

An abstract graphic on the left side of the slide. It features a solid blue hand at the bottom, from which a thick, multi-colored stream of lines flows upwards and to the right. The lines are composed of overlapping, semi-transparent bands in shades of blue, yellow, orange, and red, creating a sense of movement and energy.

## The Integrity Learning Series

# The Integrity Learning Series: Anticorruption and Integrity Training for Cambodian Executing and Implementing Agencies

**Elsa Ronterre**  
*Integrity Specialist*

26 April 2024

# Overview

- Introduction
- Integrity risks impacts
- ADB Integrity Policy Framework
- Conducting Integrity Due Diligence and Sanctions screening
- ABD Debarments and temporary suspensions
- Red flags and case study
- Conclusion
- Questions and Answers

# Objectives



**Increase awareness** of potential integrity risks and remedial actions



**Refresh your knowledge** of ADB's Integrity framework



**Improve skills** in corruption and integrity risk detection, risk assessment, and prevention

# Strategy 2030

## Strengthening governance and institutional capacity

ADB will support governments efforts to **eradicate corruption**

ADB will promote effective, timely, and **corruption free** delivery of public services

ADB will implement **anticorruption measures** in all ADB projects and programs



# Integrity is Everybody's Business



Link to video: [Impacts of Development Bank Sanctions \(youtube.com\)](https://www.youtube.com/watch?v=...)

# Integrity Risks Impacts

# Why integrity matters?

“

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

*UNODC, 2015*

”

**CONSEQUENCES ON PROJECTS**

# Global Corruption Barometer (2020) - Asia

“**1 out of 5** people who used public services in the previous 12 months paid a bribe.”





# Global Corruption Barometer (2020) - Asia

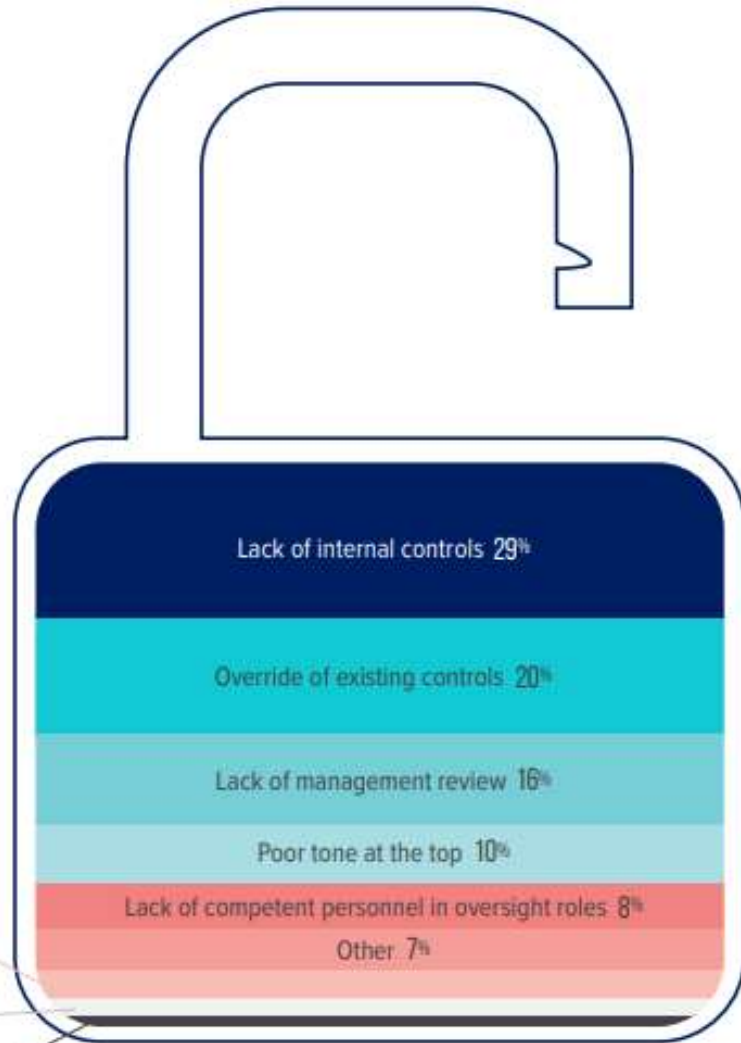


**62%** of ordinary people think they **can** make a difference in the fight against corruption

# Probability and Likelihood



Association of Certified Fraud Examiners: Report to the Nations 2022



**Primary internal control weaknesses contributing to corruption and fraud**

Association of Certified Fraud Examiners: Report to the Nations 2022

# ADB Integrity Policy Framework

# Integrity Policy Framework



Promoting efficient, effective, accountable, and transparent public administration including good governance and capacity building



Supporting anticorruption efforts in the region through quality dialogue with the DMCs



Ensuring that ADB projects and staff adhere to the highest ethical standards



ADB defines **corruption** as the **abuse of public or private office for personal gain**

