

SANCTIONS PROCEDURES

INTRODUCTION

It is the duty of the World Bank under its Articles of Agreement to ensure that the proceeds of any loan are used only for the purposes for which the loan was granted

The Executive Directors of the Bank approved on July 2004 and August 2006 certain recommendations pertaining to the reform of the World Bank sanctions process. The Bank's sanctions process consists of two-tier process conducted by the Evaluation and Suspension Officer, the Evaluation Officer and the World Bank Sanctions Board, the Sanctions Board.

The Bank is issuing the procedures set forth in this document these Procedures to inform Bank

activities

and

coercive practice of giving or harming or threatening or
harm directly or indirectly the property of the party or
improperly the actions of

collusive practice of management between two parties
designed to achieve an improper purpose including to influence by the
actions of another party

corrupt practice of giving or receiving directly
or indirectly of anything of value improperly to or from another
party

Days shall mean days unless stated otherwise

Evaluation Office of individual Bank staff appointed
by the President of the Bank for Evaluation and Suspension review
proposed Notices of Sanctions and Notice and whether
there is sufficient evidence in the case to issue a Notice named
Respondent The Evaluation Office shall also have the authority to impose
temporary suspensions from projects to be awarded additional projects for
Bank Projects Bank

the

shall

projects

fraudulent practice is any act or omission including misrepresentation that knowingly or recklessly misleads or attempts to mislead party to obtain financial or other benefit or to avoid an obligation

Notice of Sanctions Proceedings or **Notice** means the document containing TNTS findings of Sanctionable Practice issued by the Evaluation Officer to named firm or individual together with the sanction recommended by the Evaluation Officer

An obstructive practice is deliberately destroying falsifying altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede Bank investigation into allegations of corrupt fraudulent coercive or collusive practice and/or threatening harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or

II PREPARATION OF THE NOTICE OF SANCTIONS PROCEEDINGS

Section Department of Institutional Integrity

The Banks Department of Institutional Integrity **INT** investigates⁹ allegations of corrupt fraudulent collusive coercive and obstructive practices in World Bank Group Projects

Section Referrals to the Evaluation Officer

If as result of investigation the Director of INT believes that there is sufficient evidence to support finding of Sanctionable Practice INT shall present to the Evaluation Officer proposed Notice which may become the basis of an official Notice as described hereafter

Section Contents of Notice of Sanctions Proceedings

The Notice shall

state INTs specific allegations of Sanctionable Practice and INTs designation of each Respondent alleged to have engaged in such practices

Conditions^{the} include INTs summary of the facts constituting the Sanctionable Practice

Conditions attach or identify the evidence that INT intends to present to ~~the~~ Evaluation Officer and to the Sanctions Board in support of any proposed sanction together with any exculpatory or mitigating evidence as contemplated in Section

state the sanction recommended by the Evaluation Officer in accordance with Section **54**

advise the Respondent that if following issuance of the Notice by the Evaluation Officer the Respondent desires to contest the allegations and/or the recommended sanction in the Notice the Respondent must so notify the

INT also makes preliminary determination of an alleged violation of Material Term of the VDP Terms Conditions in accordance

Secretary of the Sanctions Board the Secretary in the manner described in
Section

for all other cases² Sanctionable Practice that took place more than ten **10** years prior to the date on which the Notice would be issued

Referral Back to INT If the Evaluation Officer determines that the proposed Notice does not contain sufficient evidence to support finding that the Respondent engaged in Sanctionable Practice the Evaluation Officer shall not issue the Notice and shall notify the Director of INT of the decision and the basis therefor. The Director of INT may resubmit proposed Notice to the Evaluation Officer after making appropriate amendments in which case the procedures set out in Section **51** shall apply to the resubmitted proposed Notice.

Issuance of Notice If the Evaluation Officer determines that the proposed Notice contains sufficient evidence to support finding that the Respondent engaged in Sanctionable Practice the Evaluation Officer shall issue the Notice to the Respondent and shall notify the Chair of the Sanctions Board **the Sanctions Board Chair** and the Director of INT.

Recommendation of Appropriate Sanction The Evaluation Officer shall include in the Notice recommendation of the appropriate sanction to be imposed on each Respondent which sanction shall be selected from the range of possible sanctions identified in Section **153** of these Procedures and with due consideration to the extent applicable of the factors in Section **155**.

