

Bribery of and by World Bank Officials / Gautam Sengupta

Case ID:

ST-105

Case Cluster :

Bribery of and by World Bank Officials

Jurisdiction of Settlement:

United States

Jurisdiction of Settlement / Enforcement Agency:

Department of Justice

Jurisdiction of Foreign Public Official(s) :

Kenya, Ethiopia, World Bank

Year of Settlement:

2002

Month/Day of Settlement (or Notes):

02/13

Other Jurisdictions of Settlement:

Unknown

Settlement with Individual or Legal Person?:

Individual

Type of Settlement:

Criminal

Legal Form of Settlement:

Guilty Plea

Monetary Sanctions (Types):

Criminal Fine, Criminal Restitution

Total Monetary Sanctions (US\$):

\$133,000.00

Criminal Fine/Penalty (US\$) :

\$6,000

Criminal Restitution / Reparation (US\$):

\$127

000

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

\$127,000

Monetary Sanctions Returned / Ordered Returned (Explanation):

Restitution to Former Employer (World Bank)

UNCAC Articles(s) Implicated:

Art.16

OECD Anti-Bribery Convention Articles Implicated:

Art. 1

Offenses - Alleged:

Conspiracy to commit wire fraud, Bribery of foreign officials

Offenses - Settled:

Conspiracy to commit wire fraud, Bribery of foreign officials

Public Procurement Contract / SOE Involved?:

Yes

Summary:

According to the June 2011 US Report to the OECD, "In 2002, the Department of Justice charged two World Bank officials, Ramendra Basu, a national of India, and Gautam Sengupta, with conspiring to steer World Bank contracts to certain consultants in exchange for kickbacks. According to court documents, the two defendants conspired with a Swedish consultant and others to use their official positions with the World Bank to steer World Bank contracts in Ethiopia and Kenya to certain Swedish companies in exchange for approximately \$127,000 in kickbacks. In addition, the defendants admitted that in January 1999, they received a request for a \$50,000 bribe from a Kenyan government official working on a Project Implementation Unit involved in a World Bank-financed project, which was to be paid by the Swedish consultant. Collectively, Basu and Sengupta forwarded this request to the Swedish consultant and passed along related bank account information, despite knowing that the payment was meant to corruptly influence an act or decision of the foreign official in his official capacity, in violation of the anti-bribery provisions of the FCPA. [] Sengupta pleaded guilty on February 13, 2002, and was sentenced in 2006, Sengupta to two months' imprisonment and one year of supervised release, which was to include four months of home confinement. Sengupta was also sentenced to pay a criminal fine of \$3,000." (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, Bribery of and by World Bank Officials Case Summary, at 125-126.) According to Mr. Sengupta's Plea Agreement, "III. RESTITUTION / 5. Pursuant to 18 U.S.C. § 3663 (a)(3), the defendant and the government agree that the amount of loss in this case is \$127,000 and the defendant agrees to pay full restitution of this amount for all damage that resulted from his violations of the statutes listed in Section I herein. The United States and the Defendant agree that the Defendant has made such restitution, and The World Bank, Mr. Sengupta's former employer, has represented to the Department of Justice that it has no further claim against the defendant." (Source: US v. Gautam Sengupta, Case No. 1:02-cr-040-RWR (D.D.C.), Plea Agreement filed January 30, 2002.) According to the Judgment, Mr. Sengupta was ordered to pay \$6,000 in criminal fines. (Source: US v. Gautam Sengupta, Case No. 1:02-cr-040-RWR (D.D.C.), Judgment filed in a criminal case, February 15, 2006.)

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, Bribery of and by World Bank Officials Case Summary, at 125-126, accessed at <http://www.oecd.org/dataoecd/18/8/42103833.pdf>. US Department of Justice Press Release, "Former World Bank Employee Sentenced for Taking Kickbacks and Assisting in the Bribery of a Foreign Official," April 25, 2008, accessed at <http://www.justice.gov/opa/pr/2008/April/08-crm-341.html>; US v. Gautam Sengupta, Case No. 1:02-cr-040-RWR (D.D.C.), Plea Agreement filed January 30, 2002, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/sengupta/01-30-02sengupta-plea-agree.pdf>; Judgment filed February 15, 2006, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/sengupta/02-15-06sengupta-judgment.pdf>.