

Policy: WBG Policy: Sanctions for Fraud and Corruption

Bank Access to Information Policy Designation

Public

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6/13/2016

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1/7/2016

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Content

Mandates an administrative system for adjudicating allegations of fraud and corruption in connection with WBG financing or guarantee operations and imposing sanctions therefor; identifies practices subject to sanction and possible forms of sanctions

Applicable to

IBRD;IFC;IDA;MIGA;ICSID

Issuer

President, EXC; Board of MIGA, SECVP

Sponsor

Senior Vice President and General Counsel, LEGVP

SECTION I - PURPOSE AND APPLICATION

1. This Policy governs the World Bank Group Sanctions System.
2. This Policy applies to the Bank, IFC and MIGA.

2. Sanctions serve to create both negative incentives to discourage the sanctioned party and others from engaging in future Sanctionable Practices and positive incentives to encourage prevention, remediation and rehabilitation. Possible sanctions include debarment, which contributes to the objectives set forth in paragraph 1 above by excluding parties that have engaged in Sanctionable Practices or are responsible therefor from access to WBG financing, including support through guarantees.
3. Sanctions are intended to deter but not to punish. Sanctions are not intended to replace criminal, civil or administrative measures by national authorities or other forms of legal recourse or remedy.
4. All decisions and actions taken by the officers and representatives of the Sanctions System in regard to the presentation and the adjudication of allegations of Sanctionable Practices, and imposition of Sanctions therefor, are guided by the foregoing objectives.

6. **Voluntary Disclosure.** The WBG may agree with entities and individuals to lessen Sanctions in exchange for voluntary disclosure of past Sanctionable Practices, on such terms and conditions as Management may establish from time to time in accordance with this Policy.
7. **Cross-Debarment.** The WBG may recognize and enforce the debarment decisions of other multilateral development banks in accordance with the Agreement for Mutual Enforcement of Debarment Decisions dated April 9, 2010 (as it may be amended, supplemented or otherwise revised with Board approval from time to time). The Board may, from time to time, authorize the addition of a particular multilateral development bank to the existing list of multilateral development banks whose debarment decisions the Bank generally recognizes for cross-debarment. Management decides whether the WBG will recognize and enforce in respect of each particular debarment decision of such multilateral development banks in accordance with such Agreement. The Sanctions System may also entertain sanctions proceedings based on referrals of debarment decisions relating to fraud and corruption in connection with WBG corporate procurement.
8. **Statute of Limitations.** In the interests of efficiency, fairness and legal certainty, Management establishes reasonable time limits, not exceeding ten (10) years from the last day of contract execution or the last constituent act or element of the Sanctionable Practice within which sanctions proceedings must commence.
9. **Transparency.** The Sanctions System strives to ensure transparency for Respondents, other sanctioned parties and the general public, while protecting the integrity of the investigatory and adjudicatory processes, which are confidential and not open to the public. In furtherance of this principle, the names of sanctioned parties, the Sanctions imposed and the grounds therefor are publicly disclosed. The decisions of the SDO, the relevant EO, and of the Sanctions Board, are also publicly disclosed.

C. THE RANGE AND NATURE OF SANCTIONS

1. **Range of Sanctions.** Possible sanctions are: debarment for a definite or indefinite period, debarment with conditional release, conditional non-debarment, restitution (financial or otherwise), and reprimand, or any combination thereof.
2. **Proportionality.** Sanctions are proportionate in both nature and scope to the Sanctionable Practice for which they are imposed and the culpability or responsibility of the sanctioned party for such Sanctionable Practice, with due consideration of such mitigating and aggravating factors as Management may set out in applicable guidance.

SECTION IV - EXCEPTION

N/A

SECTION V - WAIVER

Only the Board may waive a provision of this Policy

SECTION VI - OTHER PROVISIONS

N/A

SECTION VII - TEMPORARY PROVISIONS

N/A

SECTION VIII - EFFECTIVE DATE

Effective date for this is 1/7/2016

SECTION IX - ISSUER

The issuer of this Policy is the President and the Board of MIGA.

SECTION X - SPONSOR

The Sponsor of this Policy is the Senior Vice President and WBG General Counsel.