

## **ABB Ltd. (Matter #15) / ABB Ltd. - Jordan**

**Case ID:**

ST-6

**Case Cluster :**

ABB Ltd. (Matter #15)

**Jurisdiction of Settlement:**

United States

**Jurisdiction of Settlement / Enforcement Agency:**

Department of Justice

**Jurisdiction of Foreign Public Official(s) :**

Iraq (UN Oil-for-Food)

**Year of Settlement:**

2010

**Month/Day of Settlement (or Notes):**

09/29

**Other Jurisdictions of Settlement:**

Unknown

**Settlement with Individual or Legal Person?:**

Legal Person

**Type of Settlement:**

Criminal

**Legal Form of Settlement:**

Deferred Prosecution Agreement

**Monetary Sanctions (Types):**

Criminal Fine

**Total Monetary Sanctions (US\$):**

\$1,920,000.00

**Criminal Fine/Penalty (US\$) :**

\$1,920,000

**Monetary Sanctions Returned / Ordered Returned (US\$):**

\$0

**UNCAC Articles(s) Implicated:**

Art.16

Art.23

Art.26

**OECD Anti-Bribery Convention Articles Implicated:**

Art. 1, Art. 2, Art. 7

**Offenses - Alleged:**

Conspiracy to falsify books and records, Conspiracy to commit wire fraud, Money laundering

**Offenses - Settled:**

Conspiracy to falsify books and records, Conspiracy to commit wire fraud, Money laundering

**Public Procurement Contract / SOE Involved?:**

Yes

**Summary:**




According to the June 2011 United States Report to the OECD, "On September 29, 2010, the

Department also charged ABB Ltd's Jordanian subsidiary, ABB Ltd - Jordan, with one count of conspiracy to commit wire fraud and to violate the books and records provisions of the FCPA. According to court documents, from 2000 to 2004, ABB Ltd - Jordan and other ABB subsidiaries paid, or caused to be paid, more than \$800,000 in kickbacks to the former Iraqi government to secure 27 contracts under the U.N. Oil-for-Food Program (OFFP). For example, from 2001 to 2002, ABB Ltd - Jordan paid more than \$300,000 in kickbacks to three regional companies of the Iraqi Electricity Commission, an Iraqi government agency, in order to secure 11 purchase orders worth more than \$5.9 million. All together, ABB subsidiaries allegedly earned more than \$13,500,000 in revenue and \$3,800,000 in profits from contracts obtained through illegal kickbacks under the OFFP." (Source: US Report to the Organisation for Economic Co-operation and Development, "Steps taken to implement and enforce the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions," Information as of May 31, 2011, ABB Ltd. Case Summary (#15) at 37-39.)

#### **Sources :**

US Report to the Organisation for Economic Co-operation and Development, "Steps taken to implement and enforce the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions," Information as of May 31, 2011, ABB Ltd. Case Summary (#15) at 37-39, accessed at <http://www.oecd.org/dataoecd/18/8/42103833.pdf>. US v. ABB Ltd., Case No. 4:10-cr-00665 (S.D. Tex.), Criminal Information filed September 29, 2010, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/abb/09-29-10abbjordan-info.pdf>; Deferred Prosecution Agreement (in US v. ABB Ltd. which pertains to ABB Ltd. - Jordan), filed September 29, 2010, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/abb/09-29-10abbjordan-dpa.pdf>; US Department of Justice Press Release, "ABB Ltd and Two Subsidiaries Resolve Foreign Corrupt Practices Act Investigation and Will Pay \$19 Million in Criminal Penalties," September 29, 2010, accessed at <http://www.justice.gov/opa/pr/2010/September/10-crm-1096.html>.

#### **Documents:**

<b>Attachment</b>	<b>Size</b>
 ABB_Jordan_Information_Sep_29_2010.pdf	500.1 KB
 ABB_Ltd_Deferred_Prosecution_Agreement_Sep_2010.pdf	1.98 MB
 ABB_US_Settlement_DOJ_PR_Sept_29_2010.pdf	75.67 KB