

C. Lotti and Associati Societa? di Ingegneria S.p.A. (Lotti)

Case ID:

ARW-28

Jurisdiction of Origin of Public Official or Entity Allegedly Involved:

Italy

Jurisdiction of Asset Recovery ? Description:

Undertaking Recovery Effort, Location of Recovery Effort (World Bank)

Asset Recovery End:

2011

UNCAC Offenses Implicated:

Art.26

Money laundering Implicated:

No

Legal Basis for Asset Recovery:

Administrative Sanctions (Negotiated Resolution Agreement)

Basis for Intl Cooperation:

Unspecified cooperation

Contributing Factors in Asset Recovery:

In announcing the Negotiated Resolution Agreement, the Integrity Vice Presidency stated, "This moves us closer to answering a longstanding call by victim countries to return illicit gains." (Source: World Bank Press Release, "Enforcing Accountability: Italian Company Lotti to pay US\$350,000 in restitution to Indonesia after acknowledging fraudulent misconduct in a World Bank-financed project," December 22, 2010.)

Status of Asset Recovery :

Completed

Stage in Asset Recovery Chain:

Assets Returned to Victim or Requesting Jurisdiction

Agreement for Returned Assets:

No

Agreement for Returned Assets - Description:

N/A

Case Summary:

According to the World Bank press release of December 22, 2010, "The World Bank Group debarred C. Lotti and Associati Societa? di Ingegneria S.p.A. (Lotti) in the wake of the company?s acknowledged misconduct in a World Bank investigation relating to a Bank-financed public works project in the water sector in Indonesia. Under the negotiated resolution agreement, Lotti has committed to pay an estimated US\$350,000 in restitution to Indonesia, where the World Bank-financed project was being implemented. This is the first time the World Bank included restitution payment in resolving an investigation into fraud in a Bank-financed project. The restitution amount of US\$350,000 represents the unjustified payments received by Lotti as well as its partners as a result of fraudulent invoicing." (Source: World Bank Press Release, "Enforcing Accountability: Italian Company Lotti to pay US\$350,000 in restitution to Indonesia after acknowledging fraudulent misconduct in a World Bank-financed project," December 22, 2010.)

Disposition of Criminal Case(s):

N/A (Administrative Sanctions by the World Bank)

Jurisdiction of Asset Recovery: Prosecuting Authority/Civil Attorney(s):

World Bank Integrity Vice Presidency

Jurisdiction of Asset Recovery: Courts Involved:

N/A

Other Sources:

World Bank Press Release, "Enforcing Accountability: Italian Company Lotti to pay US\$350,000 in restitution to Indonesia after acknowledging fraudulent misconduct in a World Bank-financed project," December 22, 2010, accessed at <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTLAWJUSTICE/0,,contentMDK:22796379~n> ; World Bank Integrity Vice Presidency Fiscal Year 2011 Annual Report, accessed at http://siteresources.worldbank.org/INTDOI/Resourses/588889-1316720250792/INT_AR_FY11_web.pdf