

Notice of Uncontested Sanctions Proceedings

February 2, 2023

**Sanctions Case No. 750
IDA Credit Number 4347-VN
(Vietnam Hanoi Urban Transport Development Project)
IDA Credit Number 5233-VN
(Vietnam Da Nang Sustainable City Development Project)**

**Respondent:
Mr. Pham Hong Ha**

1. On July 28, 2022, the World Bank’s Chief Suspension and Debarment Officer (the “SDO”) issued a Notice of Sanctions Proceedings (the “Notice”) to Mr. Pham Hong Ha (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 World Bank (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 Respondent 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 alleged that the Respondent, acting as a manager of a technology company, engaged in collusive practices in connection with the procurement of (i) a contract regarding the fare collection, fleet management, passenger information, and communication systems of a bus rapid transit line under the Hanoi Urban Transport Development Project; and (ii) a contract regarding the ticketing and intelligent transport systems for a public transport system under the Da Nang Sustainable City Development Project. Specifically, INT alleged that the Respondent entered into collusive arrangements with a firm and the design consultants under the two contracts in order to obtain confidential information and influence the technical and qualification requirements in the contracts’ bidding documents, in favor of the firm and its partners, which included the Respondent’s company.
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 Notice¹ that the Respondent, together with certain Affiliates (as defined in the Sanctions Procedures) where so specified, be sanctioned as follows:

Mr. Pham Hong Ha (“Mr. Pham”)

***Recommended Sanction: Debarment with Conditional Release
Minimum Period of Ineligibility of Five (5) Years and One (1) Month***

It is recommended that Mr. Pham (together with any entity that is an Affiliate directly or indirectly controlled by Mr. Pham, including but not limited to Ha Thanh Group Joint Stock Company . . . [,] be declared ineligible (i) to be awarded or otherwise benefit from a Bank-financed contract, financially or in any other manner;² (ii) to be a nominated³ 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 five (5) years and one (1) month, Mr. Pham may be released from ineligibility only if Mr. Pham 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. Pham has complied with the following conditions:

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

¹ *As the Notice was unable to be delivered to the Respondent at the address designated by INT and INT was unable to ascertain the current address of the Respondent after reasonable efforts, delivery of the Notice was accomplished pursuant to sub-paragraph 11.04(a) of Section III.A and sub-paragraphs 6 through 8 of Section III.C of the Sanctions Procedures (“Constructive Delivery of Notices”).*

² *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.*

³ *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.*

(b) Mr. Pham 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. Pham has adopted and implemented 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 practice.

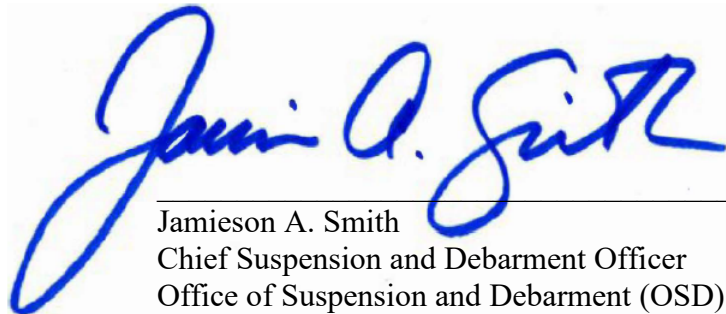
In determining this recommended sanction, the SDO took into account, as aggravating factors, (i) the fact that Mr. Pham engaged in two separate collusive schemes; (ii) the central role that Mr. Pham played in each of the collusive schemes at issue in this case; and (iii) the sophistication of the collusive schemes, each of which involved multiple parties and required significant coordination. As a mitigating factor, the SDO took into account the passage of time since the misconduct occurred and since the Bank became aware of it. The SDO did not apply any additional aggravating or 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.⁴ 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.⁵

⁴ 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.

⁵ 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.

5. The Respondent did not submit an Explanation (as defined in the Sanctions Procedures) 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 accusations 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 the Respondent within the specified period, INT’s accusations 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.



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