



# 9<sup>th</sup> BUSINESS OPPORTUNITIES FAIR



Asian Development Bank Headquarters, Manila, Philippines

## Anticorruption and Integrity

By: Jonathan David Helliwell,  
Integrity Specialist

15 March 2018

*The views expressed in this presentation are the views of the author/s and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy of the data included in this presentation and accepts no responsibility for any consequence of their use. The countries listed in this presentation do not imply any view on ADB's part as to sovereignty or independent status or necessarily conform to ADB's terminology.*



# OUTLINE

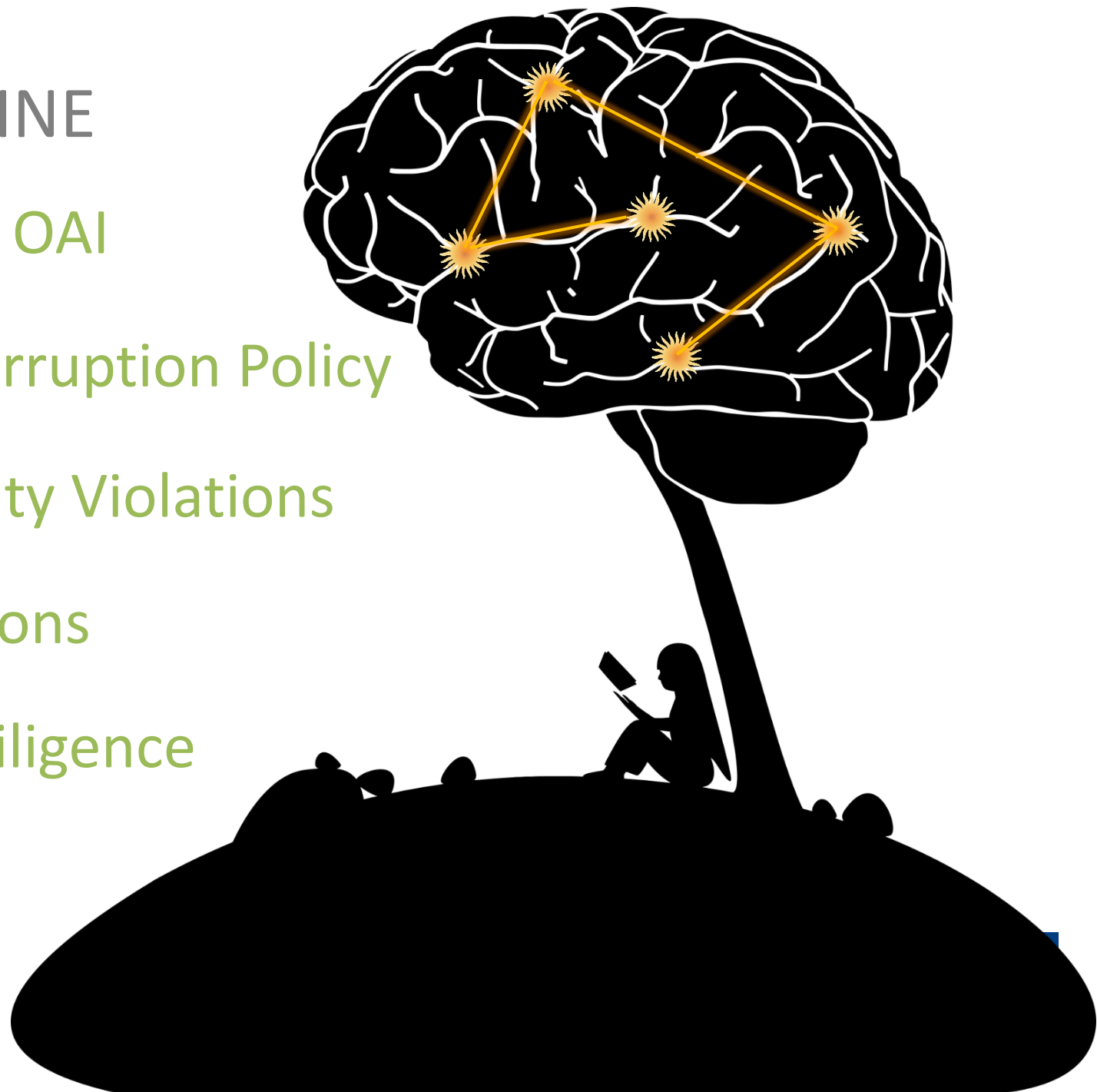
About OAI

Anticorruption Policy

Integrity Violations

Sanctions

Due Diligence



# Office of Anticorruption & Integrity (OAI)



**Initial contact**  
for allegations of integrity violations



