

Procurement Integrity Expectations and Principles

*Clare Wee, Head OAI
Business Opportunities Fair 2013*

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Let's Keep up the fight!

Office of Anticorruption and Integrity (OAI)

ADB



Forestry Sector Project

No roof...



Power Project Insulators Stored at Yard



Road Project



Water Supply Project



OVERVIEW



Integrity Expectations



Recent developments

- Corporate Groups
- Harmonized Guidelines



**Path of
Integrity =
Winning Path
for All**





NOT an ADB project

COSTS OF CORRUPTION

Bribery: \$1,000 billion (\$1 trillion)/year

Procurement bribes: \$200 billion/year



Strategy 2020 sets the vision of
the Asian Development Bank (ADB) as
an Asia and Pacific region
free of poverty.

Strategy
2020

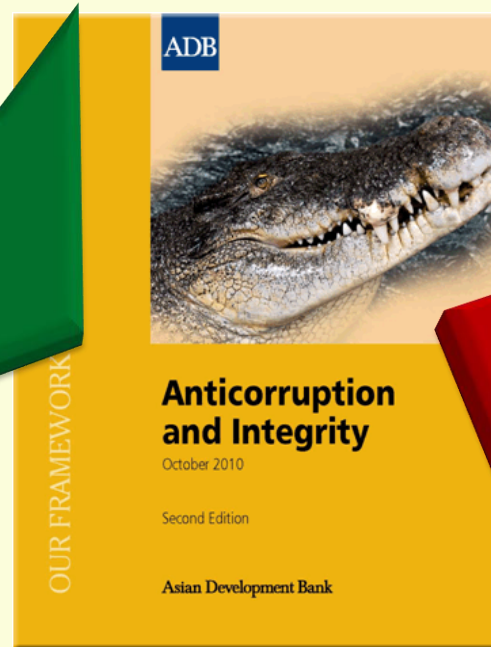


Global Tightening



ADB's Anticorruption Policy

Highest Ethical
Standards



Zero
Tolerance

*Applies to **EVERYONE***

*All ADB projects, activities, staff and
external partners*

Office of Anticorruption and Integrity (OAI)



Initial contact for
allegations of integrity
violations



Undertake Project
Procurement-Related
Reviews (PPRRs)

Investigate allegations of
fraud and corruption



Promote awareness of
Anticorruption Policy

Integrity Due Diligence



Integrity Violations

Misconduct

Corruption

Fraud

**Conflict
of Interest**

Coercion

Collusion

**Obstructive
Practice**

Abuse

MDB harmonized definitions

Fake/Altered receipts



Irregularities in information



- Registered to a non-member country
- Address/telephone do not correspond

+63-928...

British Virgin Islands

Office Address: (Number, Street Name, District, Region, City, State, Postal Code, Country)

Akara Building, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands

1. Tele. No(s). (include country and area codes)

+63-928 (local contact)

4. Fax No.

+63-2 (local)

5. * E-mail Address for Payment Notification

co . com

Local Agent/Distributor/Associate/Partner (include name, address, contact telephone no., fax and e-mail address if applicable)

Top Consulting Phil. Inc.

Pasig City, Philippines Fax# +632 6871048



Workshop Attendance Sheets

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1. BERBASIS MASYARAKAT
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022 4200688

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Bank of Ceylon



ORIGINAL

Issuing Branch: Bank of Ceylon, Main Street, Jambhokka.

The Chairman,
Ninthavur.

22nd July 2010.