# ADB's Anticorruption Framework



**Policy and  
Guidelines**



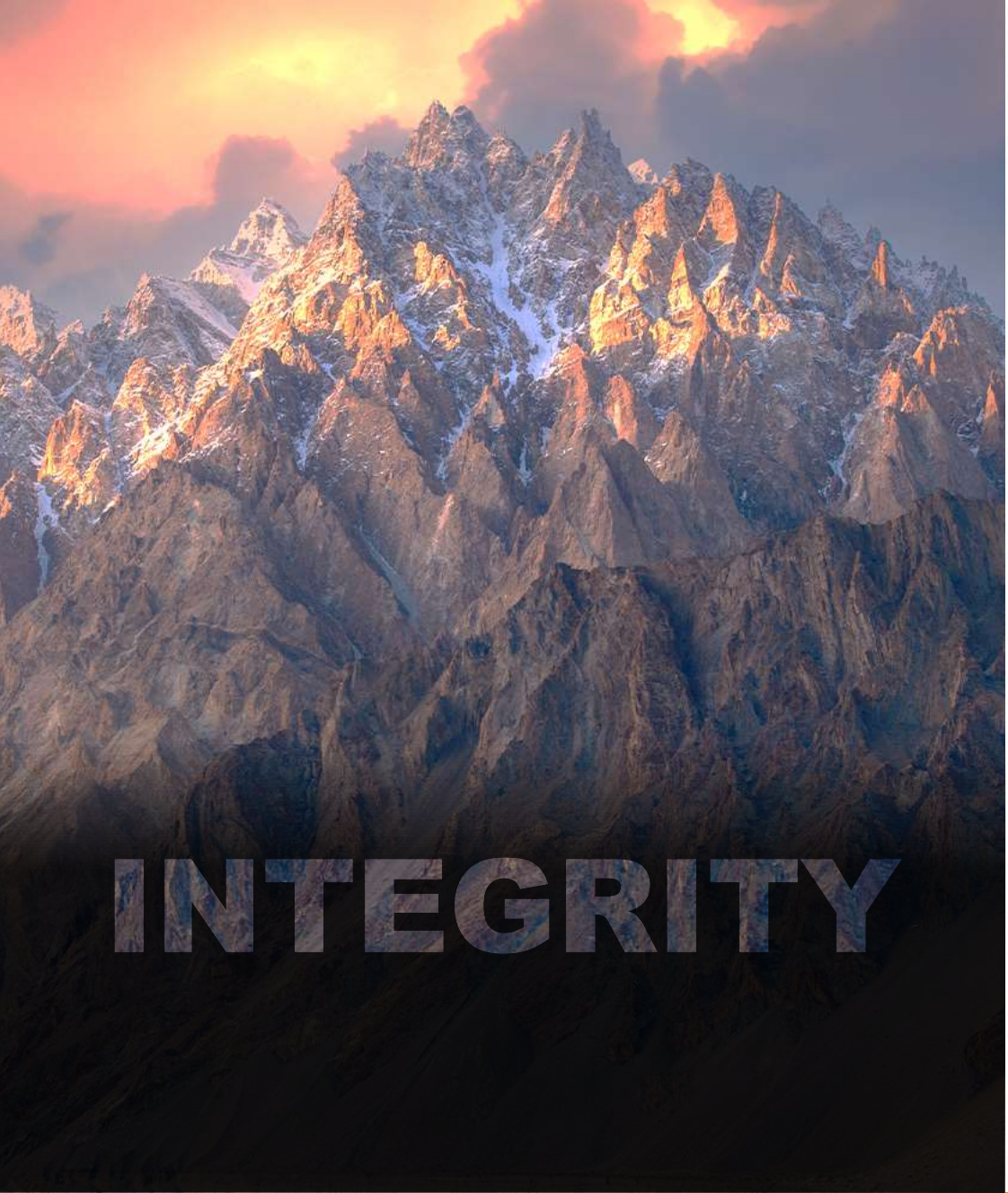
**Operational  
Instructions**



**Administrative  
Orders**



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



# INTEGRITY DUE DILIGENCE

Gathering of independent information to gain an understanding of integrity and reputational risks associated with a third party.

**Identify ⇒ Assess ⇒ Manage these integrity risks**



WHY?