Conduct  
**Project  
Procurement-  
Related Reviews**



**Investigate**  
allegations of fraud and corruption



**Promote  
awareness**  
of Anticorruption Policy

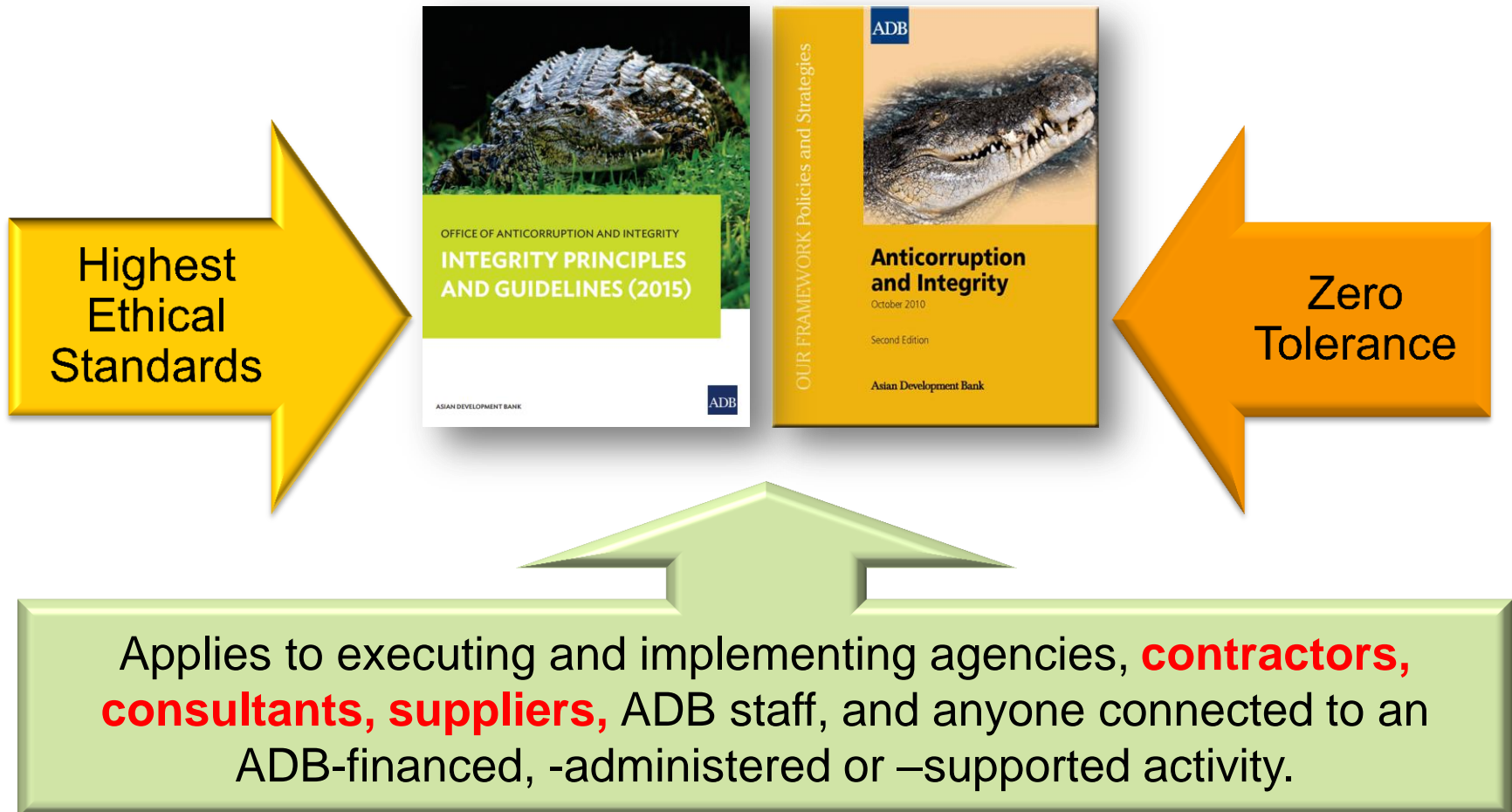


Conduct  
**Integrity Due  
Diligence**



Promote  
**Respect at Work**

# ADB's Anticorruption Policy & Guidelines



<http://www.adb.org/site/integrity/publications>

# Integrity Violations

**Misconduct**



**CORRUPTION**



**FRAUD**

**Conflict of Interest**

**Obstructive Practice**



**COERCION**



**COLLUSION**

**Abuse**

**MDB harmonized definitions**

# Integrity Violations - examples

- Fake ISO certification and misrepresented experience
- **Result** – 5 year sanction for proprietor and firm
- Fake audited financial statements submitted in bid
- **Result** – 2.5 year sanction for firm