Dear Sir,

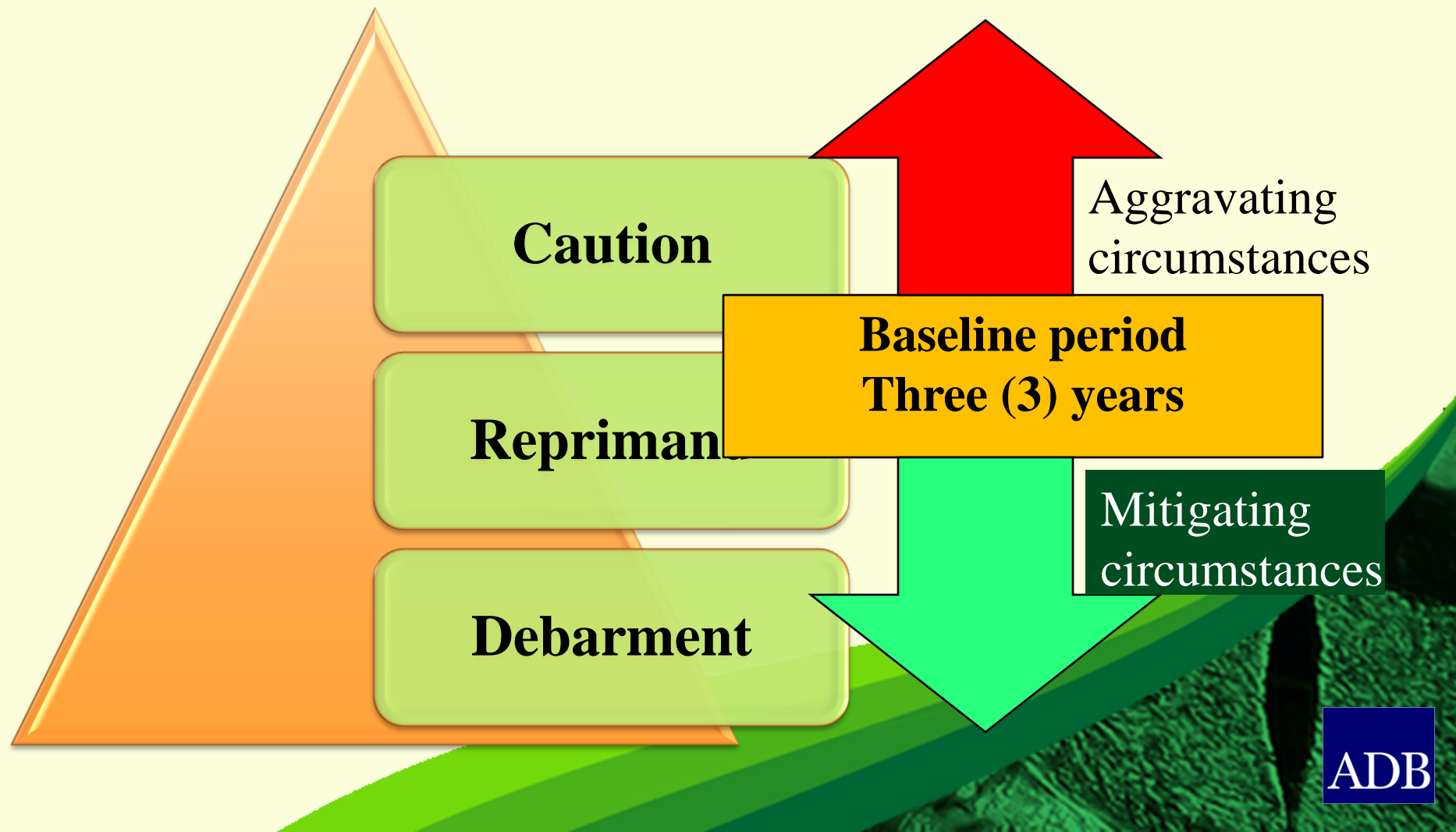
BANK GUARANTEE NO- (PGT/UBR/MAT/07/16)

We have been informed that N

Thirupendur, Tamil Nadu (hereinafter called "the Contractor") has entered into Contract No ADB/LGUP/08/N-PS/13/1/703(2009) dated 17/12/2009 with you, for the execution of IMPROVEMENT OF ROADS IN NINTHAVUR KALINSHIVA SARASWATHI AREA (hereinafter called "the Contract").



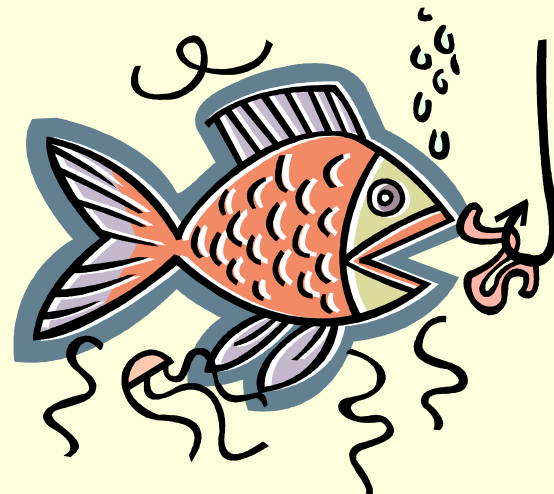
Remedial Actions against Proven Integrity Violations



Common Misrepresentations

Disqualified/Cancelled/Suspended Consultancy Contracts

- *Bid Guarantee*
- *Performance Guarantee*
- *Past Work Experience*
- *Unauthorized CVs (bait and switch)*



SOUTH ASIA Project Brief

ADB, JICA halted release of their funds following the WB decision

JOINT CALL for investigation

World



management capability.

The highway bridge will enhance freight and passenger transportation between Dhaka and major points in the southwest zone and contribute substantially to the development of the southwest zone, as well as to national economic growth

MDB Cross-Debarment

As of 2013

***244 Firms and Individuals
Cross-Debarred***

	Firms	Individuals
From other MDB's	145	71
From ADB	12	16



Who can be cross-debarred?



