THE WORLD BANK GROUP
SANCTIONS BOARD

**Date of issuance: September 30, 2015**

**Sanctions Board Decision No. 83**
**(Sanctions Case No. 202)**

**IDA Credit No. 4028-VN**
**Vietnam**

**Decision of the World Bank Group[1] Sanctions Board:**

i. **imposing a sanction of debarment on a respondent entity in Sanctions Case No. 202 (the "First Respondent Firm"), together with any entity that is an Affiliate[2] directly or indirectly controlled by the First Respondent Firm, for a period of one (1) year beginning from the date of this decision. This sanction is imposed on the First Respondent Firm for fraudulent practices.**

ii. **imposing a sanction of reprimand on a second respondent entity in Sanctions Case No. 202 (the "Second Respondent Firm") (together with the First Respondent Firm, the "Respondents") by means of a formal letter of reprimand to be posted on the World Bank's website for a period of three (3) months beginning from the date of this decision. This sanction is imposed on the Second Respondent Firm for fraudulent practices.**

iii. **finding insufficient evidence to conclude that it is more likely than not that the named affiliate in Sanctions Case No. 202 (the "Named Affiliate") (together with the Respondents, the "Contesting Parties") is liable for the Respondents' fraudulent practices.**

## I. INTRODUCTION

1. The Sanctions Board considered this case in plenary sessions held in person and through virtual means in June 2015. The Sanctions Board was composed of L. Yves Fortier (Chair), Alison Micheli, Ellen Gracie Northfleet, Catherine O'Regan, Denis Robitaille, and J. James Spinner.

2. A hearing was held on June 4, 2015, at the request of the Contesting Parties and in accordance with Article VI of the Sanctions Procedures. The World Bank Group's Integrity Vice Presidency ("INT") participated in the hearing through its representatives attending in

[1] In accordance with Section 1.02(a) of the World Bank Sanctions Procedures as adopted April 15, 2012 (the "Sanctions Procedures"), the term "World Bank Group" means, collectively, the International Bank for Reconstruction and Development ("IBRD"), the International Development Association ("IDA"), the International Finance Corporation ("IFC"), and the Multilateral Investment Guarantee Agency ("MIGA"). For the avoidance of doubt, the term "World Bank Group" includes the guarantee operations of IBRD and IDA, but does not include the International Centre for the Settlement of Investment Disputes ("ICSID"). As in the Sanctions Procedures, the terms "World Bank" and "Bank" are here used interchangeably to refer to both IBRD and IDA. See Sanctions Procedures at Section 1.01(a), n.1.

[2] The term "Affiliate" means "any legal or natural person that controls, is controlled by, or is under common control with, the Respondent, as determined by the Bank." Sanctions Procedures at Section 1.02(a).

person. The Contesting Parties were represented by outside counsel and the Executive Vice President and General Counsel of the Named Affiliate, all attending in person. The Sanctions Board deliberated and reached its decision based on the written record and the arguments presented at the hearing.

3. In accordance with Section 8.02(a) of the Sanctions Procedures, the written record for the Sanctions Board's consideration included the following:

i. Notice of Sanctions Proceedings issued by the World Bank's Evaluation and Suspension Officer (the "EO")[3] to the Contesting Parties on July 17, 2014 (the "Notice"), appending the Statement of Accusations and Evidence (the "SAE") presented to the EO by INT, dated June 18, 2012;

ii. Explanation submitted by the Contesting Parties to the EO on August 15, 2014 (the "Explanation");

iii. Response submitted by the Contesting Parties to the Secretary to the Sanctions Board on October 31, 2014 (the "Response"); and

iv. Reply submitted by INT to the Secretary to the Sanctions Board on December 23, 2014 (the "Reply").

4. Pursuant to Sections 4.01(c), 9.01, and 9.04 of the Sanctions Procedures, the EO recommended debarment with conditional release for the First Respondent Firm and the Second Respondent Firm's predecessor (the "Second Predecessor Firm"), together with any entity that is an Affiliate directly or indirectly controlled by either of these entities. The EO initially recommended a minimum period of ineligibility of four (4) years for the First Respondent Firm and the Second Predecessor Firm, after which period each may be released from ineligibility only if it has, in accordance with Section 9.03 of the Sanctions Procedures, demonstrated to the World Bank Group's Integrity Compliance Officer (the "ICO") that it has (i) taken appropriate remedial measures to address the sanctionable practices for which it has been sanctioned and (ii) adopted and implemented an effective integrity compliance program in a manner satisfactory to the Bank. The EO further recommended that the Named Affiliate, together with any entity that is an Affiliate directly or indirectly controlled by the Named Affiliate (subject to the operation of any sanction imposed on the First Respondent Firm and the Second Predecessor Firm and the directly and indirectly controlled Affiliates thereof) be required to demonstrate to the ICO, as a condition to avoid debarment and in accordance with Section 9.03 of the Sanctions Procedures, that it has, by the expiration of a period of two (2) years, (i) taken appropriate remedial measures to address the sanctionable practices for which it has been sanctioned and (ii) adopted and implemented an effective integrity compliance program in a manner satisfactory to the Bank. In the case of a determination by the ICO of non-compliance with the conditions of non-debarment, the EO recommended a minimum period of ineligibility of six (6) months, after which period the Named Affiliate may be released from ineligibility only if it has, in accordance with Section 9.03 of the Sanctions

[3] Effective March 31, 2013, the EO's title changed to "IBRD/IDA Suspension and Debarment Officer" ("SDO"). For consistency with the Sanctions Procedures, this decision refers to the former title.

Procedures, demonstrated to the ICO that it has complied with the conditions originally stipulated for non-debarment.

5. Upon review of the Explanation, and noting that the Contesting Parties indicated in that submission that the Second Respondent Firm is the legal successor to the Second Predecessor Firm, the EO determined that additional mitigation was warranted for (i) the Respondents for the compliance program implemented by the corporate group controlled by the Named Affiliate (the "Group"), internal action against a responsible individual, and voluntary restraint; and (ii) the Second Respondent Firm based on the Second Predecessor Firm's minor role in the misconduct. On these grounds, the EO reduced the recommended minimum period of ineligibility to two (2) years for the First Respondent Firm and to one (1) year for the Second Respondent Firm in lieu of its predecessor. The EO did not revise the recommended sanction for the Named Affiliate.

6. Effective July 17, 2014, pursuant to Section 4.02(a) of the Sanctions Procedures, the EO temporarily suspended the Respondents, together with any entity that is an Affiliate directly or indirectly controlled by either of the Respondents, from eligibility to (i) be awarded or otherwise benefit from a Bank-financed contract, financially or in any other manner;[4] (ii) be a nominated sub-contractor, consultant, manufacturer or supplier, or service provider[5] of an otherwise eligible firm being awarded a Bank-financed contract; and (iii) receive the proceeds of any loan made by the Bank or otherwise 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 (referred to collectively as "Bank-Financed Projects")[6] pending the final outcome of the sanctions proceedings. The Notice specified that the temporary suspension would apply across the operations of the World Bank Group.

## II. GENERAL BACKGROUND

7. This case arises in the context of the Vietnam Urban Water Supply Development Project (the "Project"), which sought to improve water and household sanitation services in selected district towns and large urban centers in participating provinces. On July 15, 2005, IDA and the Socialist Republic of Vietnam (the "Borrower") entered into a development

[4] For the avoidance of doubt, the scope of ineligibility to be awarded a contract includes, without limitation, (i) applying for prequalification, expressing interest in a consultancy, and bidding, either directly or as a nominated sub-contractor, consultant, manufacturer or supplier, or service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract. Sanctions Procedures at Section 9.01(c)(i), n.16.

[5] A nominated sub-contractor, consultant, manufacturer or supplier, or service provider (different names are used depending on the particular bidding document) is one which has been: (i) included by the bidder in its prequalification 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. Sanctions Procedures at Section 9.01(c)(ii), n.17.

[6] For the avoidance of doubt, the term "Bank-Financed Projects" includes activities financed through trust funds administered by the Bank to the extent governed by said Guidelines. Sanctions Procedures at Section 1.01(c)(i), n.3.

credit agreement to provide the equivalent of approximately US$113 million (later revised to the equivalent of approximately US$98 million) to finance the Project. The Project became effective on November 11, 2005, and closed on June 30, 2013.

8. On March 12, 2007, the implementing agency for the Project (the "Implementing Agency") issued a request for proposals (the "RFP") under the Project for a contract for consulting services for sub-project preparation and support (the "Contract"). The RFP was issued to six shortlisted entities, including a consortium of the First Respondent Firm's predecessor (the "First Predecessor Firm") (together with the Second Predecessor Firm, the "Respondents' Predecessors"), the Second Predecessor Firm, and two sub-consultants (respectively, the "First Sub-Consultant" and the "Second Sub-Consultant") (all together, the "Consortium"). On April 10, 2007, the Consortium submitted a technical proposal for the Contract (the "Technical Proposal") signed by the director of the First Predecessor Firm's Vietnam Representative Office (the "Director"). On that same day, the First Predecessor Firm entered into separate contracts with the First Sub-Consultant and the Second Sub-Consultant, pursuant to which the latter two companies would act as sub-consultants to the First Predecessor Firm in connection with the Contract.