# Integrity Violations - examples

- Lead firm in bidder's consortium misrepresented partner's engagement in the consortium, bidding & contract
- Lead firm made false statements, and failed to provide supporting documents
- Lead firm failed to respond to OAI's findings
- **Result** – 6 year sanction for lead firm and its director

# Integrity Violations - examples

- Winning firm owned by Implementing Agency Officer
- Competing firms colluded to defraud ADB with false bids
- **Result** – 7 year sanction for 2 firms and 3 individuals



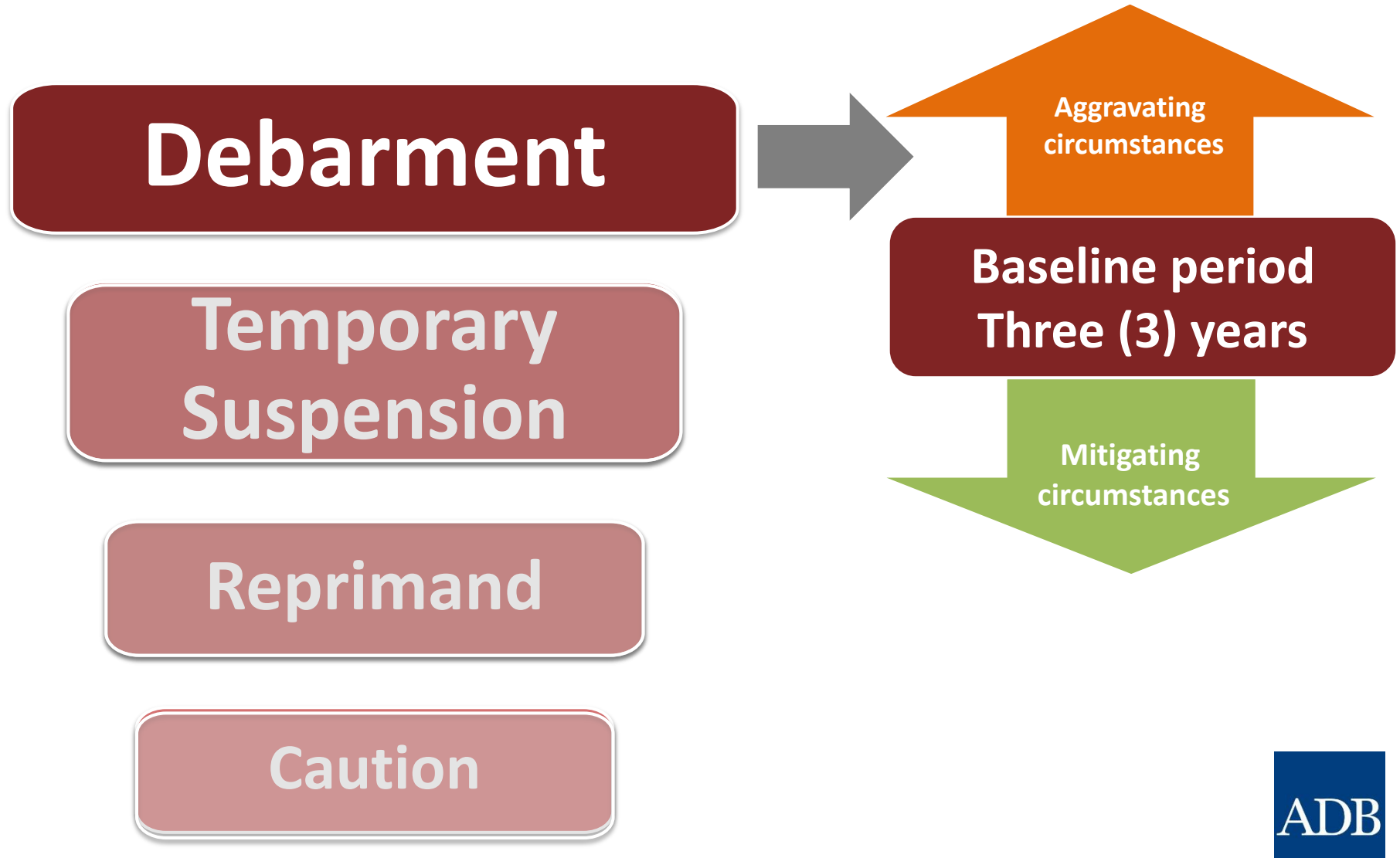
# Integrity Violations - examples

- Five firms colluded to misrepresent true services provider
- Contracts were subcontracted without notification and implemented at lower cost than amount paid
- **Result** –7 year sanction for 5 firms and 4 individuals