Firms or individuals

Publicly debarred

For over ONE year

For any of the FOUR harmonized prohibited practices

Recent MDB Developments

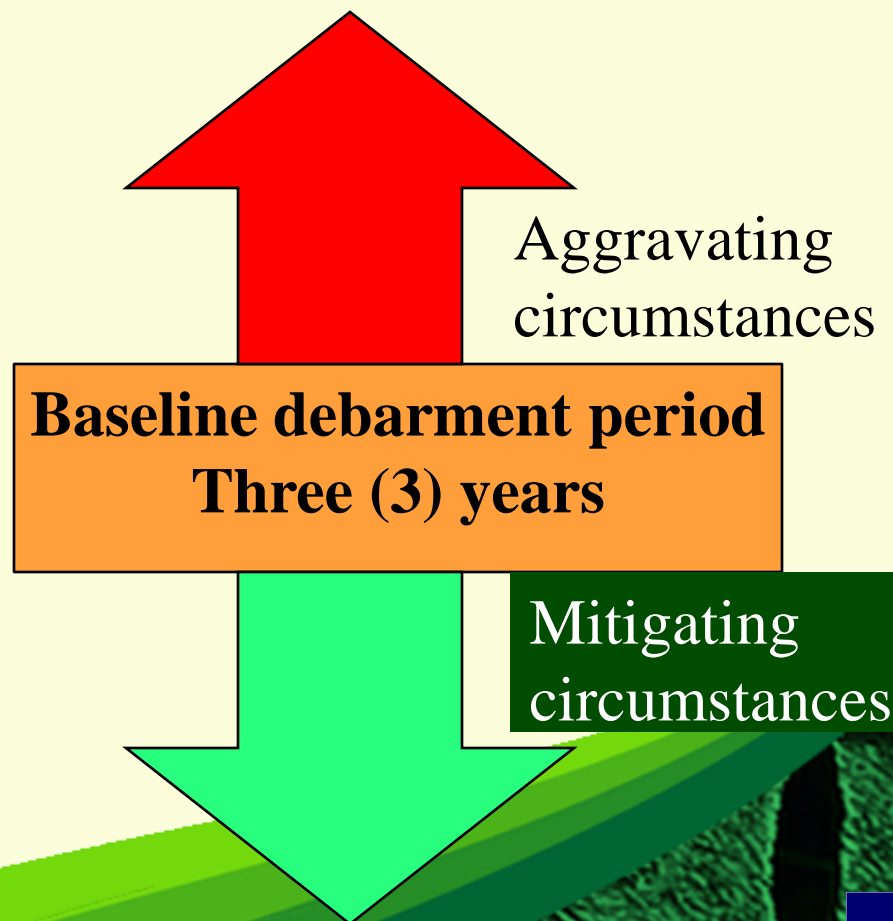
Temporary Suspension

At any time during OAI's investigation, OAI finds sufficient evidence of IV

Party was temporarily suspended by a participating institution

Sanctioning Guidelines (2011)

