



Office of Anticorruption and Integrity

The Integrity Learning Series

# Anticorruption and Integrity

## ADB Procurement Procedures

### India Resident Mission

**Lili Gutierrez**

Senior Integrity Officer

4 March 2025

# Reminders



The session is being recorded.



Type in your questions through the chat box at any time.



Please remain on mute if not speaking.

## Question

What is the most relevant responsibility of government in promoting integrity?

- A. Develop and enforce clear laws and regulations against corruption.
- B. Foster transparency and accountability in public institutions.
- C. Provide adequate resources and training for ethical conduct in government.



Scan the QR Code or go to [menti.com](https://menti.com)  
and enter code **3475 0091**

More than **5%** of global GDP

Every year, **\$1 trillion** is paid in bribes,  
while an estimated **\$2.6 trillion** is lost through corruption.

United Nations Security Council  
10 September 2018

“

Corruption is the  
**single greatest  
obstacle** to  
economic and  
social  
development  
around the world.

## Scenario

You find a wallet on the street. It has the owner's ID and \$1,000.

What would you do:

1. Keep the money: “Finders keepers!”
2. Turn in the wallet intact to the Lost and Found counter.
3. Contact the owner using the ID to return the wallet.



Scan the QR Code or go to [menti.com](https://menti.com)  
and enter code **3475 0091**

# ADB's Integrity Framework

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



# What to Expect

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- I. Integrity Violations
- II. Recognizing and Reducing Integrity Risk
- III. Enforcement Actions and Impacts

# I. Integrity Violations

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# Quiz

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Or go to **menti.com**  
and enter code  
**3475 0091**

**Scan to participate**



## Rural Roads Rehabilitation Project



ADB Irrigation and  
Water Project  
**BIDDING IS  
NOW OPEN**











# Integrity Violations



## II. Recognizing and Reducing Integrity Risk

- **Red Flags**
- Due Diligence

# What is Integrity Risk?



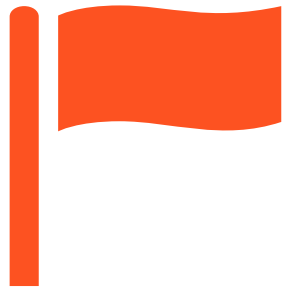
## Integrity Risk

is the risk that a person or entity involved in ADB activities is implicated in financial or other ethical misconduct, resulting in potential adverse impacts on ADB.

Such misconduct includes any act which violates ADB's Anticorruption Policy, namely corrupt, fraudulent, coercive, or collusive practice, and other integrity violations as defined.

Such misconduct also encompasses other improper activity, including money laundering, terrorist financing, tax evasion, and predicate offences as defined by international standards in relation to financial crime risks.











Be alert to the  
**red flags** of  
integrity risks.

# Project Implementation Processes



## Procurement

-  **Bidding**  
Prequalification; bidding documents preparation; and bid advertisement, submission, and opening
-  **Bid evaluation**  
Assessment of bidders' compliance with bidding requirements, and preparation and approval of evaluation report
-  **Contract award**  
Post-bid evaluation activities until contract is awarded and signed

## Contract & Asset Management

-  **Contract administration**  
The management of the day-to-day practicalities and administrative requirements under the contract
-  **Output monitoring**  
Engagement with/supervision of contractors, consultants, and suppliers in relation to project outputs
-  **Asset control**  
Safeguarding and maintenance of project assets including asset inventory


## Financial Management

-  **Expenditure management**  
Approval and processing of payments for project expenditures
-  **Financial reporting**  
Project accounting and auditing


These sub-processes reflect those assessed by OAI and do not necessarily reflect all sub-processes that exist within each process.

# Red Flags in Bidding


## Ineligible bidders

In a rebidding, the bid evaluation committee decided that three suppliers were substantially responsive to the bidding requirements. 

However, ADB had **debarred** two of these suppliers. 

The remaining supplier (i) appeared to be **related** to the two debarred suppliers, (ii) purchased bidding documents on the day of the bid submission deadline, and (iii) submitted a bid to create an illusion of competition. 

## Leakage of Confidential Information

Negotiations between the project management unit and the supplier were initiated 2 months before quotations from other suppliers were sought. 