9. On April 15, 2007, the Respondents' Predecessors entered into a consortium agreement in connection with the Contract. The agreement specified that the members of the consortium would "be jointly and severally liable for the execution of the entire assignment," and that the "leading partner of the association" would be the First Predecessor Firm. On April 16, 2007, the Director signed and submitted, on behalf of the First Predecessor Firm, and in support of the Technical Proposal, a Form Fin-1 Financial Proposal Submission Form (the "Fin-1 Form") (together with the Technical Proposal, the "Proposal"). On February 18, 2008, the Director, on behalf of both of the Respondents' Predecessors, signed the Contract with the Implementing Agency.

10. On July 6, 2010, the Implementing Agency terminated the Contract due to concerns including fraudulent practices in connection with the selection process and execution of the Contract.

11. INT alleges that the Respondents engaged in fraud through their predecessors, and that the Named Affiliate should be held liable on account of its willful blindness and egregious failure to supervise. As discussed in more detail below, INT contends that the Respondents' Predecessors misrepresented and/or improperly failed to disclose certain facts during and after the Contract selection process, and submitted false documents in support of payment requests during the execution of the Contract.

## III. APPLICABLE STANDARDS OF REVIEW

12. Pursuant to Section 8.02(b)(i) of the Sanctions Procedures, the Sanctions Board determines whether the evidence presented by INT, as contested by a respondent, supports the conclusion that it is "more likely than not" that the respondent engaged in a sanctionable practice. Section 8.02(b)(i) defines "more likely than not" to mean that, upon consideration of all the relevant evidence, a preponderance of the evidence supports a finding that the respondent engaged in a sanctionable practice. As set forth in Section 7.01 of the Sanctions

Procedures, formal rules of evidence do not apply; and the Sanctions Board has discretion to determine the relevance, materiality, weight, and sufficiency of all evidence offered.

13. Under Section 8.02(b)(ii) of the Sanctions Procedures, INT bears the initial burden of proof to present evidence sufficient to establish that it is more likely than not that a respondent engaged in a sanctionable practice. Upon such a showing by INT, the burden of proof shifts to the respondent to demonstrate that it is more likely than not that its conduct did not amount to a sanctionable practice.

14. The alleged sanctionable practice in this case has the meaning set forth in the World Bank's Guidelines: Selection and Employment of Consultants by World Bank Borrowers (May 2004) (the "May 2004 Consultant Guidelines"), which governed the selection process for the Project under the development credit agreement, and whose definition of fraudulent practice was repeated in the RFP and the Contract. Paragraph 1.22(a)(ii) of these Guidelines defines the term "fraudulent practice" as "a misrepresentation or omission of facts in order to influence a selection process or the execution of a contract." This definition does not include an explicit mens rea requirement such as the "knowing or reckless" standard adopted by the Bank from October 2006 onward.[7] However, the legislative history of the Bank's various definitions of "fraudulent practice" reflects that the October 2006 incorporation of the "knowing or reckless" standard was intended only to make explicit the pre-existing standard for mens rea, not to articulate a new limitation.[8] Accordingly, the Sanctions Board has held that the "knowing or reckless" standard may be implied under the pre-October 2006 definitions.[9]

## IV. PRINCIPAL CONTENTIONS OF THE PARTIES

### A. INT's Principal Contentions in the SAE

#### 1. Allegations of fraudulent practices

15. INT alleges that the Respondents' Predecessors engaged in four distinct fraudulent practices in connection with the Contract.

16. *Fraud allegation 1*: INT alleges that the Respondents' Predecessors knowingly failed to disclose and affirmatively misrepresented the existence of an agreement with a marketing consultant (the "Marketing Consultant"), and failed to disclose subsequent payments to the Marketing Consultant. According to INT, the Respondents' Predecessors therefore knowingly breached their initial and ongoing obligations pursuant to the RFP and the Contract to disclose any agency relationship or commission payments.

---

[7] See, e.g., World Bank's Guidelines: Selection and Employment of Consultants by World Bank Borrowers (May 2004, revised October 2006) at para. 1.22(a)(ii) (defining "fraudulent practice" as "any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation") (emphasis added).

[8] Sanctions Board Decision No. 41 (2010) at para. 75.

[9] Id.

17. *Fraud allegation 2*: INT alleges that the Respondents' Predecessors knowingly or recklessly failed to disclose a conflict of interest involving the First Sub-Consultant, and thereby breached their obligation under the RFP to disclose any actual or potential conflicts of interest. According to INT, a close relationship between the First Sub-Consultant and a now-former World Bank staff member involved in the selection process for the Contract (the "World Bank Official") created an actual or potential conflict of interest for the Respondents' Predecessors, who considered the connection a business advantage.

18. *Fraud allegation 3*: INT alleges that the Respondents' Predecessors knowingly submitted a falsified receipt for reimbursement of costs incurred during the execution of the Contract. INT contends that the Sanctions Board has established that the use of a false or fabricated document constitutes a fraudulent practice even if the document's content is substantially correct.

19. *Fraud allegation 4*: INT alleges that the Respondents' Predecessors knowingly submitted false timesheets for reimbursement. INT asserts that the Respondents' Predecessors had unsuccessfully sought approval from the Implementing Agency to replace a procurement specialist (the "Procurement Specialist") with another individual (the "Replacement"). According to INT, instead of finding a more suitable replacement, the Respondents' Predecessors submitted false timesheets to the Implementing Agency in the name of the Procurement Specialist for work actually completed by the Replacement.

2. Allegations regarding the Named Affiliate's responsibility for the alleged misconduct

20. INT submits that the Named Affiliate is responsible for the alleged misconduct of the Respondents' Predecessors. According to INT, the Named Affiliate (i) controlled the Respondents' Predecessors, as demonstrated by its 100% ownership interest in both entities, among other factors; (ii) was responsible for designing, implementing, and enforcing Group-wide policies, including an "Integrated Vietnam Strategy"; and (iii) implemented the "Integrated Vietnam Strategy" without a "state-of-the-art" compliance framework, and systematically and egregiously failed to supervise the conduct of its subsidiaries.

3. Sanctioning factors

21. INT asserts that aggravation is warranted for the severity of the misconduct, the history of misconduct by the Named Affiliate and its subsidiaries, harm to the Project, and other "serious contractual violations" by the Respondents' Predecessors. INT submits that mitigation may be warranted for the Contesting Parties' limited cooperation with INT's investigation of this matter, the Named Affiliate's cooperation with the audit of an earlier World Bank-funded development project in China (the "China Project"), and the Contesting Parties' apparent disciplinary action against responsible staff members.

## B. The Contesting Parties' Principal Contentions in the Explanation and the Response

### 1. Contentions regarding withheld or redacted exhibits

22. Prior to submission of the Response, the Contesting Parties had requested in camera access to a withheld exhibit, access to a second withheld exhibit, and access to an unredacted version of a third exhibit. In the Response, the Contesting Parties requested, in the alternative, that the Sanctions Board not consider these exhibits as evidence in this case. As discussed in Paragraphs 43-44 below, the Sanctions Board resolved these requests on May 28, 2015.

### 2. Contentions regarding the Second Predecessor Firm's role

23. The Contesting Parties assert that INT fails to demonstrate that the Second Predecessor Firm played any role with respect to the Contract or the four alleged fraudulent practices.

### 3. Contentions regarding INT's allegations of fraudulent practices

24. *Fraud allegation 1*: The Contesting Parties acknowledge that the First Predecessor Firm had an agreement with the Marketing Consultant, that the Fin-1 Form and the Contract required disclosure of commission agents, and that the Director did not disclose the First Predecessor Firm's relationship with the Marketing Consultant. However, the Contesting Parties assert that INT fails to demonstrate that the Director acted knowingly in omitting to disclose the relationship or that the omission was made in order to influence the Contract's selection or execution.

25. *Fraud allegation 2*: The Contesting Parties submit that INT is unable to show that the First Predecessor Firm knowingly omitted to disclose a conflict of interest involving the First Sub-Consultant. The Contesting Parties argue that INT must show not only that the First Predecessor Firm had knowledge of a close relationship between the First Sub-Consultant and the World Bank Official, but also that the First Predecessor Firm knew or should have known that the relationship would influence the selection process or execution of the Contract.

26. *Fraud allegation 3*: The Contesting Parties do not contest that the Director submitted a falsified receipt. However, they assert that since the amount of reimbursement sought through the falsified receipt corresponded to expenses the First Predecessor Firm had incurred pursuant to its contractual obligations, the reimbursement resulted in no financial benefit to the First Predecessor Firm beyond the ordinary consideration provided for under the Contract. The Contesting Parties further assert that the amount involved was de minimis and that there was no harm to the Implementing Agency. In addition, the Contesting Parties dispute INT's reading of Sanctions Board precedent.

27. *Fraud allegation 4*: The Contesting Parties argue that INT fails to substantiate its claim that false timesheets were knowingly submitted to the Implementing Agency. The Contesting Parties assert that the Director maintained internal "parallel timesheets" to track the work of replacement personnel, but that these internal timesheets were never intended to

be submitted to the Implementing Agency. The Contesting Parties further assert that there is no evidence to suggest that the work of unapproved personnel was invoiced to the Implementing Agency; and that if the work of unapproved personnel was billed to the Implementing Agency, there was minimal harm.

