

Notice of Uncontested Sanctions Proceedings

October 4, 2022

**Sanctions Case No. 678
IDA Credit Number 4539-NG
(Nigeria Commercial Agriculture Development Project)
and IDA Credit Number 5105-NG
(Nigeria Erosion and Watershed Management Project)**

**Respondents:
Chez Aviv Nigeria Limited
Mr. Frank John Friday Nnaji**

1. On June 28, 2022, the World Bank’s Chief Suspension and Debarment Officer (the “SDO”) issued a Notice of Sanctions Proceedings (the “Notice”) to Chez Aviv Nigeria Limited (“Chez Aviv”) and Mr. Frank John Friday Nnaji (“Mr. Nnaji”) (together, the “Respondents”) 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 accusations that the Respondents engaged in Sanctionable Practices (as defined in the Sanctions Procedures) in connection with the above-named projects (the “Projects”). The SAE also contained the evidence gathered by INT in support of these accusations.
3. In the SAE, INT made the following specific accusations:
 - (a) Chez Aviv engaged in fraudulent practices in connection with several bids for contracts under the Projects by:
 - i. misrepresenting its past experience in its bids for eleven contracts. Mr. Nnaji was personally involved in the fraudulent misrepresentations of Chez Aviv in seven of these bids;
 - ii. misrepresenting the qualifications and past experience of key personnel its bids for ten contracts. Mr. Nnaji was personally involved in the fraudulent misrepresentations of Chez Aviv in seven of these bids;
 - iii. including audited financial statements and bidder information forms that contained false financial information in its bids for ten contracts. Mr. Nnaji was personally involved in the fraudulent misrepresentations of Chez Aviv in seven of these bids.
 - (b) the Respondents engaged in corrupt practices in connection with Chez Aviv’s bids for nine contracts under the Projects by making a series of payments to

public officials and supervisory consultants to improperly influence their actions.

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 each Respondent, together with certain Affiliates (as defined in the Sanctions Procedures) where so specified, be sanctioned as follows:

Respondent 1

Chez Aviv Nigeria Limited ("Chez Aviv")

***Recommended Sanction: Debarment with Conditional Release
Minimum Period of Ineligibility of Nine (9) Years***

It is recommended that Chez Aviv (together with any entity that is an Affiliate directly or indirectly controlled by Chez Aviv) 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 Bank-Financed Project; provided, however, that after a minimum period of ineligibility of nine (9) years, Chez Aviv may be released from ineligibility only if Chez Aviv has, in accordance with sub-paragraph 9.03 of Section III.A of the Sanctions Procedures, demonstrated to the Bank Group's

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.

Integrity Compliance Officer that Chez Aviv has complied with the following conditions:

(a) Chez Aviv has taken appropriate remedial measures to address the [S]anctionable [P]ractices for which Chez Aviv has been sanctioned; and

(b) Chez Aviv has adopted and implemented, in a manner satisfactory to the Bank, integrity compliance measures as may be imposed by the Bank Group's Integrity Compliance Officer pursuant to sub-paragraph 9.03(b) of Section III.A of the Sanctions Procedures (e.g., an integrity compliance program or elements thereof) to address the Sanctionable Practices.

In determining this recommended sanction, the SDO took into account, as aggravating factors, (i) that Chez Aviv engaged in both fraudulent and corrupt practices; (ii) Chez Aviv's repeated pattern of both fraudulent and corrupt conduct; and (iii) that [Mr. Nnaji] was Chez Aviv's Managing Director and Chief Executive Officer. The SDO did not apply any additional aggravating factors The SDO also took into account, as mitigating factors, (i) INT's representations regarding the extent of Chez Aviv's cooperation during the course of the investigation, noting in particular that Chez Aviv provided requested documents and Chez Aviv representatives met with INT and also provided relevant documents; and (ii) the significant passage of time since some of the misconduct occurred and since the Bank was made aware of it. The SDO did not apply any additional mitigating 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

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 Regulations (or either of the Regulations' predecessor documents, the Procurement Guidelines and 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*

Respondent 2

Mr. Frank John Friday Nnaji (“Mr. Nnaji”)

***Recommended Sanction: Debarment with Conditional Release
Minimum Period of Ineligibility of Nine (9) Years***

It is recommended that Mr. Nnaji (together with any entity that is an Affiliate directly or indirectly controlled by Mr. Nnaji) be declared ineligible (i) to be awarded or otherwise benefit from a Bank-financed contract, financially or in any other manner;⁵ (ii) to be a nominated⁶ 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 Bank-Financed Project; provided, however, that after a minimum period of ineligibility of nine (9) years, Mr. Nnaji may be released from ineligibility only if Mr. Nnaji 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. Nnaji has complied with the following conditions:

(a) Mr. Nnaji has taken appropriate remedial measures to address the Sanctionable Practices for which Mr. Nnaji has been sanctioned; and

(b) Mr. Nnaji 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. Nnaji has adopted and implemented, in a manner satisfactory to the Bank, integrity compliance measures as may be imposed by the Bank Group’s

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.

⁵ *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.*

⁶ *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.*

Integrity Compliance Officer pursuant to sub-paragraph 9.03(b) of Section III.A of the Sanctions Procedures (e.g., an integrity compliance program or elements thereof) to address the Sanctionable Practices.

In determining this recommended sanction, the SDO took into account, as aggravating factors, (i) that Mr. Nnaji engaged in both fraudulent and corrupt practices; (ii) Mr. Nnaji's repeated pattern of both fraudulent and corrupt conduct; and (iii) that Mr. Nnaji was [Chez Aviv's] Managing Director and Chief Executive Officer. The SDO did not apply any additional aggravating factors The SDO also took into account, as mitigating factors, (i) INT's representations regarding the extent of Mr. Nnaji's cooperation during the course of the investigation, noting in particular that Mr. Nnaji met with INT and provided relevant documents; and (ii) the significant passage of time since some of the misconduct occurred and since the Bank was made aware of it. The SDO did not apply any additional mitigating factors.

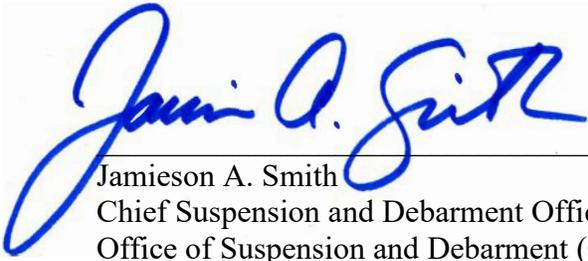
This declaration of ineligibility will extend across the operations of the World Bank Group, including IFC, MIGA, and the guarantee and carbon finance operations of the Bank.⁷ The Bank will also provide notice of this declaration of ineligibility to the other multilateral development banks ("MDBs") that 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.⁸

5. Neither of the Respondents submitted an Explanation (as defined in the Sanctions Procedures) in accordance with sub-paragraph 4.02(b) of Section III.A of the Sanctions Procedures.

⁷ *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 Regulations (or either of the Regulations' predecessor documents, the Procurement Guidelines and Consultant Guidelines) or Anti-Corruption Guidelines. Id., sub-paragraph 1.01(c)(i) of Section III.A.*

⁸ *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.*

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 recommended by the SDO shall enter immediately into force.
7. No Response having been submitted to the Sanctions Board by either of the Respondents within the specified period, INT’s accusations in the SAE and the sanctions 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 sanctions set forth in paragraph 4 above have entered into force as of the date hereof.



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