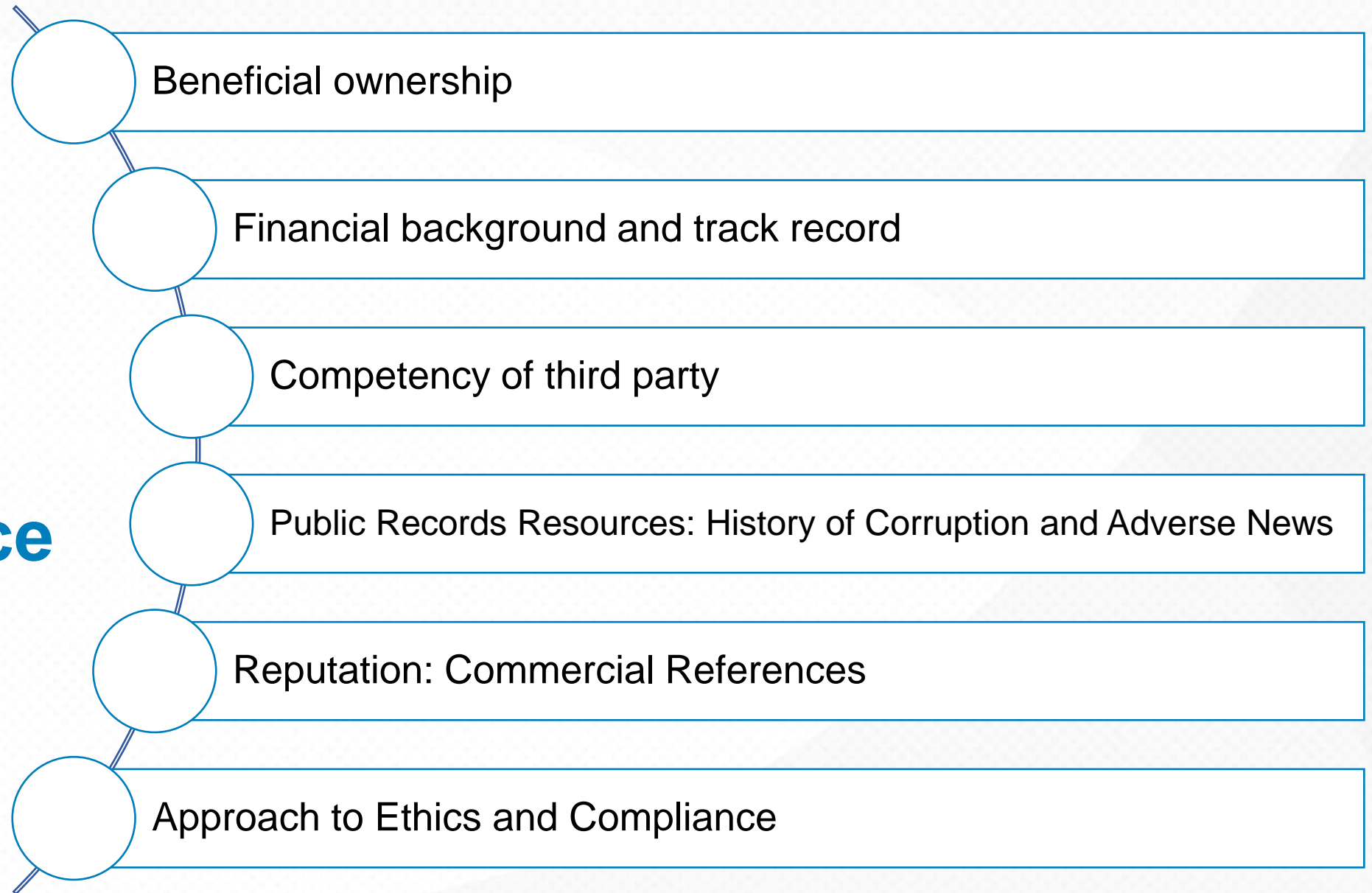
WHO?



WHEN?



# Factors in Conducting Due Diligence



# Conducting Due Diligence: Sanctions checks



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

## Sanctions List

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 Sanctions List

*(No Login Required)*

*What you will see in the list:*

- Sanctions violation while ineligible
- Second and subsequent violations
- Debarred entities (firms and individuals) who are uncontactable
- Cross debarred entities
- Subset of the complete list

[VIEW PUBLISHED SANCTIONS LIST](#)

### Complete Sanctions List

*(For authorized users only\*)*

*What you will see in the list:*

- Published Sanctions List
- First violations
- Temporary suspension

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

[VIEW COMPLETE SANCTIONS LIST](#)

# Requesting Access

## Sanctions List

The following page lists the entities sanctioned by the Asian Development Bank (ADB) and also those cross-debarred by ADB from other Multilateral Development Banks (MDBs). These entities are not eligible to participate in ADB-financed, -administered, or -supported activities for violating the specified Anticorruption Policy.

### Published List *(No Login Required)*

What you will see in the list:

- Sanctions violation while ineligible
- Second and subsequent violations
- Debarred entities who are uncontactable
- Cross debarred entities
- Subset of the complete list

[VIEW PUBLISHED LIST](#)

### Complete List *(For authorized users only\*)*

What you will see in the list:

- Published List
- First violations

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

Are you a registered user?

[LOGIN](#)

Are you a qualified (non-ADB staff) user who needs access to the complete sanctions list?

[SIGN-UP](#)

#### Qualified users:

- Officially involved in an ADB-financed, -administered or -supported activity (e.g. Project Director, Deputy Project Director)
- Favorably endorsed by ADB Project Officer

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)

Sign up here

Manual form available

# Requesting Access

## Apply for access to Asian Development Bank full sanctions list:

\* - required fields

Your Name *	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<i>First Name</i>	<i>Middle Name</i>	<i>Last Name</i>
User Name / Password *	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<i>User Name</i>	<i>Password</i>	<i>Confirm Password</i>
Designation * <i>(i.e. Deputy Secretary / Proj Officer)</i>	<input type="text"/>		
Organization / Agency * <i>(i.e. name of Organization, Ministry, Employer, etc)</i>	<input type="text"/>		
Address *	<input type="text"/>		
Country *	<input type="text"/>	<input type="text"/>	
Telephone Number *	<input type="text"/>	<input type="text"/>	
Fax Number	<input type="text"/>	<input type="text"/>	
Email Address *	<input type="text"/>	<input type="text"/>	

### In connection with this application, I confirm that:

**I am involved in an ADB-financed, administered or supported activity in my capacity as:**

Designation * <i>(i.e. Project Director etc)</i>	<input type="text"/>
Project(s) *	<input type="text"/>
ADB Loan number(s) *	<input type="text"/>

### Project is being executed/implemented by:

Organization / Agency *	<input type="text"/>
-------------------------	----------------------

### ADB Project Officer's contact information:

Project Officer *	<input type="text"/>
Officer's ADB Email *	<input type="text" value="@adb.org"/>
Information on why access is required	<input type="text"/>

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

If granted access, I shall use the information in ADB Sanctions List 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

# Search Functionality

## Complete Sanctions List

Search:

TIP: Use the \* for better search results. Type \*example\* to list all entities containing the text 'example' anywhere in the line.

