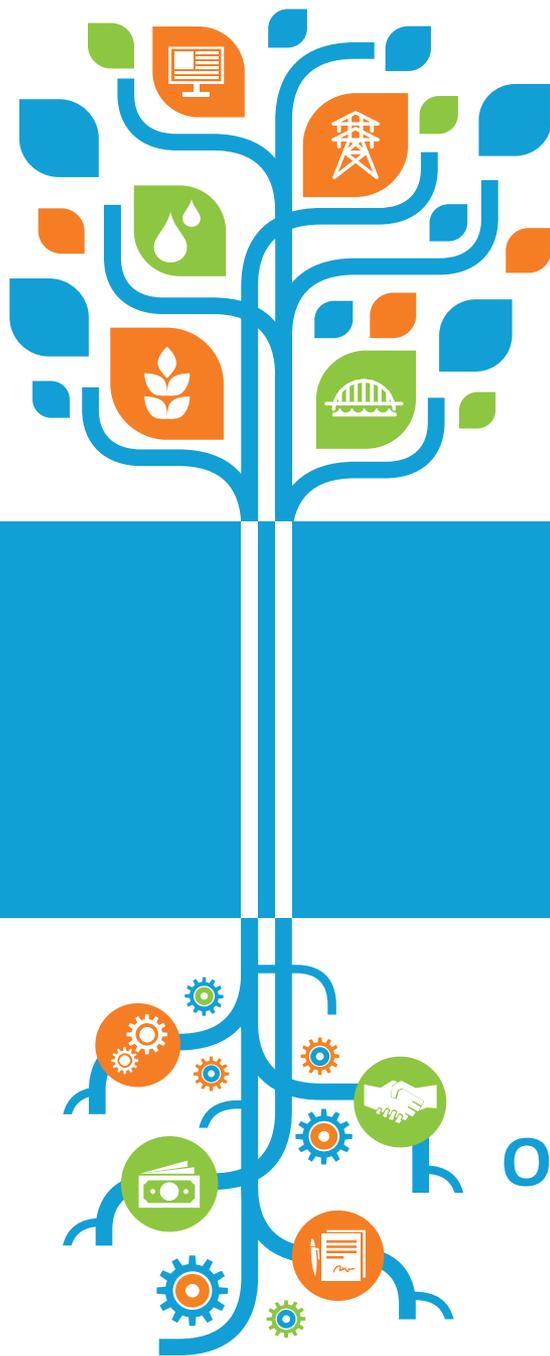


10th BUSINESS OPPORTUNITIES FAIR 2019

ADB

Anticorruption and Integrity

H. Lorraine Wang
Office of Anticorruption and Integrity, ADB
28 March 2019





Overview

1. Why we're here

- We protect vulnerable communities
- We protect you

2. What we do

- Anticorruption Policy
- Integrity Violations and Sanctions
- Sample cases

3. What you can do

- Due Diligence





ADB's Office of Anticorruption and Integrity (OAI) ensures that the funds go to intended beneficiaries – particularly the poor and vulnerable.



OAI ensures that public officials have the capacity to deliver more effective public services and undertake complex reforms.

A woman with dark skin and curly hair, wearing a brown t-shirt, is sitting outdoors and holding a young child. The child is looking towards the camera. The background shows a dirt area, some trees, and a blue sky with clouds. A yellow text box is overlaid on the right side of the image.

OAI supports resilience-
building by ensuring that
grants are transparent,
accountable and effective.



This meant adopting a
zero tolerance
approach to fraud and
corruption in all ADB activities.

OAI ensures a level playing field for all.