# Sanctions Violation - example

- Firm and authorized representatives submitted bids for two ADB contracts while under Sanction for fraudulent practice
- **Result** – 3 additional years published sanction for firm and representatives

# Remedial Actions Against Proven Integrity Violations



# **Remedial Actions Against Proven Integrity Violations**

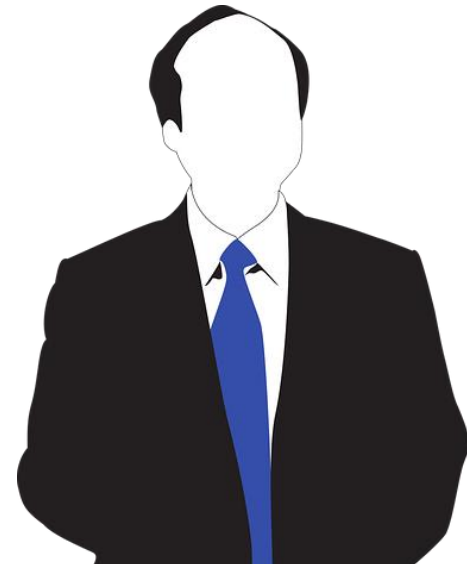
**Debarment w/  
Conditional  
Reinstatement**

**Conditional  
Non-Debarment**

# OAI Sanctions – 1998-2017



**1,442**  
**Sanctioned Firms**



**845**  
**Sanctioned Individuals**

# Impact while under sanction



Current  
contracts

**MAY  
CONTINUE**

Contract  
variations

**OAI  
APPROVAL**

Rein-  
statement

**NOT  
AUTOMATIC**

Future  
tenders

**NOT  
PERMITTED**

# Cross Debarment



**European Bank**  
for Reconstruction and Development



# Conduct Due Diligence



**It is your responsibility**





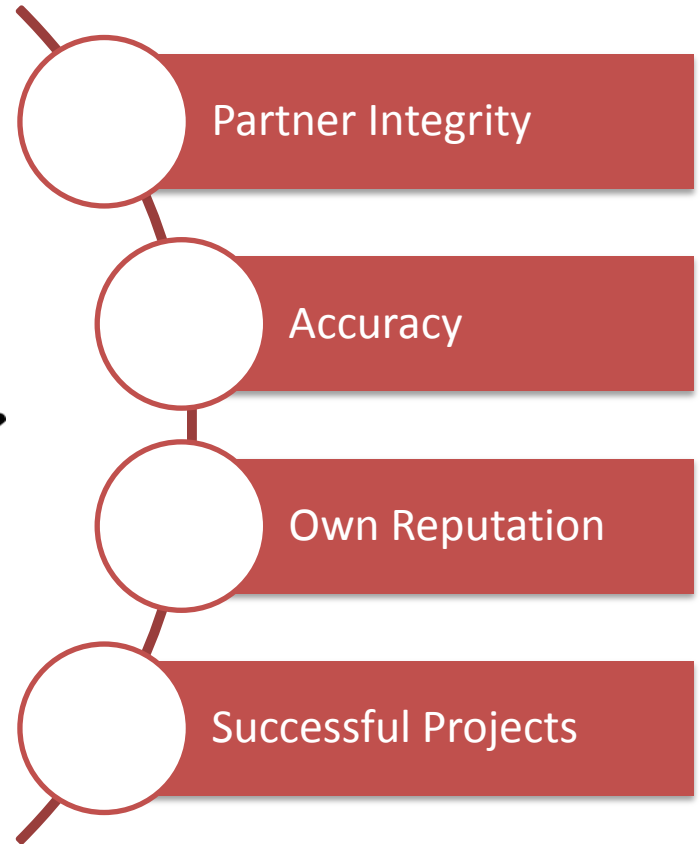
**Exercise Due Diligence by:**

# Exercise Due Diligence by:



Verifying the authenticity of CVs and other documents

# Due Diligence





# **WHAT YOU SHOULD BE DOING**

# Working Together as Partners

**PROJECT SUCCESS**



**ADB**

**Governments**



**Contractors, suppliers,  
consultants**

# Good partnerships lead to good projects





If you have any questions,  
contact:

## **OFFICE OF ANTICORRUPTION AND INTEGRITY**

Website: [www.adb.org/integrity](http://www.adb.org/integrity)  
Email: [anticorruption@adb.org](mailto:anticorruption@adb.org)  
[integrity@adb.org](mailto:integrity@adb.org)  
Tel: +63-2-632 5004  
Fax: +63-2-636 2152