# Red Flags in Bid Evaluation

## Financial Capacity



Outdated financial statements to support bidder's financial capacity.

Financial statements from different years have identical data. ⚠️



Unaudited financial statements without first establishing that the law in the bidders' countries/ jurisdictions did not mandate financial statements to be audited. By default, the bidding documents required submission of audited financial statements, while unaudited financial statements are allowed only on an exceptional basis.



Value of a bidder's cash and cash equivalents declared in the bidding form, which was higher than the value in the submitted audited financial statements.



Unsupported credit lines.  
Different bidders having identical credit lines. ⚠️

# Red Flags in Bid Evaluation

## Pending Litigation



Bidder did not disclose its pending litigation as indicated in the notes to the financial statements. ⚠

## Personnel



Represented years of experience based on submitted resume' ⚠  
Using personnel from debarred entities.

# Fake CVs or credentials

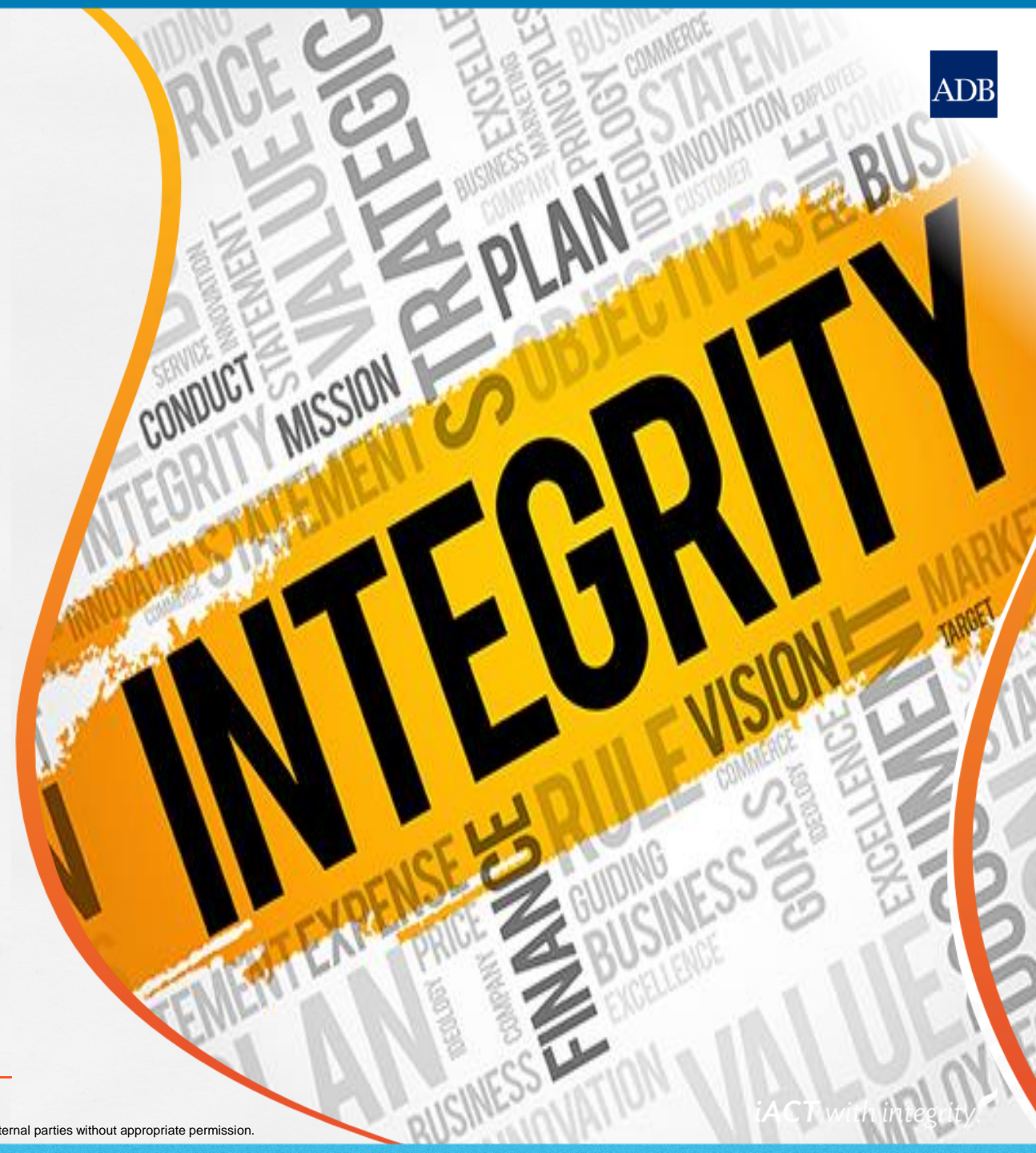


## II. Recognizing and Reducing Integrity Risk

- Red Flags
- **Due Diligence**

## Perform integrity due diligence

Process of checking the accuracy of information of a business or individual prior to, during, and after engaging in a contract and informs risk mitigation