Respondents Explanation in Opposition to Temporary Suspension Within forty-five **45** days after the date of issuance of the Notice the Respondent may explain in writing to the Evaluation Officer why it believes that notwithstanding the evidence set forth in the Notice the Respondent should remain eligible to be awarded additional contracts for Bank Projects or other

allegations and/or the sanction recommended⁶ by the Evaluation Officer in the Notice the Secretary shall so notify the Sanctions Board Chair the Evaluation Officer and the Director of INT and the matter shall be referred to the Sanctions Board for its review and decision pursuant to its Statute.⁷

Sanctions in Uncontested Proceedings If the Respondent does not inform the Sanctions Board pursuant

IV SUBMISSIONS TO THE EVALUATION OFFICER AND TO THE SANCTIONS BOARD

Section Written Submissions

Respondents Explanation in Opposition to Temporary Suspension The Respondents Explanation opposing temporary suspension shall consist of single document not exceeding twenty single-sided pages unless the Evaluation Officer approves longer submission and shall present arguments by the Respondent and summarize any credible evidence in support thereof. NO other opportunity to oppose temporary suspension either orally or in writing shall be provided to the Respondent.

Respondents Response to Notice of Sanctions Proceedings Within ninety **90** days after issuance of the Notice the Respondent may submit to the Sanctions Board through the Secretary written response to the allegations and recommended Sanction contained in the Notice the **Response**. The Response may contain written arguments and evidence subject to Section **67** and shall contain certification signed by an individual Respondent or an authorized officer of Respondent that is an entity that the information contained therein is true complete and correct to the best of the signers knowledge after the exercise of reasonable due diligence in reviewing the matter and the records of the Respondent within Respondents possession or control.

INTs Reply in Support of the Notice of Sanctions Proceedings Within thirty **30** days after the Respondents submission of Response TNT may submit to the Sanctions Board through the Secretary written reply to the arguments and evidence contained in the Response the **Reply**.

Submission of Additional Materials In the event that additional material evidence becomes available to INT or to the Respondent after the applicable deadlines for the submission of written materials have passed but prior to the conclusion of the hearing to be held on the matter the Sanctions Board Chair or the Chair of the Sanctions Board Panel the **Panel Chair** convened to hear the case pursuant to Articles VII or VIII of the Sanctions Board Statute may as matter of discretion

the evidence and arguments contained in the additional materials presented by the other party.

(5) **Language:** All written materials submitted to the Sanctions Board shall be submitted through the Secretary in English.

original language with the pertinent parts translated into English. The Sanctions Board or the Sanctions Board Panel may require, either *sua sponte* or on request by the other party, that the other parts or the entirety of an exhibit be translated in English, as such Chair may deem appropriate under the circumstances.

(6) **Time Period for Filing Submissions:** Time periods for filing submissions shall be those specified in Sections 5 and 6 of these Procedures, subject to any reasonable extension of time granted as a matter of discretion by the Secretary.

Distribution of Materials to Other Respondents in Sanctions
Proceedings With

review the case and render its decision on the basis of the existing record as defined in Section without hearing

Section 11 Representation at Hearings

INT TNT shall be represented in sanctions proceeding by representative who may or may not be an employee of the World Bank Group

The Respondent Respondent may be self-represented or represented by an attorney or any other individual authorized by the Respondent at the Respondents own expense

Section 12 Conduct of Hearings

Attendance The representatives of INT and the Respondent and Respondents representatives may be present throughout the hearing The hearing including the submissions shall remain confidential and not be open or available to the public Neither the representatives of TNT nor the Respondent or Respondents representatives shall be present for or participate in the deliberations of the Sanctions Board or the Sanctions Board Panel

Presentations

Order TNT shall present its case first The Respondent or Respondents representative shall present the Respondents case second INT shall be permitted to reply

Length The Sanctions Board Chair or the Panel Chair shall set reasonable period of time for each presentation

Form Presentations shall be informal They shall be limited to arguments and evidence contained in the written submissions filed with the Sanctions Board and may rely upon or refute individual items of evidence

Live Testimony No live witness testimony shall be taken except that the one or more witnesses may be called and questioned only by members of the Sanctions Board or the Sanctions Board Panel Respondent who appears in person or in

Matters Relating to the Sanction INT and the Respondent may present evidence of mitigating or aggravating factors relating to the appropriateness of particular sanction.⁹

Response to Questions

Range of Possible Sanctions

Reprimand The Sanctions Board or the Sanctions Board Panel may decide that the Respondent be reprimanded in the form of formal Letter of Reprimand of the Respondents conduct

Debarment Debarment shall apply as follows

For cases 15-03531-1566 initiated on 5/27/2015 at 2:36 PM (508 220 587 Tm3(511es)TjProje 0 0 83256 624 Tm (48)Tj 8 0i0 6 1

debarment from World Bank Group Projects. In the event the Respondent fails to

mandatory sanction the Sanctions Board or the Sanctions Board Panel may consider the following

Section 16 Entry Into Force of Final Decision

Final Nature of Decision The decision of the Sanctions Board or the Sanctions Board Panel shall be final and shall take effect immediately

Bank shall consider among other factors the standard for withholding sensitive information set forth in Section **83**

Sharing of Materials Submitted to the