4. Contentions regarding the Named Affiliate's responsibility for the alleged misconduct

28. The Contesting Parties argue that INT fails to establish a basis for sanctioning the Named Affiliate for any of the alleged misconduct. The Contesting Parties assert, inter alia, that (i) the Named Affiliate did not exercise significant operational management control over its subsidiaries at the time of the Project; (ii) the Named Affiliate did not demonstrate a systematic lack of oversight or otherwise fail to supervise its subsidiaries; (iii) there is no connection between any individuals affiliated with the Named Affiliate and the substantive misconduct alleged in the SAE; and (iv) INT has not shown that sanctioning the Named Affiliate is necessary to avoid circumvention of any sanction imposed on the Respondents.

5. Sanctioning factors

29. In the Explanation, the Contesting Parties request that the Notice be withdrawn as it relates to the Named Affiliate and the Second Predecessor Firm, and that the recommended sanction for the First Respondent Firm be reduced. In the Response, the Contesting Parties dispute the application of the aggravating factors asserted by INT and reassert the mitigating factors recognized by the EO, including the First Respondent Firm's internal action against staff members; the Second Predecessor Firm's minor role in the conduct at issue; and the compliance program and voluntary restraint policy instituted across the Group. The Contesting Parties further assert that mitigation is warranted for the following factors not credited by the EO: (i) significant passage of time since the Proposal's submission and INT's awareness of the alleged misconduct; (ii) structural changes to the Group; (iii) departure of key individuals; (iv) cooperation of the First Predecessor Firm and the Named Affiliate with INT's audit and investigations; and (v) INT's breaches of confidentiality.

## C. INT's Principal Contentions in the Reply

1. Contentions regarding withheld or redacted exhibits

30. In response to the Contesting Parties' contentions regarding withheld or redacted exhibits, INT asserted that it properly restricted access to the exhibits under the Sanctions Procedures and World Bank Group confidentiality rules.

2. Contentions regarding the Second Predecessor Firm's role

31. INT argues that, even if the Second Predecessor Firm did not perform on the Contract, the Second Predecessor Firm was a signatory to the Proposal and the Contract through its representative, the Director, and thus remained jointly and severally liable for the misconduct alleged. INT further asserts that the Second Predecessor Firm derived a significant business

benefit from the Contract and that the First Predecessor Firm and the Director acted as agents of the Second Predecessor Firm.

3. Contentions in support of the allegations of fraudulent practices

32. *Fraud allegation 1*: INT asserts that the Contesting Parties' characterization of the First Predecessor Firm's agreement with the Marketing Consultant and the terms of the agreement itself demonstrate that the Marketing Consultant acted as a "commission agent." In addition, INT disputes the Contesting Parties' argument that the Director lacked the requisite mens rea in failing to disclose the agency relationship with the Marketing Consultant.

33. *Fraud allegation 2*: INT asserts that evidence in the record demonstrates that the Director was aware of the conflict of interest involving the First Sub-Consultant prior to the Director's submission of the Proposal. According to INT, the Contesting Parties were at least reckless because they knew or should have known about a potential conflict of interest in light of "rumors" regarding the World Bank Official and the First Sub-Consultant.

34. *Fraud allegation 3*: INT disputes the Contesting Parties' characterization of Sanctions Board precedent, asserting that the Sanctions Board has consistently held that the submission of false documents is sanctionable whether or not such submission resulted in financial benefit to a respondent.

35. *Fraud allegation 4*: According to INT, the record contradicts the Contesting Parties' claim that the false timesheets were created only for internal purposes, as evidence demonstrates that a plan was devised to create fraudulent timesheets and that the timesheets were submitted with two invoices to the Implementing Agency.

4. Contentions regarding the Named Affiliate's responsibility for the alleged misconduct

36. INT argues that evidence of how the Named Affiliate conducted its business demonstrates that the Named Affiliate controlled and wholly owned the Respondents' Predecessors. According to INT, the evidence also reveals that the Named Affiliate was responsible for designing, implementing, and enforcing Group-wide compliance policies, but failed to carry out these duties effectively.

5. Sanctioning factors

37. INT asserts that aggravation is warranted for the Respondents' "various serious transgressions" in this case, as well as for additional contractual violations. INT argues that the Contesting Parties did not deserve the mitigation credited by the EO and that the Contesting Parties are not entitled to additional mitigation.

## D. Presentations at the Hearing

38. In its presentation, INT reiterated its allegations that the Contesting Parties engaged in four distinct fraudulent practices. Regarding the first allegation, INT asserted that the Respondents' Predecessors knowingly failed to disclose their relationship with and payments

to the Marketing Consultant, and that the Marketing Consultant's connections to government officials provided a motive not to disclose the relationship. With respect to the second allegation, INT asserted that the Respondents' Predecessors acted knowingly or recklessly, or were willfully blind, in failing to disclose the First Sub-Consultant's relationship with the World Bank Official. Regarding the third allegation, INT asserted that the falsified receipt was intended to recover expenses ineligible for reimbursement. As to the fourth allegation, INT asserted that the Replacement's lack of requisite qualifications provides evidence of a motive to submit falsified timesheets for that individual's work.

39. INT also addressed the Named Affiliate's potential liability for the alleged misconduct and appropriate sanctions for the Contesting Parties. INT asserted that the Named Affiliate is directly liable for all of the alleged misconduct because the Contesting Parties operated as a single economic unit. INT further asserted that sanctions in this case would only be effective if they reached the Named Affiliate, because the Respondents operate exclusively in their home countries and the Bank does not finance development projects in those countries.

40. The Contesting Parties disputed INT's allegations of fraudulent practices. The Contesting Parties argued that all of the conduct alleged by INT is attributable to the Director alone, and that none of the conduct rose to the level of a fraudulent practice. Regarding the first allegation, the Contesting Parties asserted that the Marketing Consultant did not act as an agent, but rather provided specific services, including office support, in exchange for its fee. With respect to the second allegation, the Contesting Parties argued that the alleged conflict of interest involving the First Sub-Consultant did not need to be disclosed under the terms of the Contract. The Contesting Parties further argued that there is no evidence of motive to conceal any potential conflict of interest, given the lack of a connection between the alleged conflict and any effect on the selection process or execution of the Contract. Regarding the third allegation, the Contesting Parties asserted that the falsification of the receipt, though a misrepresentation of fact, did not rise to the level of fraud. As to the fourth allegation, the Contesting Parties reiterated their assertion that while the Director kept parallel timesheets for potential replacement personnel, there is no evidence that the timesheets were ever submitted.

41. In response to INT's contentions regarding liability of the Named Affiliate and the scope of sanctions, the Contesting Parties argued that the Named Affiliate should not be subject to sanctions, and that any sanction of the Respondents would be disproportionate to the alleged conduct of the Respondents' Predecessors. The Contesting Parties disputed INT's argument that sanctions imposed on the Respondents would lack impact, asserting that the Respondents are involved in projects outside of their home countries and that there would be collateral consequences.

## V. THE SANCTIONS BOARD'S ANALYSIS AND CONCLUSIONS

42. The Sanctions Board will first address the evidentiary issues raised in this case. The Sanctions Board will then consider whether it is more likely than not that the alleged sanctionable practices occurred, and if so, which entities may be held liable for each of the sanctionable practices. Finally, the Sanctions Board will determine what sanctions, if any, should be imposed on each of the Contesting Parties.

### A. Requests for Access to Restricted Exhibits

43. As noted above, prior to submission of the Response, the Contesting Parties had requested in camera access to a withheld exhibit, access to a second withheld exhibit, and access to an unredacted version of a third exhibit. As an alternative, the Contesting Parties requested in the Response that the Sanctions Board not consider these exhibits as evidence in this case. INT responded that disclosure of the first withheld exhibit to the Contesting Parties is prohibited by World Bank Group confidentiality rules and that non-disclosure of the exhibit has not negatively impacted the Contesting Parties' ability to mount a meaningful response; that the second withheld exhibit is a strictly confidential exhibit properly withheld under Section 5.04(c) of the Sanctions Procedures; and that all relevant portions of the redacted exhibit have been disclosed.

44. On May 28, 2015, the Sanctions Board issued a determination with respect to all three exhibits. In accordance with Section 7.01 of the Sanctions Procedures, the Sanctions Board determined that it would afford no weight to the first exhibit, because the exhibit lacks probative value relative to the issues in dispute and other evidence in the record. In addition, the Sanctions Board denied INT's request to withhold the second withheld exhibit from the Contesting Parties because INT failed to adequately substantiate its assertion that a person's life, health, safety, or well-being is at risk in the sense of Section 5.04(c) of the Sanctions Procedures. INT subsequently withdrew that exhibit. Finally, the Sanctions Board denied the Contesting Parties' request for an unredacted version of the third exhibit, having concluded that the redacted material was not necessary to enable the Contesting Parties to mount a meaningful response as set out in Section 5.04(d) of the Sanctions Procedures.

### B. Evidence of Fraudulent Practices

45. In accordance with the definition of "fraudulent practice" under the May 2004 Consultant Guidelines, INT bears the initial burden to show that it is more likely than not that the Contesting Parties engaged in (i) a misrepresentation or omission of facts (ii) that was knowing or reckless (iii) in order to influence a selection process or the execution of the contract.

46. As an initial matter, the Sanctions Board notes that INT makes each of its four allegations of fraudulent practice against the Respondents – as successors to the First Predecessor Firm and the Second Predecessor Firm – in tandem and without differentiating between the conduct of the two Respondents' Predecessors. However, the majority of INT's accusations and evidence relate directly to the conduct only of the First Predecessor Firm and, in particular, to the Director. By contrast, the Contesting Parties advance distinct arguments with regard to each of the Respondents' Predecessors. From the outset, the Contesting Parties assert that the Second Predecessor Firm was not involved in the Contract as a general matter or in any of the specific misconduct alleged by INT. The Contesting Parties then address each of INT's allegations in detail only with respect to the First Predecessor Firm.