**WHY?**



**WHO?**



**WHEN?**

# Due Diligence: Some Factors



Beneficial ownership



Financial background  
and payment of contract



Competency of third party



Public records resources:  
History of corruption  
and adverse news



Reputation:  
Commercial references



Approach to ethics  
and compliance

# Potential Risk Flags



Bribery, corruption



Fraud, embezzlement



Money laundering, terrorist financing



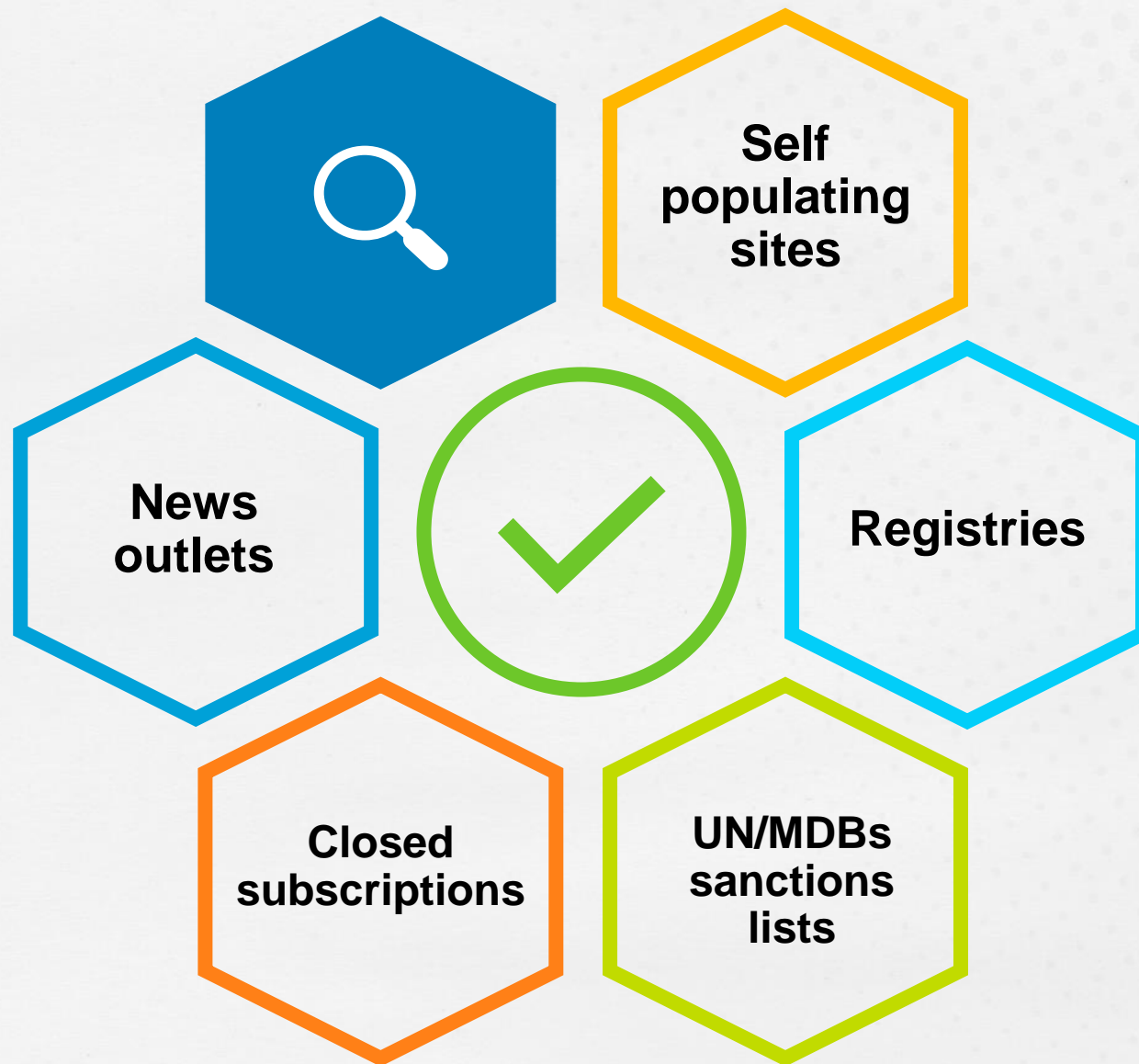
Criminal convictions



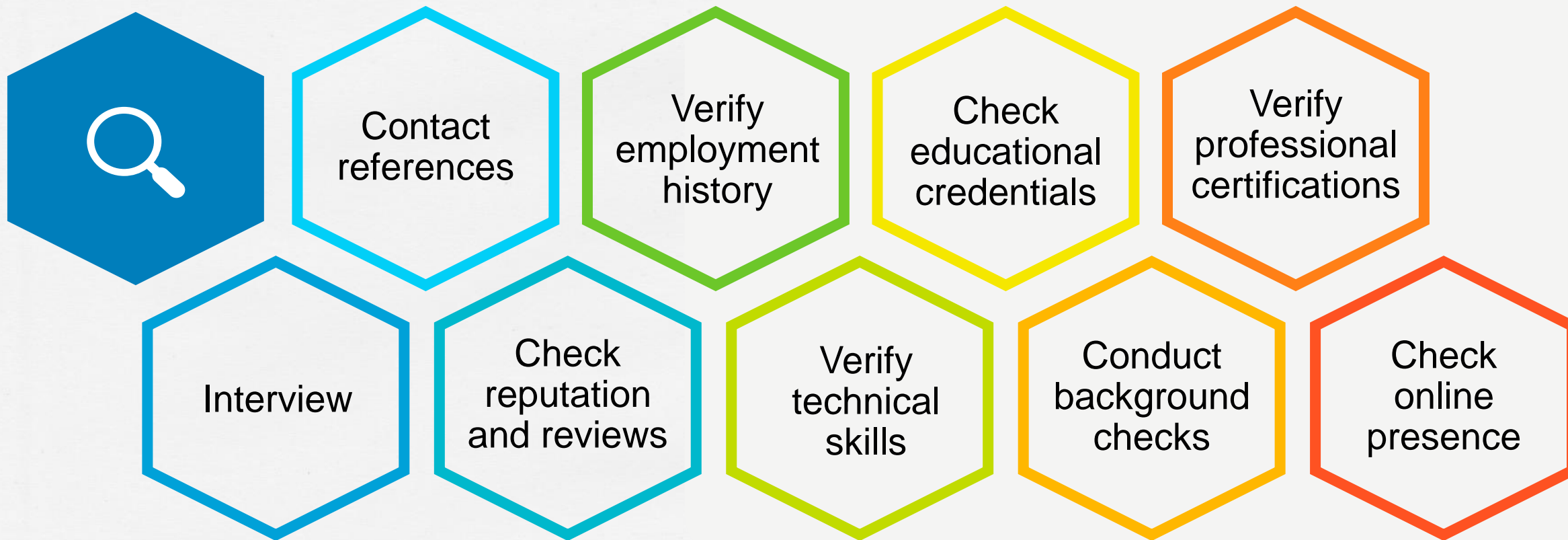
Illegal or disreputable activities



# Due Diligence: Sources



# Due Diligence: Some Steps



# Search Techniques

## Use:

### Specific Keywords

Jonathan vs Jonathan **Mumbai engineer**

### And

“road construction” **AND** “environmental impact”

