

Notice of Uncontested Sanctions Proceedings

July 8, 2019

**Sanctions Case No. 585
IDA Credit Number 4869-UZ
(Uzbekistan Syrdarya Water Supply Project)**

**Respondent:
Mr. Muminjon Yuldashev**

1. On March 27, 2019, the World Bank's Chief Suspension and Debarment Officer (the "SDO") issued a Notice of Sanctions Proceedings (the "Notice") to Mr. Muminjon Yuldashev (the "Respondent") pursuant to sub-paragraph 4.01(a) of Section III.A of the Bank Procedure: Sanctions Proceedings and Settlements in Bank Financed Projects issued by the Bank on June 28, 2016 (the "Sanctions Procedures").
2. The Statement of Accusations and Evidence (the "SAE") prepared by the Bank's Integrity Vice Presidency ("INT") and appended to the Notice contained INT's accusation that the Respondent engaged in a sanctionable practice in connection with the above-named project (the "Project"). The SAE also contained the evidence gathered by INT in support of this accusation.
3. The specific accusation made by INT in the SAE was that the Respondent engaged in a coercive practice by threatening a representative of a competing bidder in an attempt to get him to withdraw the competitor's bid for a construction contract under the Project.
4. Based on a review of INT's SAE conducted in accordance with sub-paragraph 4.01(a) of Section III.A of the Sanctions Procedures, and pursuant to sub-paragraph 4.01(c), sub-paragraph 9.01 and sub-paragraph 9.04 of Section III.A of the Sanctions Procedures, with due consideration of the factors set forth in sub-paragraph 9.02 of Section III.A of the Sanctions Procedures and in the World Bank Group Sanctioning Guidelines, the SDO recommended in the Notice that the Respondent, together with certain Affiliates (as defined in the Sanctions Procedures) where so specified, be sanctioned as follows:

Mr. Muminjon Yuldashev ("Mr. Yuldashev")

***Recommended Sanction: Debarment with Conditional Release
Minimum Period of Ineligibility of Four (4) Years***

It is recommended that Mr. Yuldashev (together with any entity that is an Affiliate directly or indirectly controlled by Mr. Yuldashev, including but not limited to Quvasoy Tamir Qurilish LLC, also known as Kuvasoy Tamir

Kurlish LLC (“Quvasoy”)) be declared ineligible (i) to be awarded or otherwise benefit from a Bank-financed contract, financially or in any other manner,¹ (ii) to be a nominated² sub-contractor, consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract, and (iii) to receive the proceeds of any loan made by the Bank or otherwise to participate further in the preparation or implementation of any project or program financed by the Bank and governed by the Bank’s Procurement Guidelines, Consultant Guidelines or Anti-Corruption Guidelines; provided, however, that after a minimum period of ineligibility of four (4) years, Mr. Yuldashev may be released from ineligibility only if Mr. Yuldashev has, in accordance with sub-paragraph 9.03 of Section III.A of the Sanctions Procedures, demonstrated to the Bank Group’s Integrity Compliance Officer that Mr. Yuldashev has complied with the following conditions:

(a) Mr. Yuldashev has taken appropriate remedial measures to address the sanctionable practices for which Mr. Yuldashev has been sanctioned;

(b) Mr. Yuldashev has completed training and/or other educational programs that demonstrate a continuing commitment to personal integrity and business ethics; and

(c) Any entity that is an Affiliate directly or indirectly controlled by Mr. Yuldashev has adopted and implemented an effective integrity compliance program in a manner satisfactory to the Bank.

It is further recommended that this sanction extend to Quvasoy as a controlled Affiliate for as long as Mr. Yuldashev directly or indirectly controls Quvasoy, notwithstanding the sanction independently imposed on Quvasoy by the Bank on June 13, 2018 in connection with World Bank Sanctions Case No. 454.

In determining the recommended sanction for Mr. Yuldashev, the SDO took into account, as an aggravating factor, that Mr. Yuldashev conspired with

¹ For the avoidance of doubt, the declaration of ineligibility to be awarded a contract will include, without limitation, (i) applying for pre-qualification, expressing interest in a consultancy, and bidding, either directly or as a nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract.

² A nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider (different names are used depending on the particular bidding document) is one which has been: (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the borrower.

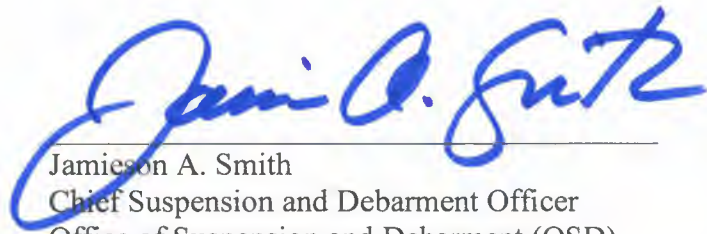
public officials in connection with the coercive practice. The SDO did not apply any additional aggravating factors. . . .

This declaration of ineligibility will extend across the operations of the World Bank Group, including IFC, MIGA and the guarantee and carbon finance operations of the Bank.³ The Bank will also provide notice of this declaration of ineligibility to the other multilateral development banks (“MDBs”) that are party to the Agreement for Mutual Enforcement of Debarment Decisions (the “MDB Cross-Debarment Agreement”) so that they may determine whether to enforce the declarations of ineligibility with respect to their own operations in accordance with the MDB Cross-Debarment Agreement and their own policies and procedures.⁴

5. The Respondent did not submit an Explanation in accordance with sub-paragraph 4.02(b) of Section III.A of the Sanctions Procedures.
6. Sub-paragraph 4.04 of Section III.A of the Sanctions Procedures provides that if a respondent does not contest the accusation or the sanction recommended by the SDO in a Notice of Sanctions Proceedings by submitting a Response (as defined in the Sanctions Procedures) to the World Bank Group Sanctions Board (the “Sanctions Board”) within ninety (90) days after delivery of such Notice of Sanctions Proceedings, the sanction(s) recommended by the SDO shall enter immediately into force.
7. No Response having been submitted to the Sanctions Board by the Respondent within the specified period, INT’s accusation in the SAE and the sanction recommended by the SDO in the Notice are deemed uncontested for purposes of sub-paragraph 4.04 of Section III.A of the Sanctions Procedures, and the recommended sanction set forth in paragraph 4 above has entered into force as of the date hereof.

³ *Sanctions Procedures, . . . sub-paragraph 9.01(c) of Section III.A. For the avoidance of doubt, the declaration of ineligibility also extends to activities financed through trust funds administered by the Bank to the extent governed by the Bank’s Procurement Guidelines, Consultant Guidelines or Anti-Corruption Guidelines. Id., sub-paragraph 1.01(c)(i) of Section III.A.*

⁴ *At present, the parties to the MDB Cross-Debarment Agreement are the Bank Group, the African Development Bank Group, the Asian Development Bank, the European Bank for Reconstruction and Development and the Inter-American Development Bank Group. The MDB Cross-Debarment Agreement provides that, subject to the prerequisite conditions set forth in the MDB Cross-Debarment Agreement, unless a participating MDB (i) believes that any of the prerequisite conditions set forth in the MDB Cross-Debarment Agreement have not been met or (ii) decides to exercise its rights under the “opt out” clause set forth in the MDB Cross-Debarment Agreement, each participating MDB will promptly enforce the debarment decisions of the other participating MDBs. More information about the MDB Cross-Debarment Agreement is available on the Bank’s external website (<http://go.worldbank.org/B699B73Q00>).*



Jamieson A. Smith
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Office of Suspension and Debarment (OSD)
The World Bank