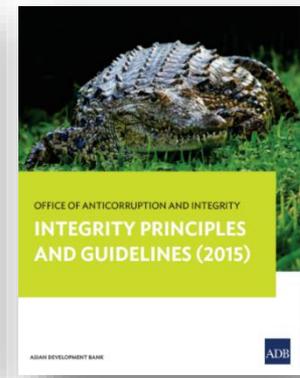
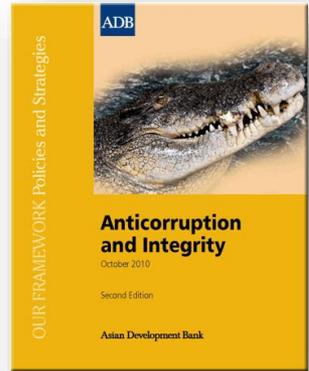




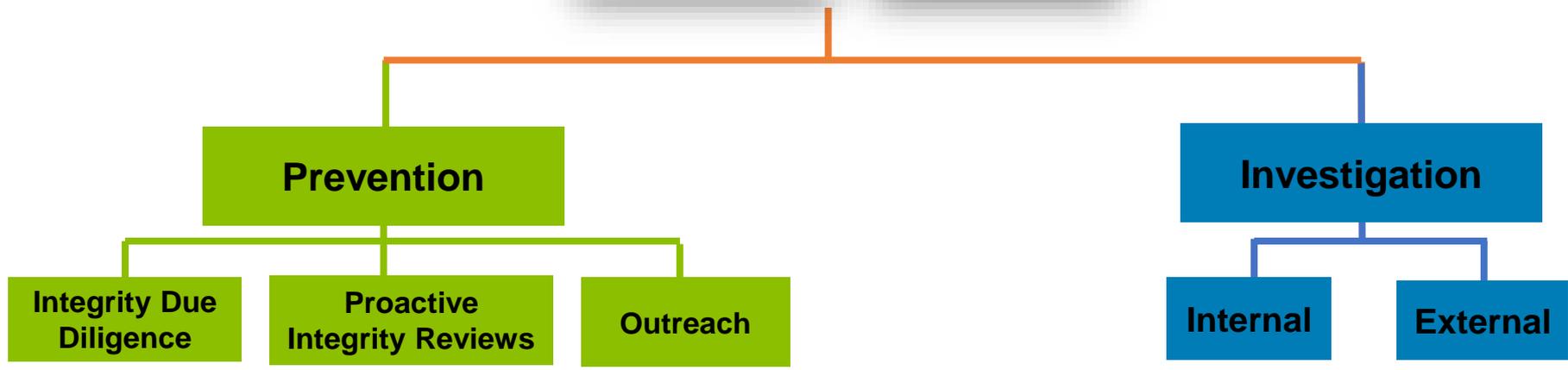
Office of Anticorruption and Integrity



Highest Ethical Standards



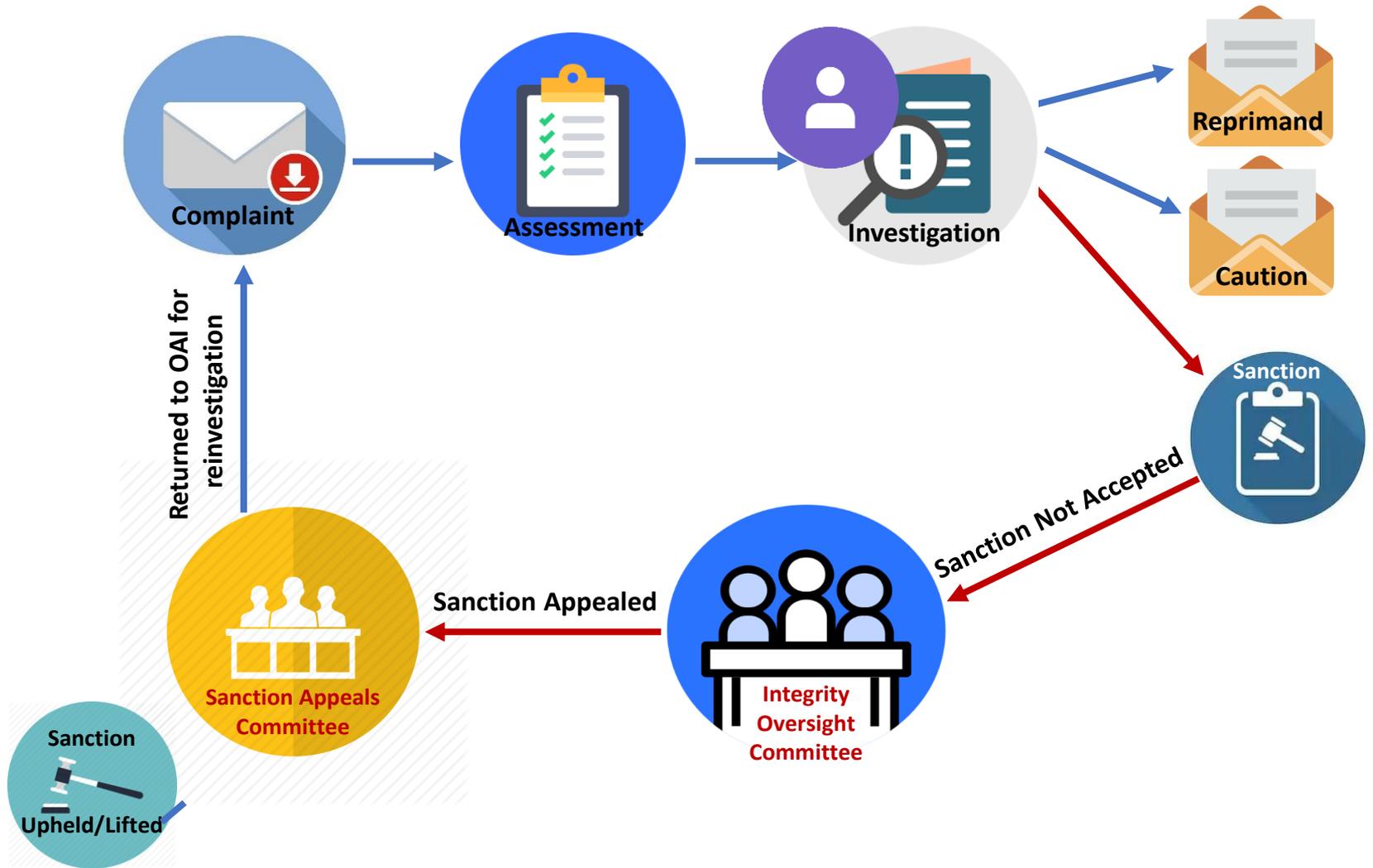
Zero Tolerance



Applies to executing & implementing agencies, **contractors, consultants, suppliers**, ADB staff, and anyone connected to an ADB-financed, -administered, or –supported activity.



External Party Investigation Process





OAI Sanctions – 1998-2019

As of 15 March 2019



1,819
Sanctioned Firms



926
Sanctioned Individuals



Integrity Violations

CORRUPTION

FRAUD

COLLUSION

COERCION

MDB-harmonized Definitions

MISCONDUCT

CONFLICT OF INTEREST

OBSTRUCTIVE PRACTICE

ABUSE



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
- Winning firm colluded with IA to defraud ADB
- **Result** – 7 year sanction for 2 firms and 3 individuals



Sanctions Violation - example

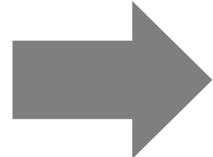
- Firm and authorized representatives submitted bids for two ADB contracts while under Sanction for fraudulent practice
- **Result** – 3 additional years published sanction for firm and representatives



Remedial Actions Against Proven Integrity Violations



Debarment



**Baseline period
Three (3) years**



**Temporary
Suspension**

Reprimand

Caution



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



IDB
Inter-American
Development Bank



WORLD BANK GROUP

A party to the Uniform
Framework (2006);
not a party to the Cross
Debarment Agreement.