47. In light of the parties' arguments and the evidence in the record, the Sanctions Board will first consider each allegation of fraudulent practice as presented with respect to the First Predecessor Firm and the Director. The Sanctions Board will then consider whether the

Director's conduct may be imputed to the First Predecessor Firm, and whether any misconduct of the Director and the First Predecessor Firm may be imputed to the Second Predecessor Firm. The Sanctions Board will then separately address the Respondents' potential successor liability for each of the Respondents' Predecessors, and the Named Affiliate's potential liability as the controlling affiliate of the Respondents' Predecessors.

1. Fraud allegation 1: Alleged non-disclosures and misrepresentation in relation to the Marketing Consultant

a. Misrepresentation or omission of facts

48. The RFP provides that consultants "shall furnish information on commissions and gratuities, if any, paid or to be paid to agents relating to this proposal and during execution of the assignment if the Consultant is awarded the Contract." The Fin-1 Form, appended to the RFP, provides a place for a bidder to make such a disclosure, and alternatively instructs a bidder to certify the following: "No commissions or gratuities have been or are to [be] paid by us to agents relating to this Proposal and Contract execution." Finally, the Contract states that the Bank "will require the successful Consultants to disclose any commissions or fees that may have been paid or are to be paid to agents, representatives, or commission agents with respect to the selection process or execution of the contract." These provisions, which required disclosure of commissions and fees to be paid to agents in the course of the selection process and execution of the Contract, created an initial and ongoing obligation of disclosure.

49. The record reveals that the First Predecessor Firm engaged the Marketing Consultant as an agent in connection with the Contract. Approximately one week before submission of the Technical Proposal and approximately two weeks before submission of the Fin-1 Form, the First Predecessor Firm and the Marketing Consultant entered into a consultancy agreement. Under this agreement, the First Predecessor Firm agreed to pay the Marketing Consultant a percentage of the "net consultancy fee amount" due to the First Predecessor Firm after its collection of advance payment from the Implementing Agency and again after the Marketing Consultant's completion of services in accordance with the agreement. The Marketing Consultant was engaged to provide the First Predecessor Firm with contract acquisition and other services in Vietnam, as well as services related to the execution of the Contract. The record also indicates that the First Predecessor Firm made payments to the Marketing Consultant. Consistent with documentary evidence in the record, the Contesting Parties state in the Response that the First Predecessor Firm paid the Marketing Consultant the equivalent of approximately US$187,000 in connection with the Contract.

50. Contrary to its disclosure obligations under the provisions discussed in Paragraph 48 above, the First Predecessor Firm did not disclose its agency agreement with, or subsequent payments to, the Marketing Consultant. The record includes the Fin-1 Form in which the Director certified that "[n]o commissions or gratuities have been or are to be paid by us to agents relating to this Proposal and Contract execution." In addition, the Contesting Parties do not assert, and the record does not indicate, that the Respondents' Predecessors made any disclosure of its relationship with or payments to the Marketing Consultant at any time. While the Contesting Parties now deny that the agreement with the Marketing Consultant needed to be disclosed, the record reveals that the Named Affiliate's own internal audit function

determined in December 2009 "that [the Marketing Consultant] is an agent and should have been disclosed to [the World Bank]." On the basis of this record, the Sanctions Board finds that it is more likely than not that the First Predecessor Firm's representatives misrepresented and failed to disclose its agency relationship with the Marketing Consultant and failed to disclose commissions or fees paid to the Marketing Consultant in connection with the Contract.

b. Made knowingly or recklessly

51. As the record reveals, the Director took part in negotiating and signed the First Predecessor Firm's agreement with the Marketing Consultant, and knew that the agreement established a commission agent relationship in connection with the Proposal and the Contract. Pursuant to the agreement, the First Predecessor Firm was required to pay a percentage commission to the Marketing Consultant, and the Marketing Consultant was obligated to assist the First Predecessor Firm with improving its market position and securing consulting and engineering contracts in Vietnam. The Marketing Consultant's own invoices referred to its payments as a "success fee." On the basis of this record, the Sanctions Board finds that it is more likely than not that the First Predecessor Firm's representatives acted knowingly in misrepresenting and failing to disclose the First Predecessor Firm's commission agent relationship with the Marketing Consultant and in failing to disclose commission payments made under that agreement.

c. In order to influence a selection process or execution of a contract

52. The Sanctions Board has previously found sufficient evidence of intent to influence the procurement process where the record showed that misrepresentations had been made in response to a tender requirement.[10] As discussed above in Paragraph 48, the RFP, the Fin-1 Form, and the Contract required the First Predecessor Firm to disclose any commission agent relationship and/or commission payments made in connection with the Proposal and the Contract. The failure of the First Respondent Firm to make any such disclosures, and the Director's affirmative misrepresentation on the Fin-1 Form that the First Predecessor Firm had not entered into such a relationship, relate directly to requirements under the tender and the Contract. On the basis of this record, the Sanctions Board finds that it is more likely than not that the First Predecessor Firm's representatives engaged in a misrepresentation and an omission of facts in order to influence the selection process and execution of the Contract.

2. Fraud allegation 2: Alleged failure to disclose a conflict of interest involving the First Sub-Consultant

a. Misrepresentation or omission of facts

53. In order to determine whether the First Predecessor Firm made a misrepresentation or omission of facts by failing to disclose a conflict of interest, the Sanctions Board will

[10] Sanctions Board Decision 74 (2014) at para. 29 (citing Sanctions Board Decision No. 54 (2012) at para. 28; Sanctions Board Decision No. 60 (2013) at paras. 100-101).

consider, consistent with past precedent,[11] whether the First Predecessor Firm (i) had an actual or potential conflict of interest, (ii) that was subject to a disclosure obligation, and (iii) disclosed any such conflict of interest.

i. Actual or potential conflict of interest

54. The record supports a finding that officials of the First Sub-Consultant included the son and/or business associate of the World Bank Official, a now-former Bank staff member with responsibility for the Project. The record includes the Director's contemporaneous statements that the First Sub-Consultant had a "close relationship with a local [World Bank] officer" and that it was "generally known" that the World Bank Official's son is an official of the First Sub-Consultant. In addition, a due diligence report prepared by a third party for the Named Affiliate states that the World Bank Official and an official of the First Sub-Consultant were "friends and business partners," and confirms that the World Bank Official owns the property that the First Sub-Consultant uses as its office. The record also indicates that the World Bank Official was actively involved in the First Sub-Consultant's business, as confirmed by a former official of the First Sub-Consultant in an interview with INT.

55. In light of the above, the Sanctions Board finds that it is more likely than not that the First Predecessor Firm had an actual or potential conflict of interest on account of the First Sub-Consultant's close relationship with the World Bank Official, and the World Bank Official's responsibility for the Project.

ii. Existence of a disclosure obligation

56. Section 1.6.2 of the RFP provides that consultants "have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of their Client, or that may reasonably be perceived as having this effect." Referring to a separate provision of the RFP, the Contesting Parties argue that the RFP makes "expressly clear that merely having a family relationship would not require reporting of a conflict of interest absent additional knowledge of potential to influence the [Contract]." However, the other provision of the RFP cited by the Contesting Parties addresses only the types of serious conflicts that may render a party presumptively ineligible to receive a consulting contract. In contrast, Section 1.6.2 defines the broader range of actual or potential conflicts of interest that all consultants must disclose. In this case, given the World Bank Official's responsibility for the Project and his active involvement with the First Sub-Consultant's business, the Sanctions Board finds that the First Predecessor Firm had an obligation to disclose the conflict of interest under Section 1.6.2.

iii. Failure to disclose

57. The Contesting Parties do not assert, and the record does not indicate, that the First Predecessor Firm at any time disclosed the conflict of interest involving the First Sub-Consultant's relationship with the World Bank Official. Having considered the totality of the evidence, the Sanctions Board finds that the First Predecessor Firm failed to comply with its

[11] Sanctions Board Decision No. 65 (2014) at para. 40.

obligation under the RFP to disclose its conflict of interest and thereby engaged in an omission of facts. The first element of the definition of fraudulent practice is therefore met.[12]

b. Made knowingly or recklessly

58. The record indicates that the Director knew that an actual or potential conflict of interest existed at the time the Proposal was submitted, and that conflicts of interest were subject to disclosure. More than a month before submitting the Proposal, the Director prepared the "Draft Business Strategy for Vietnam," in which he describes the First Sub-Consultant as having a "close relationship with a local [World Bank] officer." This document indicates the Director's awareness of the actual or potential conflict of interest prior to the submission of the Proposal, and demonstrates that he considered the relationship significant enough to note in a "Business Strategy." In addition, the Director confirmed during his interview with INT that he was concerned that the rumored relationship between the First Sub-Consultant and the World Bank Official, if known, could damage the Proposal. This statement indicates that the Director deliberately chose not to disclose the relationship between the First Sub-Consultant and the World Bank Official.

59. Considering the totality of the evidence, including evidence of the conflict of interest discussed in Paragraph 54 above, the Sanctions Board finds that it is more likely than not that the Director knowingly omitted to disclose the relationship between the First Sub-Consultant and the World Bank Official.

c. In order to influence a selection process or execution of a contract

60. As noted above, the RFP required bidders "to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of their Client, or that may reasonably be perceived as having this effect." As also discussed above, the record reveals the Director's statement that he was concerned that the rumored relationship between the First Sub-Consultant and the World Bank Official, if known, could damage the Proposal. This evidence supports a finding that it is more likely than not that the Director withheld information about the conflict of interest in order to influence the selection process for the Contract.

