

## **Alstom S.A. (Tunisia)**

**Case ID:**

ARW-11

**Jurisdiction of Origin of Public Official or Entity Allegedly Involved:**

France

**Jurisdiction of Asset Recovery:**

Tunisia

**Asset Recovery Start:**

2011

**Asset Recovery End:**

2011

**UNCAC Offenses Implicated:**

Art.16

**Legal Basis for Asset Recovery:**

Criminal Prosecution and Restitution (in Switzerland)

**Intl.Cooperation: MLAT/Letter of Request?:**

MLAT

**Contributing Factors in Asset Recovery:**

Article 53 Swiss Criminal Code payment of reparations

**Status of Asset Recovery :**

Completed

**Stage in Asset Recovery Chain:**

Assets Returned to Victim or Requesting Jurisdiction

**Assets Returned (USD) - Description:**

Total restitution for International Committee of the Red Cross programs in Latvia, Malaysia and Tunisia was CHF 1 million.

**Agreement for Returned Assets:**

Yes

**Agreement for Returned Assets - Description:**

Funds were transferred to the International Committee of the Red Cross for use in ICRC projects in Tunisia, Latvia and Malaysia. (Source: The Federal Authorities of the Swiss Confederation, "Criminal proceedings against Alstom entities are brought to a close," November 22, 2011.)

**Case Summary:**

According to the November 2011 Summary punishment order imposed by the Swiss authorities, Alstom Network Schweiz AG (Swiss subsidiary of the French company Alstom S.A.) was convicted of not having taken all necessary and reasonable organizational precautions to prevent bribery of foreign public officials in Latvia, Tunisia and Malaysia. In Tunisia, in connection with the RADES project by the Carthage Power Company (licensed by the state company STEG - Societe Tunisienne de l'Electricite et du Gaz), Alstom concluded consultancy agreements with two offshore companies controlled by the son-in-law of former president of Tunisia and a payment was made to one of the entities which exceeded the internal threshold for consultancy fees. The Summary punishment order stated that as son-in-law of the former president, Slim Chiboub "was obviously in a position to influence not only the contract awards for the RADES project [ ] but to avert compensation payments that later

threatened ALSTOM due to damages caused by late performance." Alstom Schweiz was fined CHF 2.5 million; a compensatory claim of CHF 36.4 million was also imposed. The parent company Alstom S.A. paid the CHF 1 million in reparation, a third of which was to be used for International Committee of the Red Cross projects in Latvia. (Sources: Office of the Swiss Attorney General, Summary punishment order in the investigation of defendant Alstom Network Schweiz AG, November 22, 2011 and The Federal Authorities of the Swiss Confederation, "Criminal proceedings against Alstom entities are brought to a close," November 22, 2011.)

**Disposition of Criminal Case(s):**

According to the November 2011 press release by The Federal Authorities of the Swiss Confederation, Alstom Network Schweiz AG was convicted under article 102 of the Swiss Criminal Code of not having taken "all necessary and reasonable organizational precautions to prevent bribery of foreign public officials"; proceedings against the French parent company Alstom S.A. were dismissed based on art. 53 of the Swiss Criminal Code, imposing costs of proceedings and payment of reparations. (Source: The Federal Authorities of the Swiss Confederation, "Criminal proceedings against Alstom entities are brought to a close," November 22, 2011.)

**Other Sources:**

Office of the Swiss Attorney General, Summary punishment order in the investigation of defendant Alstom Network Schweiz AG, November 22, 2011, accessed at <http://www.scribd.com/doc/73503009/Summary-Punishment-Order>; The Federal Authorities of the Swiss Confederation, "Criminal proceedings against Alstom entities are brought to a close," November 22, 2011, accessed at <http://www.news.admin.ch/message/index.html?lang=en&msg-id=42300>.