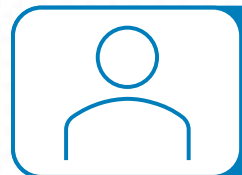
Category:

View by:

Filter by:



Search names using the search bar



Avoid including common terms when searching



Remove leading terms such as "M/S, or M/S." from company names

"Ltd", "Company", "LLC"

Example: Use "A2Z" when searching for A2Z Waste Management



Security Council  
United Nations

# Sanctions Obligations

# United Nations Security Council Sanctions

🏠 Welcome to the United Nations

عربي 中文 English Français Русский Español

About the Council

Sanctions

Members

Meetings

Documents

News

Home » About the Council » United Nations Security Council Consolidated List

## United Nations Security Council Consolidated List

- [Technical actions](#)
- [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

Search function



# Executing agencies (EAs) are responsible for sanctions screening

## Procurement of Goods and Works - Stages



## Procurement of Consulting Services



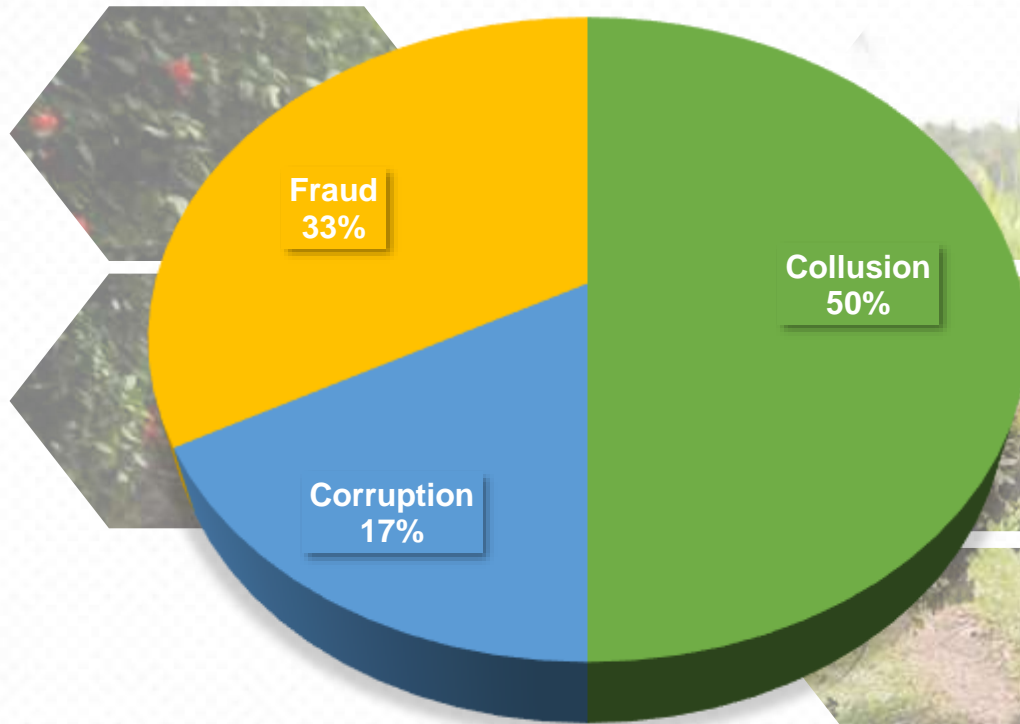


# ABD Debarments and temporary suspensions

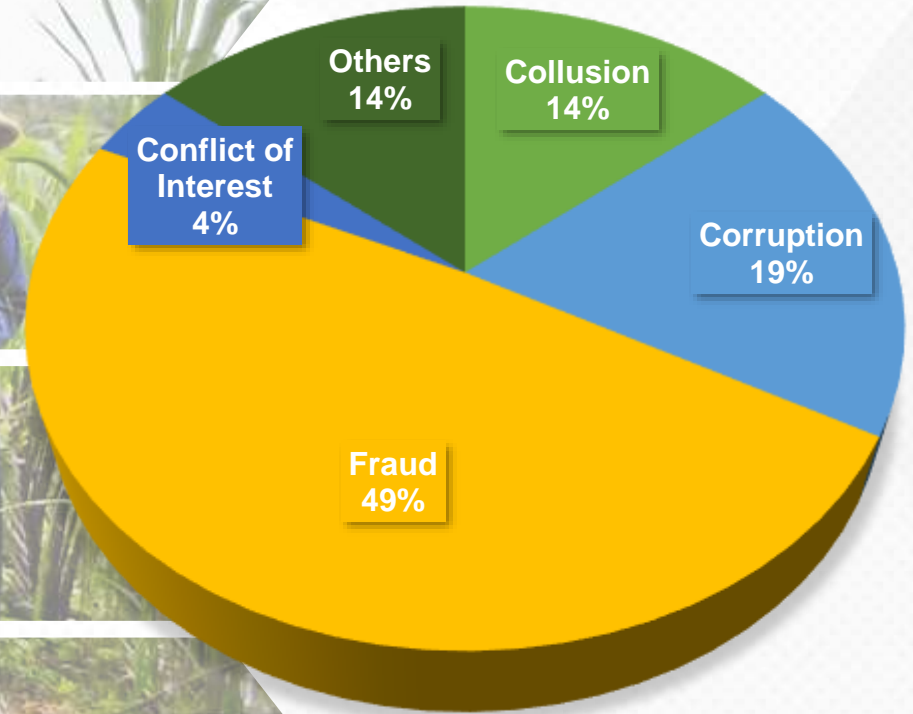
# Integrity Violations



# Cambodia Projects

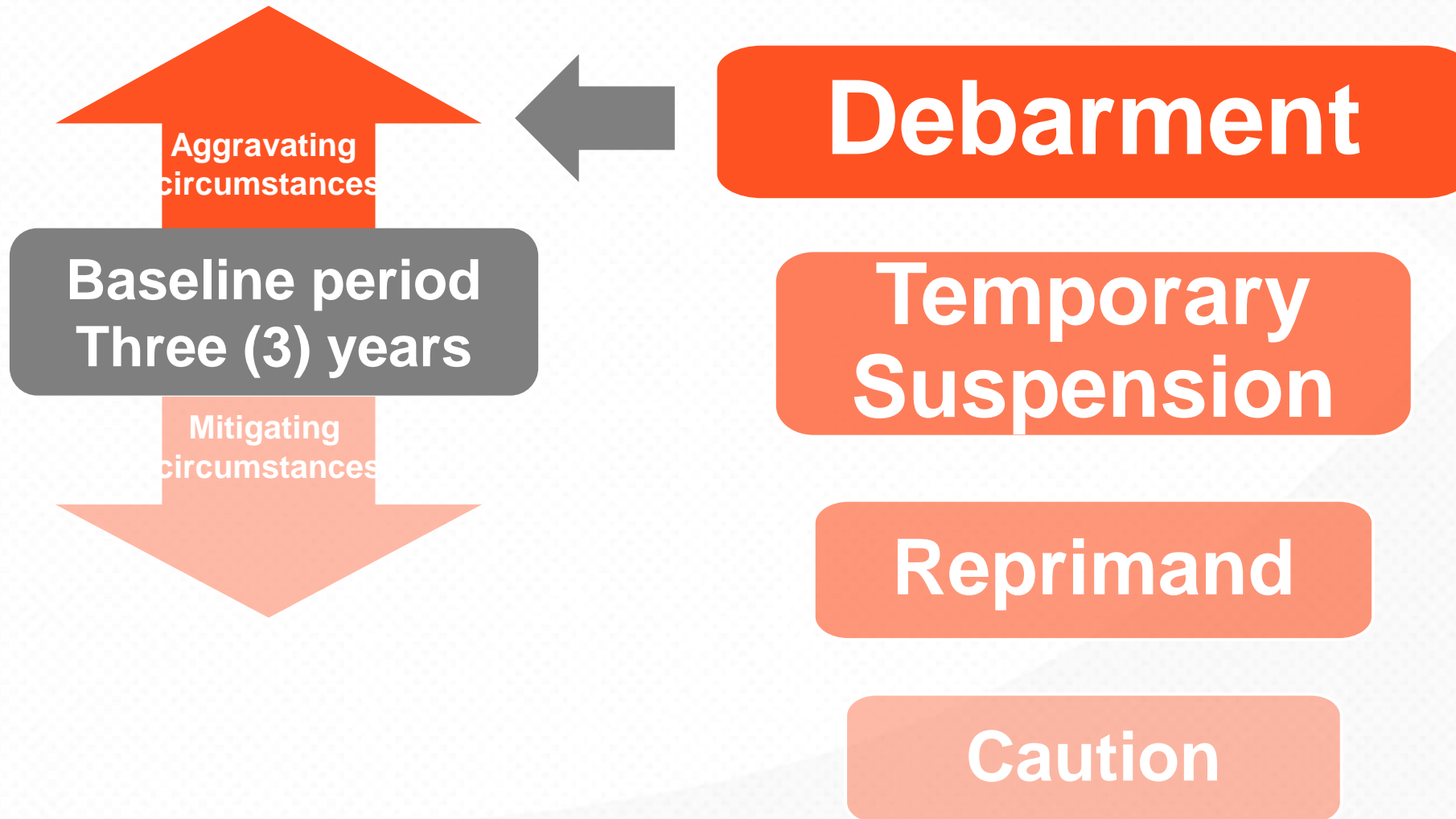


Ongoing cases

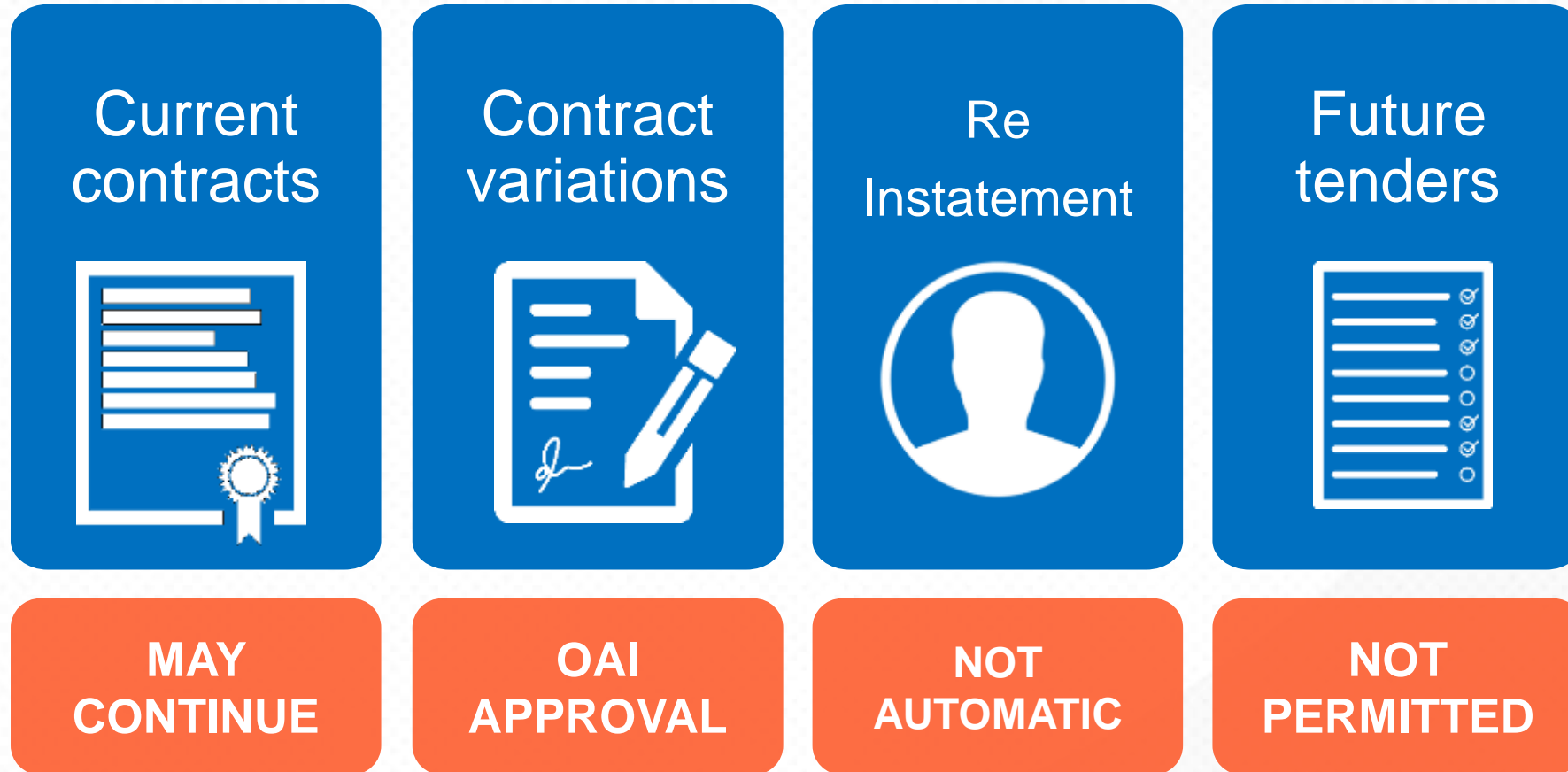