### Quotation Marks

“Calcutta road project”

### Or

education **OR** training

### Minus Operator (-)

“bridge construction projects” **-** “toll bridges”

# More Search Techniques



Asterisk (\*)  
as a wildcard



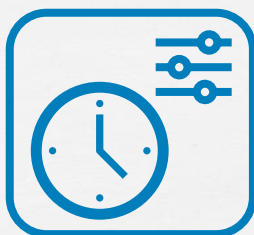
Site-specific  
searches



Advanced  
search options



Related  
searches



Time filters



Google Scholar



Reverse image  
search

# Debarment and Suspension Checks

 <http://sanctions.adb.org>

## ADB Debarment and Suspension Register

The following page lists the entities temporarily suspended and debarred by the Asian Development Bank (ADB), and those cross debarred by ADB in accordance with the Agreement for Mutual Enforcement of Debarment Decisions with other Multilateral Development Banks (MDBs). These entities are not eligible to participate in ADB-financed, -administered, or -supported activities.

### PUBLISHED LIST

Accessible to the public

#### NO LOGIN REQUIRED

Publicly Disclosed Debarment or Suspension

[View Publicly Disclosed Debarment or Suspension](#)

What you will see in this subregister:

- Debarments that have institutional considerations
- Debarments associated with the violation of a previous debarment
- Second and subsequent debarments
- Debarred entities (firms and individuals) who are uncontactable
- Cross debarred entities
- Subset of the ADB Debarment and Suspension register

#### AUTHORIZED USERS ONLY

Complete ADB Debarment and Suspension Register

[View Non-Publicly Disclosed Debarment](#)

What you will see in the register:

- Published Debarments
- Non-published Debarments
- Temporary suspension

How do I get access to this list?

This is a secure application operated by ADB for its official business. Only those given access to the application can access the list.

1. For registered users, please proceed by [Login](#).
2. If you're a [qualified user](#) requiring access to the complete sanctions list, please [Sign Up](#).
3. If you have problems submitting the online application, please download the [Application Form](#), complete it and email to [integrity@adb.org](mailto:integrity@adb.org).

### Other Information

[Application](#)

[Temporary Suspension](#)

[Debarment](#)


[Contract](#)

### COMPLETE LIST

Password-protected, accessible to:

- ADB staff
- BoD
- Parties with a “need to know”: international organizations, bilateral and government partners
- EAs and IAs

# Sign up: ADB Debarment and Suspension Register

 **ADB** ASIAN DEVELOPMENT BANK

[Home](#) [ADB Debarment and Suspension Register](#) [Resources](#) [Other Sanctions Lists](#) [Contact Us](#)

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### Other Information

- [Application](#)
- [Temporary Suspension](#)
- [Debarment Period](#)
- [Contract Variations](#)

<http://sanctions.adb.org>

**Sign-up here**

**Manual form available**

# Sign up: ADB Debarment and Suspension Register

ADB ASIAN DEVELOPMENT BANK

Home ADB Debarment and Suspension Register Resources Other Sanctions Lists Contact Us

## Application Form

Apply for access to Asian Development Bank full sanctions list:

Your Name\*

First name Middle name Last name

Email Address\*

Designation\* Organization / Agency\*

I.e. Deputy Secretary / Proj Officer I.e. Organization, Ministry, Employer, etc

Address\* Country

Select a country

Telephone Number\*

In connection with this application, I confirm that: I am involved in an ADB-financed, administered or supported activity in my capacity as:

Designation for this project\*

I.e. Project Director etc

Project(s)\*

ADB Loan number(s)\*

Project is being executed/implemented by:

Organization / Agency\*

ADB Project Officer's contact information:

Project Officer\* Project Officer's ADB Email\*

Information on why access is required

If granted access, I shall use the information in ADB Debarment and Suspension Register exclusively in connection with the project identified above. I shall protect the confidentiality of the information and use it only for the purpose for which the access has been granted.

The information will be granted without prejudice to the privileges and immunities conferred on ADB and its officers and employees by the Agreement Establishing the Asian Development Bank and other applicable sources of law. ADB reserves the right to invoke its privileges and immunities at any time with respect to the information provided and in any administrative or other proceedings.