3. Fraud allegation 3: Alleged submission of a false receipt

a. Misrepresentation or omission of facts

61. The Contesting Parties concede that the Director, on behalf of the First Predecessor Firm, engaged the services of an outside firm to create a false value added tax ("VAT") receipt in support of a claim for payment under the Contract, and subsequently submitted the

[12] The Sanctions Board notes that the decision on this element was taken by a majority of the members reviewing this case. In contrast to the majority view, one member found that the First Predecessor Firm did not have a disclosure obligation in relation to an actual or potential conflict of interest, and would therefore dismiss the second allegation of fraudulent practice against the Contesting Parties.

falsified receipt to the Implementing Agency for reimbursement. Accordingly, the Sanctions Board finds that it is more likely than not that the Director made a misrepresentation of fact by submitting a false receipt for reimbursement.

b. Made knowingly or recklessly

62. The record supports a finding that it is more likely than not that the Director acted knowingly in submitting the false receipt for reimbursement. As noted above, the Contesting Parties concede that the Director specifically engaged an outside firm to create the false receipt and that the Director subsequently submitted the false receipt for reimbursement.

c. In order to influence a selection process or execution of a contract

63. The Sanctions Board has found evidence of intent to influence the execution of a contract where a misrepresentation was material to a respondent's remuneration under the contract.[13] Here, Section 6.2(c) of the Contract provides for the reimbursement of "expenses actually and reasonably incurred by the Consultant." According to the Contesting Parties, the Director sought and obtained the false receipt because the Implementing Agency made a belated and unprecedented request – only after the expenses had been incurred – that the expenses be supported by a VAT receipt. In a memorandum to INT, the First Respondent Firm states that the receipt was submitted to the Implementing Agency with a view to complying with a clerical requirement of the Implementing Agency for reimbursement. On the basis of this record, the Sanctions Board finds that it is more likely than not that the Director obtained and submitted the false receipt in order to influence the execution of the Contract, as the submission was intended to support the First Predecessor Firm's reimbursement for expenses incurred under the Contract. In addition, the Sanctions Board rejects any suggestion from the Contesting Parties that use of the falsified receipt to seek reimbursement for actual expenses would not rise to the level of a fraudulent practice. Consistent with the Sanctions Board's precedent, use of a fabricated document may qualify as fraud even where the substance of the document may be correct.[14]

4. Fraud allegation 4: Alleged submission of false timesheets

a. Misrepresentation or omission of facts

64. The record supports INT's allegation that the Director submitted false timesheets. Evidence reveals that approximately nine months before submission of the specific timesheets in question, the Director had discussed the possibility of generating some form of "[f]alse time sheets." Specifically, the minutes of an internal meeting held in July 2008, prepared by the Director and addressed to officials from the First Sub-Consultant, the Second Sub-Consultant, and another sub-consultant, include a slide with the following agenda items under a heading

[13] Sanctions Board Decision No. 56 (2013) at para. 47.

[14] See Sanctions Board Decision No. 47 (2012) at para. 26 ("The Sanctions Board rejects the suggestion that performance certificates cannot be considered false or fabricated, regardless of their origin or signature, so long as the substance of the claimed performance and association with the purported issuer is correct").

for "Replacement of Personnel: Other Personnel": (i) "False time sheets to seek approval for replacements in the near future," and (ii) "Official substitution needed or not has to be found in advance unofficially from [the Implementing Agency]." In February 2009, the Director sought to replace the Procurement Specialist with the Replacement; and the Implementing Agency sought approval for the substitution from the World Bank, which the World Bank denied later that month. Subsequently, the Director stated in an email to an official of the First Sub-Consultant that "I would propose that we invoice [the Replacement's] input as if [the Procurement Specialist] would have worked." Consistent with this email, the First Predecessor Firm's March and April 2009 invoices included listings for the Procurement Specialist.

65. In light of the above, the Sanctions Board finds that it is more likely than not that the Director submitted false timesheets to the Implementing Agency.

b. Made knowingly or recklessly

66. The evidence discussed in Paragraph 64 supports a finding that it is more likely than not that the Director acted knowingly in submitting false timesheets in the Procurement Specialist's name for work performed by the Replacement. Significantly, as noted above, after the World Bank declined to approve the proposed replacement of the Procurement Specialist with the Replacement, the Director recommended to an official of the First Sub-Consultant that "we invoice [the Replacement's] input as if [the Procurement Specialist] would have worked."

c. In order to influence a selection process or execution of a contract

67. Sections 3.7(a) and 4.3 of the Contract specify that the replacement of key personnel – such as the Procurement Specialist – must be approved by the Implementing Agency. The record supports a finding that the Director's submission of the false timesheets in March and April 2009 for work by unapproved personnel, but in the name of approved personnel, was intended to circumvent these provisions of the Contract while still receiving remuneration for work performed under the Contract. Accordingly, the Sanctions Board finds that it is more likely than not that the Director's submission of the false timesheets was intended to influence the execution of the Contract.

## C. Liability of the Contesting Parties for the Sanctionable Practices

68. The Sanctions Board will next address the liability of each of the Contesting Parties by considering whether: (i) the First Predecessor Firm may be deemed liable for the fraudulent conduct of the Director; (ii) the Second Predecessor Firm may be deemed liable for the conduct of the Director and the First Predecessor Firm; (iii) the Respondents may be deemed liable as successors for the conduct of the Respondents' Predecessors; and (iv) the Named Affiliate may be deemed liable for the conduct of the Respondents' Predecessors.

1. Liability of the First Predecessor Firm for the acts of the Director

69. In past cases, the Sanctions Board has concluded that an employer could be found liable for the acts of its employees under the doctrine of respondeat superior, considering in particular whether the employees acted within the course and scope of their employment, and were motivated, at least in part, by the intent of serving their employer.[15] Where a respondent entity has denied responsibility for the acts of its employees based on a rogue employee defense, the Sanctions Board has assessed any evidence presented regarding the scope and adequacy of the respondent entity's controls and supervision at the time of the misconduct.[16]

70. The record supports a finding that the Director engaged in the fraudulent misconduct within the course and scope of his duties and with the purpose of serving the interests of the First Predecessor Firm. The Director was authorized by a power of attorney "to represent alone [the First Predecessor Firm], to submit the technical and financial proposal, negotiate and sign the contract agreement and any related documents." The Director signed the Contract on behalf of both the First Predecessor Firm and the Second Predecessor Firm. Accordingly, the Sanctions Board finds that the First Predecessor Firm is liable for the four types of fraudulent practices committed by the Director in regard to the agency agreement and commissions for the Marketing Consultant, the conflict of interest involving the First Sub-Consultant and the World Bank Official, the false VAT receipt, and the false timesheets. The Sanctions Board notes that the Contesting Parties do not present, and the record does not provide any basis for, a rogue employee defense.

2. Liability of the Second Predecessor Firm for the conduct of the Director and the First Predecessor Firm

71. The Contesting Parties assert that the Second Predecessor Firm was not involved in the Project and therefore should not be subject to sanctions. INT responds that the First Predecessor Firm and the Director acted as agents of the Second Predecessor Firm, and that any misconduct by the First Predecessor Firm or the Director is attributable to the Second Predecessor Firm.

72. The record reveals that the First Predecessor Firm acted with explicit authorization on behalf of the Second Predecessor Firm in connection with the Contract's selection process and execution. As noted above, the First Predecessor Firm and the Second Predecessor Firm entered into a consortium agreement in connection with the Contract. The consortium agreement specifies that the members of the consortium "will be jointly and severally liable for the execution of the entire assignment," and that both parties authorize the First Predecessor Firm to "sign all documents related to submission of the proposal, sign the contract with [the Implementing Agency], on behalf of the association in the event of a contract award, and act on behalf of the association in relationship with the [Implementing Agency] in the eventual execution of the services." Consistent with this agreement, the First

[15] See, e.g., Sanctions Board Decision No. 61 (2013) at para. 29; Sanctions Board Decision No. 68 (2014) at paras. 30-31.

[16] See, e.g., Sanctions Board Decision No. 61 (2013) at para. 29; Sanctions Board Decision No. 63 (2014) at para. 72.

Predecessor Firm submitted the Proposal on behalf of the Consortium, which included both of the Respondents' Predecessors. Also consistent with this agreement, the Director signed the Contract on behalf of the First Predecessor Firm and on behalf of the Second Predecessor Firm as its "[a]uthorized [r]epresentative."

73. The Sanctions Board notes the Contesting Parties' contention that the Second Predecessor Firm should not be held liable for any misconduct because it was wholly uninvolved in the Contract. The record indeed reveals that the Second Predecessor Firm made no effort to supervise the First Predecessor Firm or the Director, even though it remained a party to the Contract and a member of the Consortium. In these circumstances, the Second Predecessor Firm cannot disclaim responsibility for the fraudulent practices. As the Sanctions Board has previously held, "a 'respondent cannot carry out through an agent . . . any conduct that would be sanctionable if carried out directly by the respondent.'"[17] Accordingly, the Sanctions Board finds that the Second Predecessor Firm is liable for the misconduct of the Director and the First Predecessor Firm.