Closed cases

# Remedial Actions

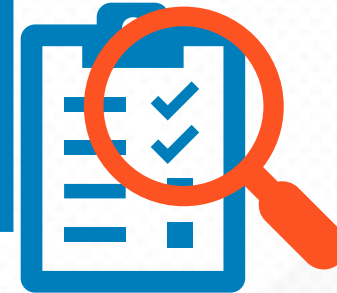
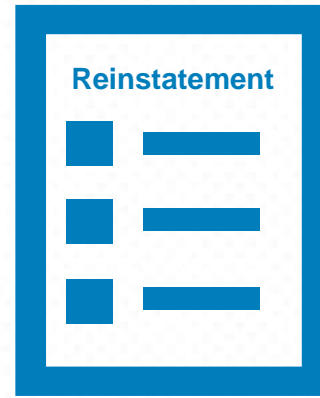


# Impact while under sanction





# Reinstatement is not automatic



OAI assesses the merits of reinstating



OAI informs entity of decision

# Sanctions Violation




Participation in ADB-related activities while debarred, whether before or after the minimum debarment ends, may result in a **sanctions violation**.

Sanctions violation is an integrity violation and may result in the extension of debarment.






# 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 Flag Indicators



Three firms have discussed to bid for an executing agency-administrated procurement opportunity. They have fairly amongst themselves decided to adjust the prices to ensure that one of the firms is awarded the project and the remaining two agree will cooperate for future biddings.



A bidding submission included bidder's experience which looks unreasonably large in comparison to the nature of works and contracted period. It appears that one digit was added to the contracted price in the supporting documents. Notes were attached in a local language. A photocopy was submitted as part of the bid document. In the photocopy, the numbering was not aligned in a straight line.



Submitted bid included a set of photocopied bidder's invoices as supporting their experience. No official receipt, certification of works completion or other documents issued by the client were submitted.

# Red Flag – Other Examples



- Insufficient on-site monitoring and supervision of contracts
- Poor quality of works, services and goods
- Weak enforcement of professional standards
- Lack of required equipment and qualified personnel
- Contracts exceed original contract amount
- Deviation from construction design or Terms of Reference
- Submission of irregular interim and final performance certificates
- Submission of irregular contract variations (exaggerated contract amount, scope of contract)
- Manipulation of Bill of Quantities

# Mitigating Measures: Vulnerabilities in Bid Evaluation

The executing/implementing agency should hold pre-bid meetings for **high-value, high-risk, or complex** procurement, where bidding requirements are carefully discussed with bidders. These **requirements must be understood** by the bidders and **consistently applied** by the BEC.

