

AGCO Corporation

Case ID:

ST-19

Case Cluster :

AGCO Corporation

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:

2009

Month/Day of Settlement (or Notes):

09/30

Other Jurisdictions of Settlement:

Denmark

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\$):

\$1,600,000.00

Criminal Fine/Penalty (US\$) :

\$1,600,000

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

\$0

UNCAC Articles(s) Implicated:

Art.16

Art.26

OECD Anti-Bribery Convention Articles Implicated:

Art. 1, Art. 2, Art. 8

Offenses - Alleged:

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

Offenses - Settled:

Conspiracy to bribe foreign officials; bribery of foreign officials

Public Procurement Contract / SOE Involved?:

Yes

Summary:

According to a US Department of Justice Press Release, on September 30, 2009, AGCO Limited, the wholly owned UK subsidiary of AGCO Corp (US Corporation based in Georgia)

was charged with one count of conspiracy to commit wire fraud and to violate the books and records provisions of the Foreign Corrupt Practices Act. As part of its Deferred Prosecution Agreement with the Department of Justice, AGCO Corp admitted that between 2000 and 2003, AGCO Ltd. with the assistance of a Jordanian agent, paid approximately \$553,000 to the former government of Iraq to secure three contracts under the purview of the UN Oil-for-Food Programme. The contract price was inflated from 13 to 21 percent and the additional funds were then used to pay kickback to the former Iraqi Ministry of Agriculture. (Source: US Department of Justice Press Release, "AGCO Corp. to Pay \$1.6 Million in Connection with Payments to the Former Iraqi Government Under the U.N. Oil-For-Food Program," September 30, 2009.). The Department of Justice acknowledged the assistance of the Danish State Prosecutor's Office for Serious Economic Crime. (Source: Ibid.)

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, AGCO Corporation Case Summary at 58-59, accessed at <http://www.oecd.org/dataoecd/18/8/42103833.pdf>. US Department of Justice Press Release, "AGCO Corp. to Pay \$1.6 Million in Connection with Payments to the Former Iraqi Government Under the U.N. Oil-For-Food Program," September 30, 2009, accessed at <http://www.justice.gov/opa/pr/2009/September/09-crm-1056.html>; US v. AGCO Limited, Case No. 1:09-cr-00249-RJL (D.D.C.), Information filed September 30, 2009, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/agco-corp/09-30-09agco-info.pdf>