (Judgement No. 1266 (2005).)

In the instant case, the Tribunal finds that separation from service was not disproportionate and was, in contrast, entirely appropriate in the circumstances. As held in Judgement No. 1187, *Igwebe* (2004),

“[i]t is disappointing that such a measure had to be imposed upon a staff member so close to retirement, but the Applicant [him]self bears the responsibility. The United Nations is entitled to expect a level of decorum and conduct from its staff members, which is far above that displayed by the Applicant”.

The Tribunal notes that the Administration was clearly not hostile to the Applicant. This is evidenced by the Administrator’s decision of 18 April 2005, which not only communicated his decision deferring the effective date of the Applicant’s dismissal for a period potentially in excess of two years, but also indicated that UNDP would continue to pay the employer’s share of his medical coverage for the duration of his SLWOP.

Accordingly, the Tribunal finds that it need not examine in any depth the Applicant’s various contentions about the methods used during UNDP’s investigation. First of all, the Tribunal finds nothing in the file which adequately supports the Applicant’s claims, nor does it consider him to have proved such contentions. Moreover, the Tribunal finds that, even absent the fruits of its investigation, the Administration had sufficient evidence against the Applicant to wish to discontinue his employment. The mere fact that the Applicant returned to the Administration, in the form of a personal cheque, the sum of US\$ 16,500 which was due by a private company providing procurement services to UNDP - a company owned by his girlfriend - as an overdue payment, independent from any other consideration, is sufficient to establish that his conduct was not at the standard the Organization may legitimately expect from its staff members. The Applicant apparently lost sight of the fact that he was a senior official involved in procurement and his personal cheque was on behalf of a contracting party. As the Administrator stated, in his above-referenced letter of 18 April 2005,

“evidence [emanating from the Applicant himself], the authenticity of which [he] did not deny, proves that [he was] personally involved in the procurement awards to the [company in question], that the procurement process for most of these awards was irregular and benefited [his] partner’s company, and that there was a conflict of interest between [his] involvement in the procurement business and [his] personal relationship with a vendor”.

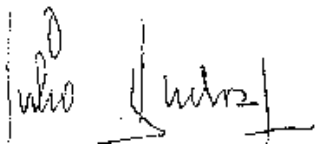
The Tribunal can only agree. Thus, in view of the incontrovertible evidence provided by the Applicant himself, the Administrator was entirely justified in deciding to dismiss the Applicant, albeit with a lengthy, indeed generous, notice period. (See, generally, in this regard Judgement No. 1266, *ibid.*)

V. In view of the foregoing, the Application is rejected in its entirety.

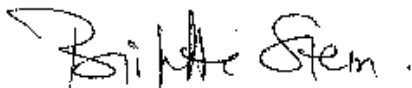
(Signatures)



Spyridon Flogaitis
President




Julio Barboza
Member



Brigitte Stern
Member

Geneva, 27 July 2007



Maritza Struyvenberg
Executive Secretary