BEC/CSC members should undergo **hands-on training** on all aspects of bid evaluation, especially due diligence, before embarking on new bid evaluation assignments. Support from ADB regional departments, supervision consultants, and engaged procurement experts may be required.

The BEC/CSC should **check accuracy and completeness of information** in BERs/Submissions before submitting these for ADB's no-objection. For transparency, decisions made and justifications for deviations should be properly documented in the BERs/Submissions.

# Conflict of Interest (COI)

**Letter of Bid**

**NOTE**

The bidder must accomplish the Letter of Bid on its letterhead clearly showing the bidder's complete name and address.

**Bid Submission Sheet**

**NOTES**

1. The bidder must accomplish the Bid Submission Sheet on its letterhead clearly showing the bidder's complete name and address.
2. To be used for Single Source Selection (SSS) only.

To: ..... [insert complete name and address]

We, the undersigned, hereby certify that we are the authorized representative of the bidder and that the information provided is true and correct.

(a) We have examined the Bid Submission Sheet and confirm that the bidder has no conflict of interest with participating firms.

Date: .....

International Competitive Bidding (ICB) No.: .....

Invitation for Bid (IFB) No.: .....

Alternative No.: .....

[Insert identification no. if this is an alternative bid; if alternative bid is not permitted, delete this field]

**Review bid/proposals to identify potential or actual COI. BEC/CSC members should also ensure that they have no conflict with participating firms.**

# Red Flags



An expert, who had a very long and productive working relationship with the executing agency (i.e., representing the executing agency in many situations, both on a retainer and volunteer basis), assisted in the request for proposal preparation for a consultant selection. The expert was one of the nominated experts of the winning consulting firm in the selection.



A director of a consulting firm who was hired to assist in the bidding activities (including bidding documents preparation) was a key staff member of the winning firm in that bidding.

## Case study: The firm that prepared the project is in a COI situation



- A firm would like to submit an EOI for an EA-administered consulting assignment for detailed engineering design and project readiness support consulting services.
- The firm was part of a JV that ADB previously hired under a TA to develop and prepare the proposed project. Services rendered included preparing a feasibility level design for each subproject, and to prepare the TOR for the design and implementation consultants for the ensuing project.
- The consultant's key deliverables for the (new) consulting assignment include, among others, a review of available studies and preparing a concept design that improves, upgrades, and fills gaps in the existing feasibility studies.

## Case study: The firm that prepared the project is in a COI situation

**Issue:** Whether or not there is COI considering the firm's involvement in preparing the project



### Finding: There is COI

- Consultant was tasked under the new contract's TOR to review, assess, and evaluate the feasibility study prepared under a related TA
- The firm (if hired) will verify, update, improve, upgrade, and fill the gap in its JV's work/output produced under the previous TA
- Firm is placed in a position where its interests could improperly influence its performance of its contractual obligations

ADB Irrigation and  
Water Project

**BIDDING IS  
NOW OPEN**



# Bidder's Qualification

Form ELI – 1: Bidder's Information Sheet

Bidder's Information	
Bidder's legal name	
In case of a Joint Venture, legal name of each partner	
Bidder's address	
Bidder's constitution	

**Information on incorporation documents, shareholders, owners and managers, authorized representative, JV partners, legal address and country of constitution should be in order**

# Red Flags



A bidding submission included bidder's experience which looks unreasonably large in comparison to the nature of works and contracted period. It appears that one digit was added to the contracted price in the supporting documents. Notes were attached in a local language. In the photocopy of the supporting document submitted as part of the bid, the numbering was not aligned in a straight line.



The submitted bid included a set of photocopied bidder's invoices as supporting their experience. No official receipt, certification of works completion, or other documents issued by the client were submitted.



Translation of certificates or supporting documents: bidding documents not clear from whom attestation should be obtained from.

# Evaluation and Qualification Criteria

## Form LIT – 1: Pending Litigation and Arbitration

Each Bidder must fill out this form if so required under Criterion 2.1.2 of Section 3 (Evaluation and Qualification Criteria) to describe any pending litigation or arbitration formally commenced against it.

In case of a Joint Venture Partner's name

## Form FIN – 2: Size of Operation (Average Annual Turnover)

Each Bidder must fill out this form.

Joint Venture

The information supplied should be the Annual Turnover of the Bidder or each member of the amounts billed to the client or the amount of the Bidder's share of the net revenue of exchange at the end of the year.

## Form FIN – 1: Historical Financial Performance

Each Bidder must fill out this form.

In case of a Joint Venture Partner's name below:

In case of a Joint Venture Partner's name below: Each Bidder must fill out this form separately and provide the Joint Venture Partner's name below:

## Form EXP – 1: Contractual Experience

Fill out one (1) form per contract.

### Contractual Experience

## Form EXP – 2: Technical Experience

Fill out one (1) form per contract.

### Technical Experience

Name of Product:

**Should meet the bid qualification requirements**

# Invitation For Bids

**Contract No. and Title:  
ICB No-XA/EA/1A/C2**

## Bidding Announcement



We hope you all had a nice holiday season and a big congrats to all of our people that returned to work. Thank you all for your hard work and a lot of effort to be a part of the all of this. We are pleased to have you back and to have you with us for the coming year.

**New Contract Position**  
We have some exciting opportunities that we would like to offer you. The first one is a Senior Analyst. The first one will go over to the new and highly anticipated department. We are looking for you to join our team and to help us with our work.