☐ Accept Term

Make sure you fill in the name and email address of an ADB project officer who can verify your involvement in the project

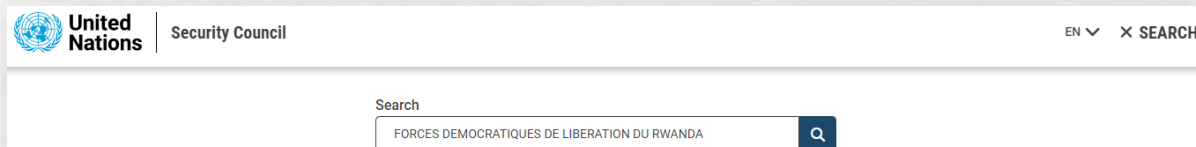
## ADE

...rity!

# United Nations Security Council Sanctions: Obligations



# United Nations Security Council Sanctions

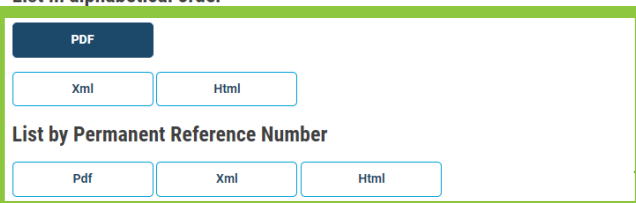


## United Nations Security Council Consolidated List

- Composition of the List
- Identifiers and acronyms in the List
- Individuals
- Entities
- Mailing list Subscription
- Search UN Security Council Consolidated Lists

### United Nations Security Council Consolidated List

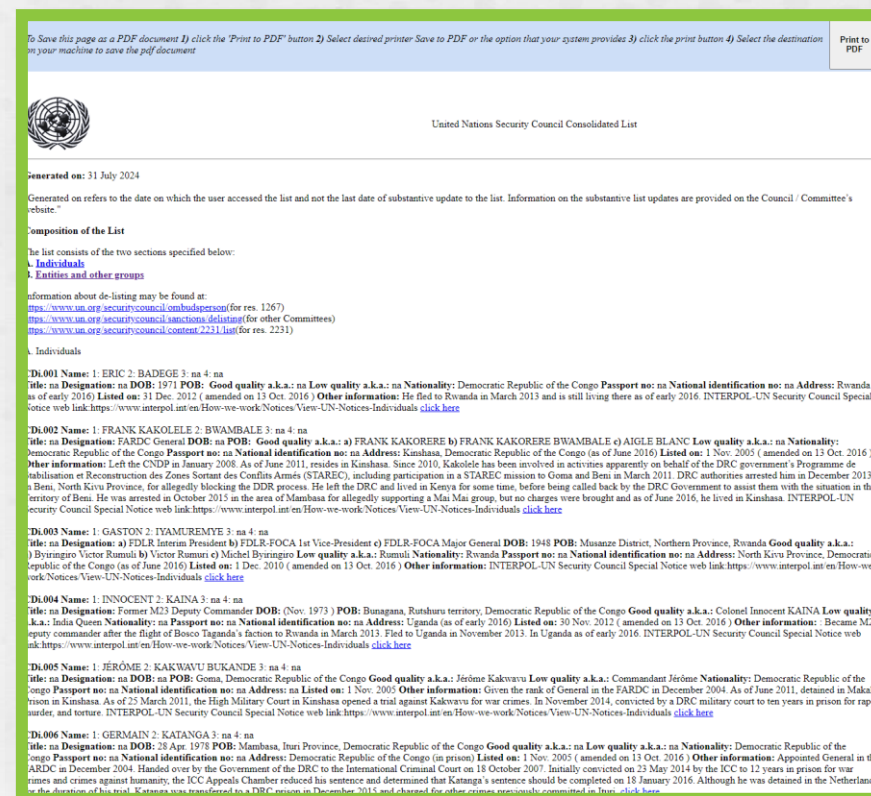
#### List in alphabetical order



The Consolidated List includes all individuals and entities subject to measures imposed by the Security Council. The inclusion of all names on one Consolidated List is to facilitate the implementation of the measures, and neither implies that all names are listed under one regime, nor that the criteria for listing specific names are the same. For each instance where the Security Council has decided to impose measures in response to a threat, a Security Council Committee manages the sanctions regime. Each sanctions committee established by the United Nations Security Council therefore publishes the names of individuals and entities listed in relation to that committee as well as information concerning the specific measures that apply to each listed name.