### 3. Successor liability of the Respondents

74. The Sanctions Procedures do not define the term "successor," nor does the definition of "Respondent" under the Sanctions Procedures refer to "successor(s)." The Sanctions Procedures address the application of sanctions to successors only in Section 9.04(c), which provides that "[a]ny sanction imposed shall apply to the sanctioned party's successors and assigns, as determined by the Bank." The Bank's general principles and presumptions in regard to sanctions and corporate groups include the principle that sanctions should be applied flexibly to avoid evasion and the presumption that sanctions should be applied to successors and assigns.[18] Considering this framework, and consistent with past practice,[19] the Sanctions Board finds that the Respondents may be sanctioned for the misconduct of the Respondents' Predecessors if the record supports a finding that the First Respondent Firm and the Second Respondent Firm are successors to the First Predecessor Firm and the Second Predecessor Firm, respectively.

75. The record includes the Contesting Parties' affirmation that the First Predecessor Firm was merged into the First Respondent Firm, and that the Second Predecessor Firm was merged into the Second Respondent Firm. In addition, the Contesting Parties do not dispute that the Respondents may be held liable, as successors, for any sanctionable conduct carried out by the Respondents' Predecessors. In these circumstances, the Sanctions Board finds the Respondents to be successors subject to sanctions for the misconduct of the Respondents' Predecessors.

---

[17] Sanctions Board Decision No. 51 (2012) at para. 77 (quoting Sanctions Board Decision No. 45 (2011) at para. 41).

[18] See The World Bank Group's Sanctions Regime: Information Note (November 2011) (the "Information Note") at p. 21, available at: http://go.worldbank.org/CVUUIS7HZ0.

[19] See Sanctions Board Decision No. 53 (2012) at paras. 8, 70 (holding the named respondent liable for sanctionable practices carried out by its legal predecessor); Sanctions Board Decision No. 66 (2014) at paras. 28-30 (holding the named respondent liable for a sanctionable practice carried out by its legal predecessor).

4. Controlling affiliate liability of the Named Affiliate

76. The application of sanctions to a respondent's controlling affiliates is not a default presumption in sanctions proceedings. Under the sanctions framework, "[s]anctions are applied to entities controlling the [r]espondent . . . only if a degree of involvement in sanctioned misconduct has been shown, or if such application is reasonably necessary to prevent evasion."[20] Sanctions may be imposed based on a finding of either (i) culpability for direct involvement (e.g., through instructions or orders, approval or guidance, or inferred authorization in cases of close supervision)[21] or (ii) responsibility for another party's actions (e.g., where there is a duty to supervise combined with deliberate non-intervention).[22] The record does not support INT's belated assertion, first raised at the hearing, that the Named Affiliate may be deemed culpable for direct involvement in the fraudulent practices. The Sanctions Board shall therefore determine whether the Named Affiliate may alternatively be deemed responsible for any misconduct attributable to the Respondents' Predecessors. In making this determination, the Sanctions Board considers, consistent with past precedent,[23] whether the Named Affiliate had a duty to supervise the Respondents' Predecessors, was aware of or willfully blind to the misconduct of the Respondents' Predecessors, and failed to intervene to prevent or address the misconduct.

77. Considering the totality of the record, including contemporaneous correspondence with officials of the Named Affiliate and the parties' competing submissions regarding the Named Affiliate's compliance policies at the time of the misconduct, the Sanctions Board finds that INT has not satisfied its burden of proof to establish that the Named Affiliate had knowledge of, or was willfully blind to, the misconduct. INT points to evidence in the record suggesting that officials of the Named Affiliate may have been aware of at least some aspects of the activities of the Respondents' Predecessors in Vietnam. However, the record does not indicate that those officials had any specific knowledge of the misconduct. Nor does the record indicate any earlier red flags with respect to the Respondents' Predecessors that would have put the Named Affiliate on notice of the risk of the type of misconduct in this case. Moreover, the record includes evidence of some compliance measures in place at the time of the misconduct. In these circumstances, the Sanctions Board finds that INT has failed to discharge its burden of proof on this element of responsibility. The Sanctions Board therefore need not address the remaining elements of responsibility, i.e., duty to supervise and non-intervention.

---

[20] Information Note at p. 21.

[21] Sanctions Board Decision No. 65 (2014) at para. 59. See Sanctions Board Decision No. 49 (2012) at paras. 19-31 (applying a sanction to an affiliate under common control with the respondent where the affiliate was found to have been directly involved in the misconduct).

[22] See Sanctions Board Decision No. 65 (2014) at para. 59.

[23] Id.

## D. Sanctioning Analysis

### 1. General framework for determination of sanctions

78. Where the Sanctions Board determines that it is more likely than not that a respondent engaged in a sanctionable practice, Section 8.01(b) of the Sanctions Procedures requires the Sanctions Board to select and impose one or more appropriate sanctions from the range of possible sanctions identified in Section 9.01. The range of sanctions set out in Section 9.01 includes: (i) reprimand, (ii) conditional non-debarment, (iii) debarment, (iv) debarment with conditional release, and (v) restitution or remedy. As stated in Section 8.01(b) of the Sanctions Procedures, the Sanctions Board is not bound by the EO's recommendations.

79. As reflected in Sanctions Board precedent, the Sanctions Board considers the totality of the circumstances and all potential aggravating and mitigating factors to determine an appropriate sanction.[24] The choice of sanction is not a mechanistic determination, but rather a case-by-case analysis tailored to the specific facts and circumstances presented in each case.[25]

80. The Sanctions Board is required to consider the types of factors set forth in Section 9.02 of the Sanctions Procedures, which provides a non-exhaustive list of considerations. In addition, the Sanctions Board refers to the factors and principles set out in the World Bank Sanctioning Guidelines (the "Sanctioning Guidelines"). While the Sanctioning Guidelines themselves state that they are not intended to be prescriptive in nature, they provide guidance as to the types of considerations potentially relevant to a sanctions determination. The Sanctioning Guidelines further suggest potentially applicable ranges of increases or decreases from a proposed base sanction of debarment with the possibility of conditional release after a minimum period of three years.

81. Should the Sanctions Board impose a sanction on a respondent, it may also, pursuant to Section 9.04(b) of the Sanctions Procedures, impose appropriate sanctions on any Affiliate of such respondent.

### 2. Factors applicable in the present case

#### a. Severity of the misconduct

82. Section 9.02(a) of the Sanctions Procedures requires the Sanctions Board to consider the severity of the misconduct in determining the appropriate sanction. Section IV.A of the Sanctioning Guidelines identifies a repeated pattern of conduct, sophisticated means, and the involvement of a public official or World Bank staff as examples of severity.

83. *Repeated pattern of conduct*: INT asserts that aggravation is warranted for the "multiplicity and seriousness" of the sanctionable practices. Considering that the Respondents' Predecessors engaged in four factually distinct types of fraudulent practices

---

[24] See Sanctions Board Decision No. 40 (2010) at para. 28.

[25] Sanctions Board Decision No. 44 (2011) at para. 56.

over a period of two years, the Sanctions Board finds that significant aggravation is warranted for the Respondents under this factor.

84. *Sophisticated means*: Section IV.A.2 of the Sanctioning Guidelines states that aggravation may be warranted for sophisticated means based on, inter alia, "the complexity of the misconduct (*e.g.*, degree of planning, diversity of techniques applied, level of concealment)"; the number and type of people or organizations involved; and whether the scheme was developed or lasted over a long period of time. INT asserts that the "egregiousness and severity" of the Contesting Parties' misconduct is exemplified by the "seriousness of the scheme to engage a vendor to systematically fabricate false receipts for reimbursement." The record indicates a single submission of one falsified receipt, which appears to have been obtained from one third-party vendor. The Sanctions Board does not find that the scheme was so sophisticated or complex as to warrant aggravation on this ground.

85. *Involvement of a public official or World Bank staff*: Section IV.A.5 of the Sanctioning Guidelines states that this factor may apply "[i]f the respondent conspired with or involved a public official or World Bank staff in the misconduct." INT asserts that aggravation is justified because the Respondents' Predecessors "specifically sought to take advantage of a conflict of interest involving a World Bank staff member." The Sanctions Board does not find aggravation warranted on this ground. Although INT suggests that the Respondents' Predecessors may have expected that the World Bank Official's relationship with the First Sub-Consultant could benefit them due to the World Bank Official's involvement with the Project, the record does not indicate that the Respondents' Predecessors attempted to contact the World Bank Official or involve him in the fraudulent practices.

b. Magnitude of harm

86. Section 9.02(b) of the Sanctions Procedures requires consideration of the magnitude of the harm caused by the misconduct in determining a sanction. As examples of such harm, Section IV.B of the Sanctioning Guidelines refers to poor contract implementation and delay, as well as harm to public safety or welfare. The record reveals that the Implementing Agency terminated the Contract due to concerns including fraudulent practices in connection with the selection process and execution of the Contract. The termination letter for the Contract issued by the Implementing Agency referred to the first and second fraudulent practices (those involving the Marketing Consultant and the First Sub-Consultant), among other reasons for the termination. Consistent with past precedent applying aggravation where the sanctionable practices directly compromised a procurement or selection process or contract execution,[26] the

[26] See Sanctions Board Decision No. 40 (2010) at para. 28 (applying aggravation where the collusive conduct of the respondent and other bidders necessitated re-bidding and therefore delayed the procurement process); Sanctions Board Decision No. 44 (2011) at para. 63 (finding that the substantial delays, risk of structural damage to contract works, and waste of the borrower's time and resources occasioned by the respondent's misrepresentations during contract execution merited consideration as an aggravating factor even though the record showed that the respondent ultimately satisfied its contractual obligations – thereby capping, but not negating, the total damages); Sanctions Board Decision No. 50 (2012) at para. 64 (applying aggravation where the respondent's sanctionable practices led the borrower to favor the respondent's bid over other potentially qualified bidders, and expend time and resources over six months of contract negotiations, before the bid ultimately failed due to the misconduct).