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# Bill of Quantities/List of Goods & Related Services

## 1. List of Goods and Related Services

The purpose of the List of Goods and Related Services (LGRS) is to briefly describe and identify the quantity of each of the Goods and Related Services that the Purchaser requires the Bidder to supply. As a part of the Schedule of Supply, the LGRS constitutes a Contract document and is a part of the Contract. The Purchaser must prepare the LGRS and include it as a part of the Schedule of Supply.

If the Goods and Related Services are grouped in lots, the Purchaser must state whether Bidders are permitted to submit Bids for individual lots or not.

[Alternative 1. Insert: “The Goods and Related Services are grouped in lots. Bids on individual lots are not permitted. Only Bids for lots can be accepted.”]

[Alternative 2. Insert: “The Goods and Related Services are grouped in lots. Bidders shall have the option of submitting Bids for one, any combination, or all of the lots. Lots shall not be further subdivided for the purpose of bidding.”]

**BOQ/LGRS and bidding documents should be authentic**

# Red Flag



In several bids over procurement of several packages, 70%-80% of unit price items in the bill of quantities were identical i.e., exactly the same unit price

# Proposed Personnel/Experts

**FORM TECH-6B**

*[Note to Consultant: Each Curriculum Vitae (CV) should have a maximum of five pages]*

**CURRICULUM VITAE (CV) FOR INTERNATIONAL OR NATIONAL EXPERTS**

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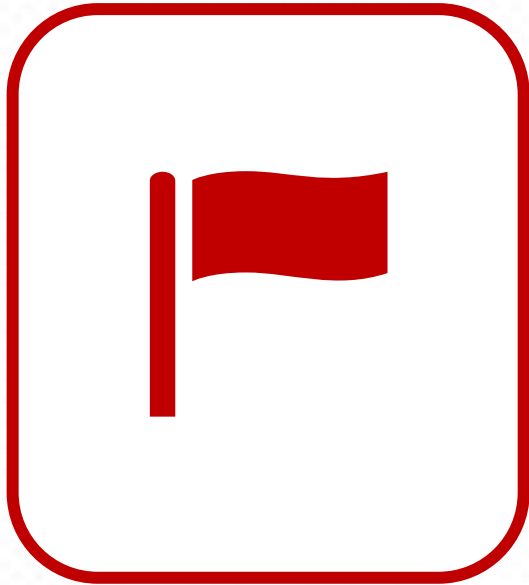
1. I understand that any willful misstatements made herein may lead to my disqualification or dismissal, if engaged.

2. \_\_\_\_\_ Date: \_\_\_\_\_  
*Expert or authorized representative of the firm]<sup>9</sup> Day/Month/Year*

Full name of authorized representative

\_\_\_\_\_

**Proposed personnel/experts should be aware and available**



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



# Recap



Link to video: [Protecting Development Projects from Corruption \(youtube.com\)](https://www.youtube.com/watch?v=...)



# Recap



**Report integrity violations to OAI**



**Know your partner**



**Identify and mitigate risks, support your business partners to mitigate risks**



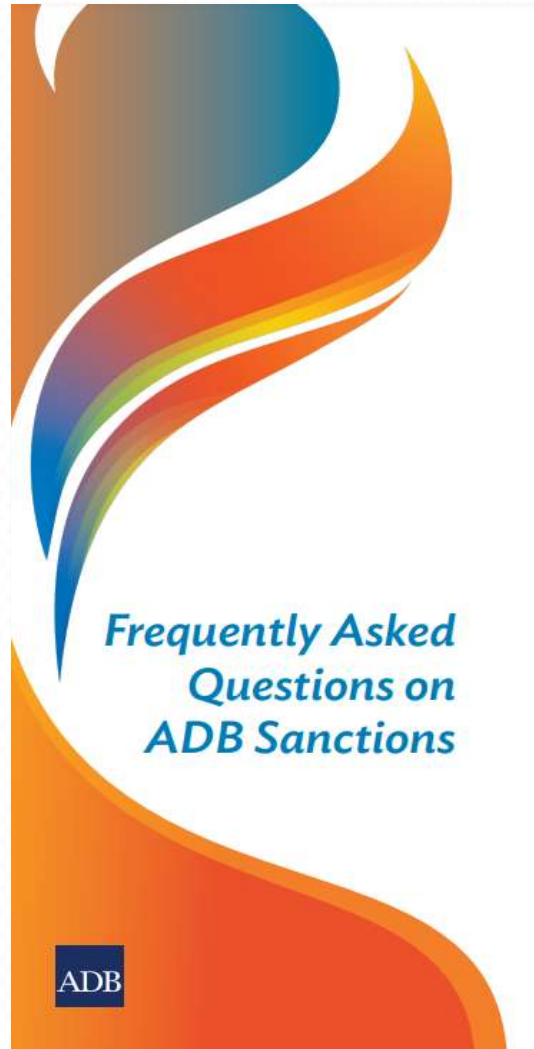
**EAs/IAs to (i) sign up for access to ADB's complete Sanctions List and (ii) do the sanctions checks**

# Integrity Risk Management is everyone's responsibility.



**Do not assume that someone else is doing it.**

# Resources: For EAs/IAs



[adb.org/publications/faqs-adb-sanctions](http://adb.org/publications/faqs-adb-sanctions)



# Evaluation

EVALUATION Integrity Learning  
Series for Cambodia EAs and IAs



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.

# Office of Anticorruption and Integrity



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



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ADB Anticorruption and Integrity



Report integrity violations :

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