- Applied by 6 MDBs to ensure consistent treatment of individuals and firms



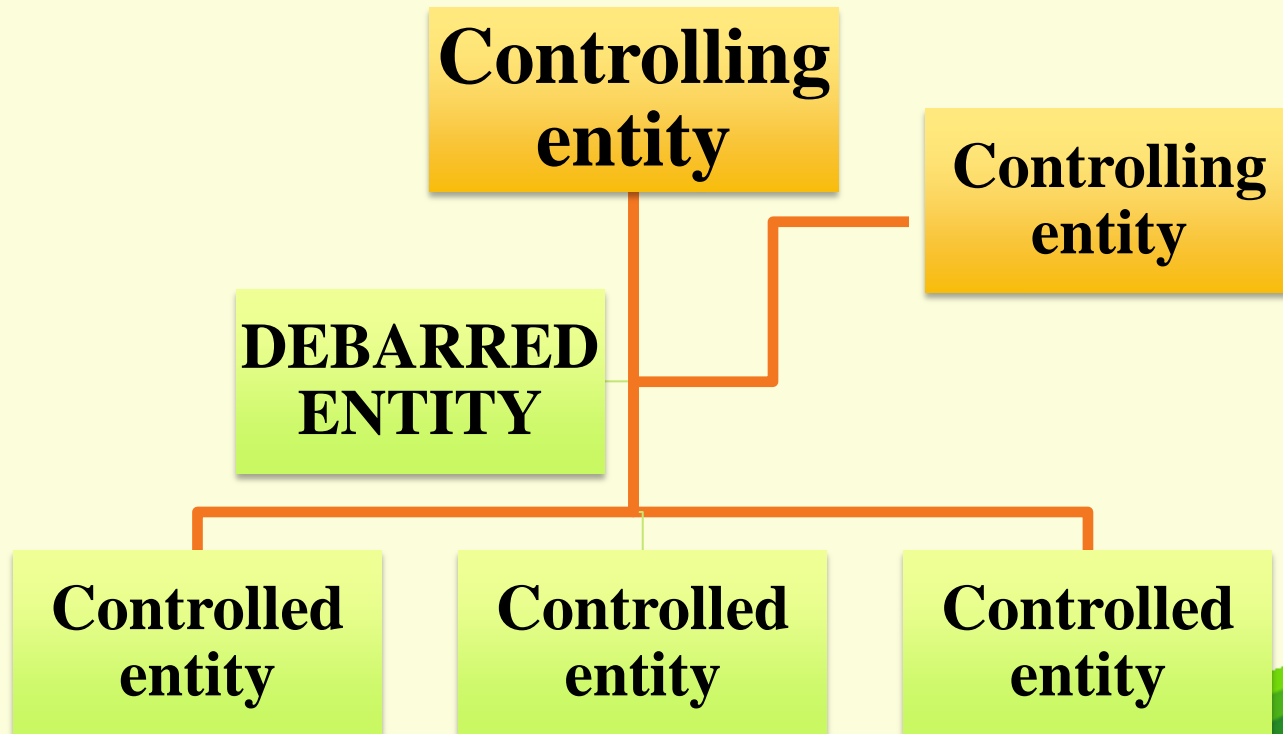
Harmonized Treatment of corporate groups (2012)

➤ Common standards

**Levels of culpability/responsibility
determine
type and severity of sanction**

Treatment of corporate groups - sanctions:

Sanctions apply to:

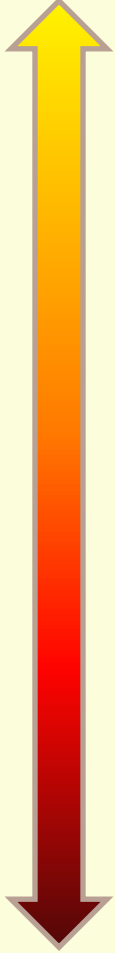


Corporate groups – sanctions and cross debarment:

- Successors are subject to sanction
– rebuttable
- Only named entities subject to
cross-debarment



VERY
CLEAN



HIGHLY
CORRUPT

Country	Rank
New Zealand	1
Denmark	2
Finland	2
Canada	10
UK	16
United States	24
Bhutan	38
Sri Lanka	86
India	95
Indonesia	100
Bangladesh	120
Philippines	129
Pakistan	134
Afghanistan	180

*Transparency
International*
2011 Corruption Perception
Index



Mountain of Rules and Regulations

Penalties



“The sole path is to remain in the virtuous sphere”



Imprisonment

Bribery Act 2010

Guidance
about pro
organisati
persons ass
(section 9 of the



National Sanction



Will you steal from this child?



Working Together





iACT

Let's Keep up the fight!

Urban Infrastructure Development Project



Properly Installed Gabion Boxes as Protective Wall



WATERSHED REHABILITATION



Road Development Project



Power Project



Better Projects

iACT



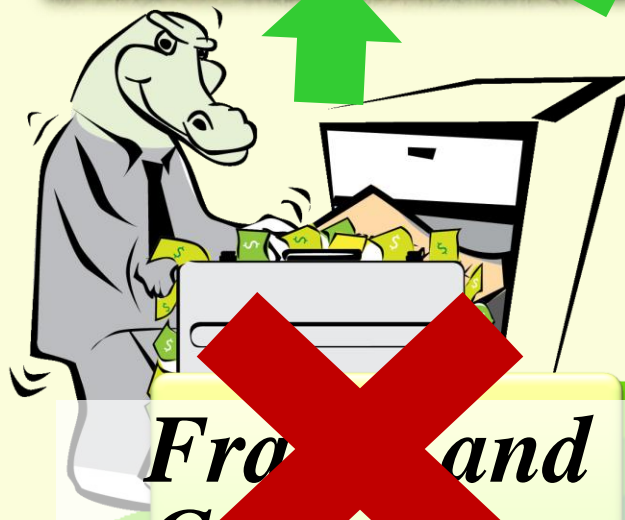
Economic Growth



Less Poverty



Greater Distribution of Wealth



Fraud and Corruption

ADB





To Contact OAI

Website: www.adb.org/integrity

E-mail: anticorruption@adb.org
integrity@adb.org

Tel: +63-2-632 5004

Fax: +63-2-636 2152