Sanctions Board finds that aggravation is warranted for the Respondents in these circumstances.

c. Past history of adjudicated misconduct

87. Section 9.02(d) of the Sanctions Procedures provides that the Sanctions Board shall consider "the sanctioned party's past history of misconduct as adjudicated by the World Bank Group or by another multilateral development bank." Section IV.D of the Sanctioning Guidelines clarifies that such prior history must involve misconduct other than the misconduct at issue in the present proceedings. Without referring to these provisions, INT asserts that an aggravating factor in this case is the Group's history of misconduct as shown by a settlement agreement between the Named Affiliate and the World Bank Group's General Services Department ("GSD"), which addressed the conduct of a separate subsidiary of the Named Affiliate (the "Management Consulting Subsidiary") under the China Project. The Sanctions Board does not find aggravation warranted under this factor, as the Named Affiliate's voluntary entry into a settlement agreement with GSD does not qualify as a "past history of adjudicated misconduct" for purposes of Section 9.02(d) of the Sanctions Procedures. Moreover, the only party deemed "non-responsible" pursuant to the settlement agreement was the Management Consulting Subsidiary. It is not apparent how the Management Consulting Subsidiary's purported "non-responsibility" may be pertinent to the determination of appropriate sanctions for the Respondents' fraudulent practices.

d. Minor role in the misconduct

88. Section 9.02(e) of the Sanctions Procedures provides for mitigation where a sanctioned party played a minor role in the misconduct. Section V.A of the Sanctioning Guidelines proposes that this factor be applied to a "minor, minimal, or peripheral participant." The Sanctions Board finds that mitigation is justified on this ground for the Second Respondent Firm based on the Second Predecessor Firm's lack of direct involvement in the fraudulent practices. Although the record demonstrates that the Director was authorized to act as the Second Predecessor Firm's representative with respect to the submission of the Proposal and the execution of the Contract, INT has not asserted, and the record does not suggest, that the Second Predecessor Firm's own personnel were directly involved in or aware of the misconduct.

e. Voluntary corrective action taken

89. Section 9.02(e) of the Sanctions Procedures provides for mitigation where a sanctioned party took voluntary corrective action. Section V.B of the Sanctioning Guidelines identifies several examples of voluntary corrective actions that may warrant mitigation, including cessation of misconduct, internal action against a responsible individual, and an effective compliance program, with the timing, scope, and/or quality of those actions to be considered as potential indicia of the respondent's genuine remorse and intention to reform. A

respondent bears the burden of presenting evidence to substantiate any claimed voluntary corrective action.[27]

90. *Cessation of misconduct*: Section V.B.1 of the Sanctioning Guidelines states that mitigation may be appropriate where a respondent ceases to engage in misconduct. The Contesting Parties assert that "at least some measure of mitigation" is warranted for the First Predecessor Firm's termination of its relationship with the Marketing Consultant. However, the misconduct with respect to the Marketing Consultant was not based on the existence of a relationship with the Marketing Consultant, but rather based on the First Predecessor Firm's failure to disclose its relationship with and payments to the Marketing Consultant. Accordingly, the cessation of this misconduct would occur only upon appropriate disclosure. As noted in Paragraph 50, there is no indication in the record that the First Predecessor Firm at any time disclosed to the Implementing Agency its relationship with or payments to the Marketing Consultant. The Sanctions Board finds that mitigation is not warranted in these circumstances.

91. *Internal action against responsible individuals*: Section V.B.2 of the Sanctioning Guidelines states that mitigation may be appropriate where "[m]anagement takes all appropriate measures to address the misconduct engaged in on its behalf, including taking appropriate disciplinary and/or remedial steps with respect to the relevant employee, agent, or representative." The Sanctions Board has previously declined to apply mitigation based on internal action against responsible staff where the respondent failed to substantiate its stated measures,[28] or provided limited evidence of action against only one of the responsible individuals.[29] The Contesting Parties assert that mitigation is justified on this ground because the Director was separated from the Group after the Group's investigation of the misconduct was concluded, and the Director's supervisor received a written reprimand for inadequate supervision. The record includes a copy of the Director's signed termination agreement and the letter of reprimand to the Director's supervisor. The supervisor's letter of reprimand refers to her negligence in supervising the Project and the Director. However, the termination agreement with the Director – the central actor in the misconduct – does not specify the reason for separation. Accordingly, the Sanctions Board finds that the record does not reveal the type of internal action that may justify mitigation.

92. *Effective compliance program*: Section V.B.3 of the Sanctioning Guidelines states that mitigation may be appropriate where the record reveals the "[e]stablishment or improvement . . . and implementation of a corporate compliance program" by a respondent. The Contesting Parties present documentary evidence to support their assertion that, since 2008, the Group has instituted numerous enhancements to its compliance systems and procedures. While INT disputes the effectiveness of the Named Affiliate's compliance policies in effect at the time of the misconduct, it does not address the effectiveness of the compliance measures that the Contesting Parties assert to have subsequently implemented.

---

[27] See, e.g., Sanctions Board Decision No. 45 (2011) at para. 72; Sanctions Board Decision No. 63 (2014) at para. 104.

[28] Sanctions Board Decision No. 44 (2011) at paras. 71-72.

[29] Sanctions Board Decision No. 56 (2013) at para. 67.

93. The Sanctions Board notes that the Group's written compliance policies, as included in the record, appear to address the types of fraudulent misconduct in this case and most of the principles set out in the World Bank Group's Integrity Compliance Guidelines. Although the record does not contain direct evidence of the written policies' implementation, the written policies themselves appear to contain concrete and potentially effective measures for preventing the kind of fraudulent misconduct at issue here. Notably, a large portion of the written compliance materials in the record relates to interactions with third-party business partners. Furthermore, an internal report issued by the First Respondent Firm in January 2010 commits to the implementation of recordkeeping rules specifically targeted at halting the practice of keeping "parallel timesheets" as involved in the fourth fraudulent practice. Accordingly, the Sanctions Board finds that the asserted compliance measures, as supported by the written policies, warrant mitigation for the Respondents.

f. Cooperation

94. Section 9.02(e) of the Sanctions Procedures provides for mitigation where a respondent "cooperated in the investigation or resolution of the case." Section V.C of the Sanctioning Guidelines identifies a respondent's assistance with INT's investigation, internal investigation, and voluntary restraint as examples of cooperation.

95. *Assistance and/or ongoing cooperation*: Section V.C.1 of the Sanctioning Guidelines states that cooperation may take the form of assistance to INT's investigation or ongoing cooperation, with consideration of "INT's representation that the respondent has provided substantial assistance," as well as "the truthfulness, completeness, reliability of any information or testimony, the nature and extent of the assistance, and the timeliness of assistance." The Sanctions Board has previously accorded mitigation where, for example, a respondent's managers met with INT on several occasions and provided relevant information,[30] or corresponded with INT and made relevant personnel available for interviews.[31] In the present case, INT asserts that the Contesting Parties offered limited cooperation, including by "conducting their own inquiry and providing limited disclosure of certain improprieties." The Contesting Parties respond that INT understates the extent of their cooperation.

96. The record reveals that INT interviewed the Director – the central actor in the alleged misconduct and an official of the First Predecessor Firm at the time of the interview – and that the Contesting Parties provided extensive internal documentary evidence to INT, including inculpatory evidence as relied upon by INT in the SAE and the Reply. On the basis of this record, the Sanctions Board finds that mitigation is justified for the Respondents in light of the Contesting Parties' assistance with INT's investigation.

97. *Internal investigation*: Section V.C.2 of the Sanctioning Guidelines refers to cooperation where a respondent has "conducted its own, effective internal investigation of the misconduct and relevant facts relating to the misconduct for which it is to be sanctioned and

[30] Sanctions Board Decision No. 53 (2012) at para. 58.

[31] Sanctions Board Decision No. 56 (2013) at para. 73.

shared results with INT." In determining whether and to what extent an internal investigation warrants mitigating credit, the Sanctions Board considers whether the investigation was conducted thoroughly and impartially by persons with sufficient independence, expertise, and experience;[32] whether the respondent shared its investigative findings with INT during INT's investigation or as part of the sanctions proceedings;[33] and whether the respondent has demonstrated that it followed up on any investigative findings and recommendations.[34]

98. INT states that the Contesting Parties' "limited cooperation" included conducting their own inquiry. The Contesting Parties respond that their cooperation resulted in multiple internal investigations and reports. The record reveals that the Named Affiliate conducted an internal investigation into the misconduct alleged by INT, resulting in one internal audit report that addressed the involvement of the Respondents' Predecessors with the Marketing Consultant; and another internal audit report that addressed the submission of false timesheets. The record also reveals that the Named Affiliate engaged a third-party firm to investigate the misconduct involving the Marketing Consultant and the First Sub-Consultant, at INT's request, and to conduct interviews with individuals connected to that misconduct. The results of all of these investigations were shared with INT. In addition, the record indicates that the Contesting Parties followed up on the internal reports, at least in part. The Sanctions Board finds that mitigation is justified for the Respondents in these circumstances.