The current version of the Consolidated List is provided in .xml, .html and .pdf formats. Member States are obliged to implement the measures specific to each listed name as specified on the websites of the related sanctions committee.

For all comments and questions concerning all sanctions lists, including the United Nations Consolidated List, kindly contact the Secretariat via the email address: [sc-sanctionslists@un.org](mailto:sc-sanctionslists@un.org).



## Search options

[Link to United Nations Security Council List](https://www.un.org/securitycouncil/content/un-sc-consolidated-list)

<https://www.un.org/securitycouncil/content/un-sc-consolidated-list>

# III. Enforcement Actions and Impacts

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# Consequences of Integrity Violations in ADB-supported Projects



**Debarment** of firms or individuals



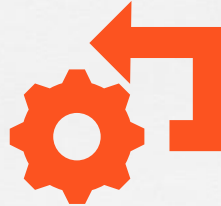
**Suspension** of loan or grant allocations



**Termination** of loan or grant allocations



**Return** of misused loan or grant resources to ADB



Changes of administrative arrangements



Request to **investigate or change** government staff



Cross debarment



# Enforcement Actions



**Debarment**



**Debarment  
with conditional  
reinstatement**



**Conditional  
Non-Debarment**



**Reprimand**



**Restitution and / other  
financial remedies**

# Impact While Under Debarment

Current  
contacts



**MAY  
CONTINUE**

Contract  
variations



**OAI  
ENDORSEMENT**

Future tenders



**NOT PERMITTED**

Reinstatement



**NOT AUTOMATIC**



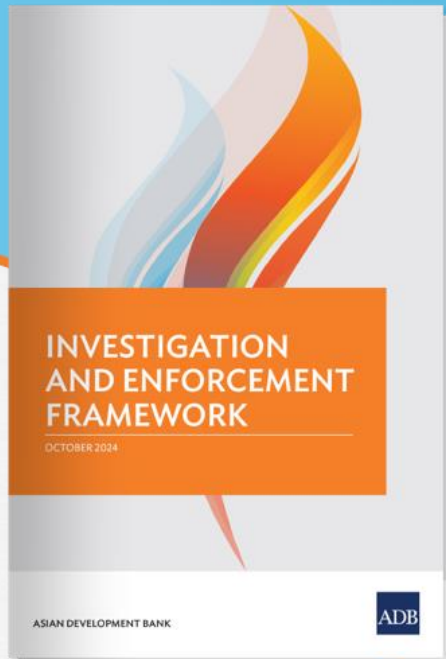
3

# Integrity is everybody's business.

**John Versantvoort**

Head, Office of Anticorruption and Integrity

# Other Resources



Scan the QR code or visit  
[bit.ly/ief-adb](https://bit.ly/ief-adb)



Scan the QR code or visit  
[bit.ly/ADBintegritylessons](https://bit.ly/ADBintegritylessons)



## Detecting and Preventing Integrity Violations in ADB Projects

Take the course now!

Scan the QR code or visit: [bit.ly/ADB-DPIV](https://bit.ly/ADB-DPIV)



# Remember



Know the integrity violations.



Sign up for access to the Complete List.



Do due diligence.



Manage integrity risks.

**If Everyone assumes that Someone is doing it, No one will end up doing it.**



**Report integrity violations to OAI**

Your feedback would help the Office of Anticorruption and Integrity in providing knowledge products and services relevant to you.

Answers will be kept confidential and data will only be assessed in the aggregate.



**Scan**

# Thank you!



[www.adb.org/integrity](http://www.adb.org/integrity)



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[integrity@adb.org](mailto:integrity@adb.org)



@adb\_oai



+63-2-8632 5004



ADB Anticorruption and Integrity



Report integrity violations :

<https://www.adb.org/integrity/report-violations>



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