**European
Investment
Bank**



Conduct Due Diligence



It is your responsibility



Conduct Due Diligence



-  Partner Integrity
-  Accuracy
-  Own Reputation
-  Successful Projects



Due Diligence





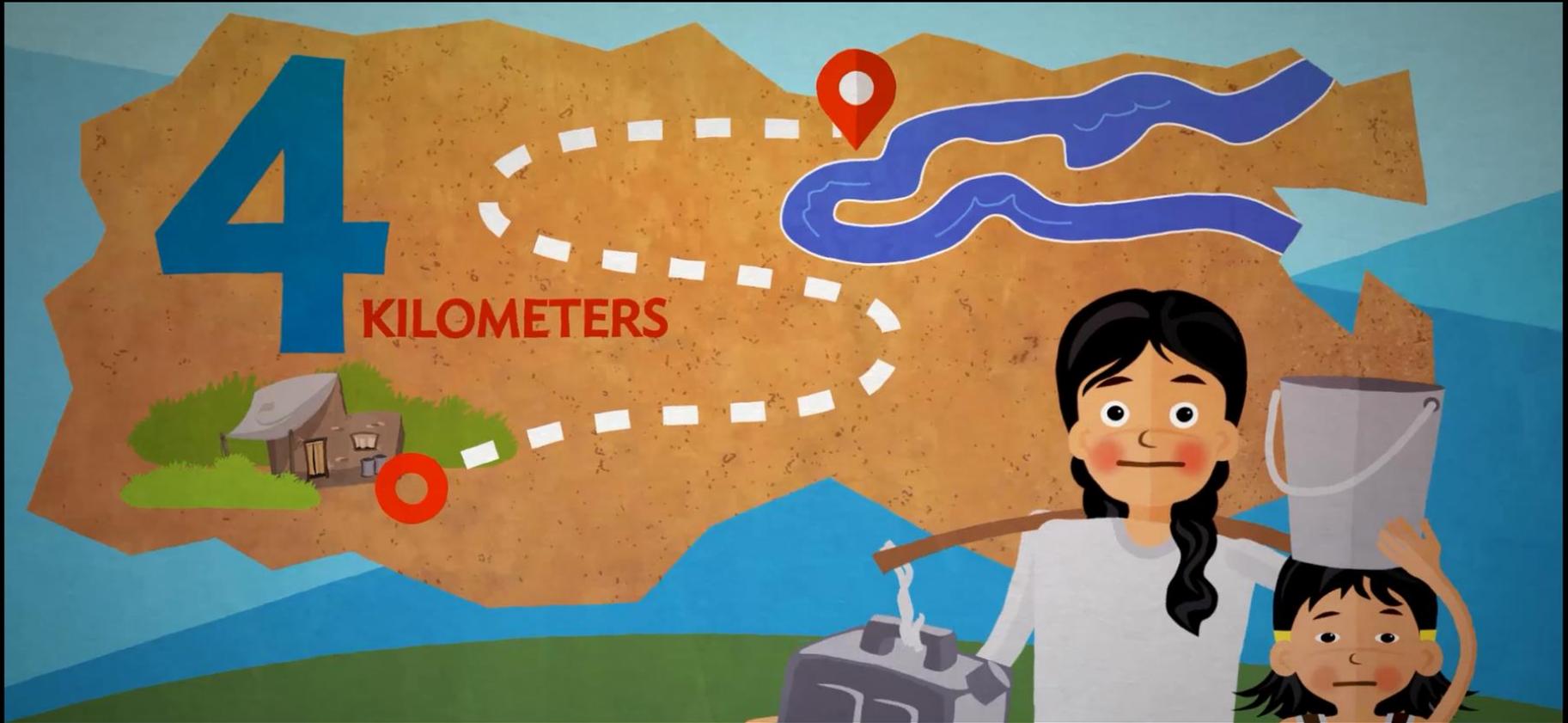
Due Diligence



What you should be doing

4

KILOMETERS





PROJECT SUCCESS

ADB



Governments

**Contractors, suppliers,
consultants**

“Corruption siphons off scarce resources and diminishes a country’s prospects for development. Where corruption is endemic, the consequences are disproportionately borne by the poor who have no resources.” - UNDP





If you have any questions, contact:

**OFFICE OF
ANTICORRUPTION AND
INTEGRITY**

Website: www.adb.org/integrity
Email: anticorruption@adb.org
integrity@adb.org
Tel: +63-2-632 5004
Fax: +63-2-636 2152