99. *Voluntary restraint*: Section V.C.4 of the Sanctioning Guidelines provides for mitigation where a sanctioned party has voluntarily refrained from bidding on Bank-financed tenders pending the outcome of an investigation. The record includes an e-mail from the Group's General Counsel in June 2012, announcing that "no . . . Group company may receive or bid on any World Bank Group contracts of any type, whether direct procurement contracts with the Bank or consulting contracts involving the use of Bank funds." At the hearing, the Contesting Parties confirmed that this voluntary restraint policy remained in place. The Sanctions Board finds that mitigation is warranted for the Respondents on this ground.

g. Period of temporary suspension

100. Pursuant to Section 9.02(h) of the Sanctions Procedures, the Sanctions Board takes into account that the Respondents have been temporarily suspended since the EO's issuance of the Notice on July 17, 2014.

h. Other considerations

101. Under Section 9.02(i) of the Sanctions Procedures, the Sanctions Board may consider "any other factor" that it "reasonably deems relevant to the sanctioned party's culpability or responsibility in relation to the Sanctionable Practice."

---

[32] See Sanctions Board Decision No. 50 (2012) at para. 67; Sanctions Board Decision No. 68 (2014) at para. 43.

[33] See Sanctions Board Decision No. 56 (2013) at para. 75.

[34] See Sanctions Board Decision No. 50 (2012) at para. 67; Sanctions Board Decision No. 61 (2013) at para. 46.

102. *Passage of time*: The Sanctions Board has previously considered as a mitigating factor the passage of a significant period of time from the commission of the misconduct, or from the Bank's awareness of the potential sanctionable practices, to the initiation of sanctions proceedings.[35] This passage of time may affect the weight that the Sanctions Board attaches to the evidence presented, as well as the fairness of the process for respondents.[36] At the time of the EO's issuance of the Notice in July 2014, approximately seven years and three months had elapsed since the submission of the Proposal in April 2007; and approximately four years and ten months had elapsed since INT conducted its audit of the Respondents' Predecessors in September 2009. INT argues that the passage of time in this case should be viewed in the context of the "prolonged negotiations" for a potential settlement from April 2010 to June 2012, which INT asserts resulted partly from the Contesting Parties' conduct. However, INT does not assert, and the record does not suggest, that the Contesting Parties engaged INT in settlement discussions in bad faith. Indeed, the parties recognized at the hearing that an obstacle to settlement was INT's position – raised for the first time in May 2012 – that any negotiated resolution must include a sanction of debarment for the Named Affiliate. On the basis of this record, the Sanctions Board finds that mitigation is warranted for the Respondents under this factor.

103. *Other contractual violations*: INT asserts that the Respondents have committed serious contractual violations distinct from the four fraudulent practices that further demonstrate the severity of Respondents' conduct under the Contract. However, INT has put forward no evidence to establish a connection between these alleged contractual violations and the fraudulent practices in this case. Consistent with past precedent,[37] the Sanctions Board declines to apply aggravation in these circumstances.

104. *Change in management/corporate identity*: The Contesting Parties submit that mitigation is warranted on account of the departure of key individuals – including the Director – and structural changes in the Group's companies. The Contesting Parties assert that each of the Respondents' Predecessors has been merged into much larger, diversified entities (i.e., the Respondents), and that sanctions on the Respondents would affect the Group on a level incommensurate with the commercial importance of the Respondents' Predecessors. The Sanctions Board does not find mitigation justified on this ground. Although the record reflects structural changes within the Group, the Contesting Parties do not assert, and the record does not indicate, any change in corporate ownership subsequent to the misconduct. The record

---

[35] See, e.g., Sanctions Board Decision No. 50 (2012) at para. 71 (applying mitigation where sanctions proceedings were initiated approximately five years after the Bank's awareness of the potential sanctionable practices); Sanctions Board Decision No. 63 (2014) at para. 116 (applying mitigation to multiple respondents where sanctions proceedings were initiated more than five (and up to nine) years after the misconduct, and more than five (and up to eight) years after the Bank's awareness of the potential sanctionable practices); Sanctions Board Decision No. 68 (2014) at para. 47 (applying mitigation where sanctions proceedings were initiated more than four and a half years after the sanctionable practices had occurred and more than four years after the Bank had become aware of the potential misconduct).

[36] See, e.g., Sanctions Board Decision No. 50 (2012) at para. 71.

[37] See, e.g., Sanctions Board Decision No. 78 (2015) at para. 92 (declining to apply aggravation on the basis of asserted improper conduct where INT conceded that it had not established a link between that conduct and the specific allegations of misconduct in the case).

suggests that the change in the Group's corporate structure was a form of internal restructuring in light of changing business strategies rather than a restructuring arising from a fundamental change in ownership or control. In addition, and in contrast to past precedent where mitigation was applied under this factor,[38] the record in this case is not clear as to the scope of any relevant changes in management since the time of the misconduct. Finally, as a general matter, the Sanctions Board notes that the expected adverse impact of sanctions in itself does not necessarily show that mitigation is warranted.[39]

105. *INT's alleged breaches of confidentiality*: The Contesting Parties seek mitigation based on INT's asserted breaches of confidentiality. According to the Contesting Parties, INT sent a letter to counsel for a competitor, confirming that INT was investigating the Group in two separate matters. The Contesting Parties also state that the Group understood that INT may have discussed its investigation with that competitor's principal shareholder. Section 9.02(i) of the Sanctions Procedures expressly limits the Sanctions Board's sanctioning analysis to considerations reasonably relevant to a respondent's own culpability or responsibility for the sanctionable practice. The Contesting Parties fail to establish the relevance of its arguments under this framework. The Sanctions Board also notes that Section 13.06 of the Sanctions Procedures ("Confidentiality") does not provide for mitigation or other consequences for breaches of confidentiality by the World Bank. Consistent with past precedent,[40] the Sanctions Board declines to apply mitigation on this basis.

106. *The Named Affiliate's assistance with INT's China Project investigation*: INT asserts that mitigation is warranted for the Named Affiliate's cooperation with INT's audit of the China Project. The Contesting Parties assert, and INT does not dispute, that the Named Affiliate provided substantial assistance, at its own cost, to INT's investigation in connection with that project. However, the Sanctions Board does not consider the Named Affiliate's cooperation with the China Project to be relevant to the Respondents' culpability or responsibility for the misconduct in this case. Accordingly, the Sanctions Board declines to apply mitigation on this ground.

107. *Unspecified mitigating factors asserted by INT*: Under the header of "Mitigating Factors" in the SAE, INT identifies certain submissions of the Contesting Parties that INT asserts may contain factors relevant to "appreciating the circumstances surrounding the subject misconduct." The parties do not address which additional grounds for mitigation, if

---

[38] See Sanctions Board Decision No. 53 (2012) at para. 66 (applying mitigation in light of successive changes in the respondent's management since the time of the misconduct a decade ago); Sanctions Board Decision No. 66 (2014) at para. 49 (applying mitigation where the respondent provided detailed evidence of its equitization and restructuring and submitted documentation establishing a change in management subsequent to the misconduct).

[39] See Sanctions Board Decision No. 53 (2012) at para. 69 (finding that a respondent entity's arguments with respect to revenue losses or operational impacts from debarment do not justify mitigating treatment); Sanctions Board Decision No. 66 (2014) at para. 48 (rejecting a respondent entity's request for mitigation based on the expected adverse impacts of debarment on its ongoing and prospective business operations and the reputations of its staff).

[40] Sanctions Board Decision No. 78 (2015) at para. 93.

any, may be found in the submissions. The Sanctions Board does not find that these submissions provide a basis for additional mitigation.

## E. Determination of Liability and Appropriate Sanctions for the Contesting Parties

108. Considering the full record and all the factors discussed above, the Sanctions Board:

i. determines that the First Respondent Firm, together with any entity that is an Affiliate directly or indirectly controlled by the First Respondent Firm, shall be, and hereby declares that it is, ineligible to (i) be awarded or otherwise benefit from a Bank-financed contract, financially or in any other manner; (ii) be a nominated sub-contractor, consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract; and (iii) receive the proceeds of any loan made by the Bank or otherwise participate further in the preparation or implementation of any Bank-Financed Projects, for a period of one (1) year beginning from the date of this decision. The ineligibility shall extend across the operations of the World Bank Group. This sanction is imposed on the First Respondent Firm for fraudulent practices as defined in Paragraph 1.22(a)(ii) of the May 2004 Consultant Guidelines.

ii. issues a formal letter of public reprimand to the Second Respondent Firm, which letter shall be posted on the World Bank's website for a period of three (3) months, beginning from the date of this decision, without prejudice to the Second Respondent Firm's eligibility to participate in Bank-Financed Projects. This sanction is imposed on the Second Respondent Firm for fraudulent practices as defined in Paragraph 1.22(a)(ii) of the May 2004 Consultant Guidelines.

iii. declares that the sanctions proceedings against the Named Affiliate in Sanctions Case No. 202, including the temporary suspension imposed by the EO for the pendency of such proceedings, are hereby terminated.

L. Yves Fortier (Chair)

On behalf of the
World Bank Group Sanctions Board

L. Yves Fortier
Alison Micheli
Ellen Gracie Northfleet
Catherine O'Regan
Denis Robitaille
J. James Spinner