

Siemens AG (World Bank)

Case ID:

ST-321

Case Cluster :

Siemens AG

Jurisdiction of Settlement / Enforcement Agency:

Integrity Vice Presidency

Jurisdiction of Foreign Public Official(s) :

Various

Year of Settlement:

2009

Month/Day of Settlement (or Notes):

7/2

Other Jurisdictions of Settlement:

Germany, United States

Settlement with Individual or Legal Person?:

Legal Person

Type of Settlement:

Administrative

Legal Form of Settlement:

Establishment of Special Fund, Debarment, "Voluntary restraint" from bidding on World Bank projects for two years

Monetary Sanctions (Types):

Special Fund

Total Monetary Sanctions (US\$):

\$100,000,000.00

Civil Disgorgement of Profits (US\$) :

\$0

Civil Prejudgment Interest (US\$) :

\$0

Civil Fine / Penalty (US\$):

\$0

Other Civil Monetary Sanctions (US\$):

\$100

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

\$100,000,000

Monetary Sanctions Returned / Ordered Returned (Explanation):

Integrity initiative fund

UNCAC Articles(s) Implicated:

Art.16

Art.26

OECD Anti-Bribery Convention Articles Implicated:

Art. 1, Art. 2, Art. 8

Offenses - Alleged:

Corruption in a project in Russia involving a subsidiary

Offenses - Settled:

Corruption in a project in Russia involving a subsidiary

Public Procurement Contract / SOE Involved?:

Yes

Summary:

According to the World Bank Press Release, "The World Bank Group today announced a comprehensive settlement with Siemens AG in the wake of the company's acknowledged past misconduct in its global business and a World Bank investigation into corruption in a project in Russia involving a Siemens subsidiary. The settlement includes a commitment by Siemens to pay \$100 million over the next 15 years to support anti-corruption work, an agreement of up to a four-year debarment for Siemens' Russian subsidiary, and a voluntary two-year shut-out from bidding on Bank business for Siemens AG and all of its consolidated subsidiaries and affiliates. [] Siemens' commitment to pay \$100 million to support global efforts to fight fraud and corruption would include providing funds to organizations and projects aimed at combating corruption through collective action, training, education. The money will also be directed to helping governments to recover assets stolen by corrupt leaders, and strengthening efforts to identify and crack-down on corrupt practices. The World Bank Group will have audit rights over the use of these funds and veto rights over the selection of anticorruption groups or programs receiving funds." (Source: The World Bank, "Siemens to pay \$100m to fight corruption as part of World Bank Group settlement," Press Release No:2009/001/EXT, July 2, 2009.)

Sources :

World Bank Group - Siemens Settlement Agreement, "FACT SHEET," accessed at http://siteresources.worldbank.org/INTDOII/Resources/Siemens_Fact_Sheet_Nov_11.pdf;

The World Bank, "Siemens to pay \$100m to fight corruption as part of World Bank Group settlement," Press Release No:2009/001/EXT, July 2, 2009, accessed at




<http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:22234573~pagePK:34370~piPK:>

Siemens and The World Bank, "Siemens selects initial projects for US\$100 million Integrity Initiative," December 9, 2010, accessed at

<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTLAWJUSTICE/0,,contentMDK:22786119~n>

Additional information on Integrity Initiative at <http://www.siemens.com/sustainability/en/core-topics/collective-action/integrity-initiative/index.php>

Documents:

Attachment	Size
 Siemens_World_Bank_Settlement_Press_Release_2009.pdf	173.84 KB
 Siemens_Fact_Sheet_Nov_11_World_Bank_Settlement.pdf	289.54 KB
 Siemens_World_Bank_2010_Initiative_Recipients_PR_Dec_2010.pdf	193.46 KB