

Bribery by Oil Services and Freight Forwarding Companies / Royal Dutch Shell plc (RDS) & Shell Nigeria Exploration and Production Company Ltd. (SNEPCO)

Case ID:

ST-98

Case Cluster :

Bribery by Oil Services and Freight Forwarding Companies

Jurisdiction of Settlement:

United States

Jurisdiction of Settlement / Enforcement Agency:

Department of Justice

Jurisdiction of Foreign Public Official(s) :

Nigeria

Year of Settlement:

2010

Month/Day of Settlement (or Notes):

11/04

Other Jurisdictions of Settlement:

[Nigeria - secondary source]

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\$):

\$30,000,000.00

Criminal Fine/Penalty (US\$) :

\$30,000,000

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 bribe foreign officials, Conspiracy to falsify books and records, Aiding and abetting falsification of books and records

Offenses - Settled:

Conspiracy to bribe foreign officials, Conspiracy to falsify books and records, Aiding and abetting falsification of books and records

Public Procurement Contract / SOE Involved?:

No (Customs)

Summary:

According to the US Department of Justice Press Release, on November 4, 2010, "A criminal information was also filed today charging SNEPCO, a Nigerian subsidiary of Royal Dutch Shell plc (collectively "Shell"), with conspiring to violate the anti-bribery and books and records provisions of the FCPA, and with aiding and abetting a violation of the books and records provisions. Royal Dutch Shell is the owner of a global group of energy and petrochemicals companies. The charges relate to approximately \$2 million SNEPCO paid to its subcontractors with the knowledge that some or all of the money would be paid as bribes to Nigerian customs officials by Panalpina to import materials and equipment into Nigeria. To resolve the matter, the department and Shell have entered into a deferred prosecution agreement that requires, among other things, SNEPCO to pay a \$30 million criminal penalty." (Source: US Department of Justice Press Release, "Oil Services Companies and a Freight Forwarding Company Agree to Resolve Foreign Bribery Investigations and to Pay More Than \$156 Million in Criminal Penalties," November 4, 2010.)

Sources :

Report by the United States to the OECD, "Steps taken to implement and enforce the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions" (June 2011), Bribery by Oil Services and Freight Forwarding Companies Case Summary at 32-37, accessed at <http://www.oecd.org/dataoecd/18/8/42103833.pdf>. United States v. Shell Nigeria Exploration and Production Company Ltd, Case No. 4:10-cr-767 (S.D. Tex.), Information filed November 4, 2010, accessed at www.justice.gov/criminal/fraud/fcpa/cases/snepco/11-04-10snepco-info.pdf; Deferred Prosecution Agreement filed November 4, 2010, accessed at www.justice.gov/criminal/fraud/fcpa/cases/snepco/11-04-10snepco-dpa.pdf; US Department of Justice Press Release, "Oil Services Companies and a Freight Forwarding Company Agree to Resolve Foreign Bribery Investigations and to Pay More Than \$156 Million in Criminal Penalties," November 4, 2010, accessed at <http://www.justice.gov/opa/pr/2010/November/10-crm-1251.html>