

## **Alstom / Alstom Network Schweiz A.G.**

**Case ID:**

ST-402

**Case Cluster :**

Alstom

**Jurisdiction of Settlement:**

United States

**Jurisdiction of Settlement / Enforcement Agency:**

Department of Justice

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

Bahamas; Egypt; Indonesia; Saudi Arabia

**Year of Settlement:**

2015

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

11/13

**Other Jurisdictions of Settlement:**

Unknown (Bahamas: Criminal conviction following trial)

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

Legal Person

**Type of Settlement:**

Criminal

**Legal Form of Settlement:**

Guilty Plea

**Monetary Sanctions (Types):**

Criminal Fine

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

\$0

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

\$0

**Criminal Fine / Penalty (Explanation):**

Criminal Fine to be paid by Alstom S.A. (parent company)

**Criminal Forfeiture / Confiscation (US\$):**

\$0

**Criminal Restitution / Reparation (US\$):**

\$0

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

\$0

**Monetary Sanctions Returned / Ordered Returned (Explanation):**

NA

**UNCAC Articles(s) Implicated:**

Art.16

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

Art. 1, Art. 2

**Offenses - Alleged:**

Conspiracy to Bribe Foreign Officials

**Offenses - Settled:**

Conspiracy to Bribe Foreign Officials

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

Yes

**Summary:**

According to the US Department of Justice, Alstom S.A., a French power and transportation company, was sentenced in November 2015 to pay a \$772,290,000 fine to resolve criminal charges related to a widespread corruption scheme involving at least \$75 million in secret bribes paid to government officials in countries around the world. According to the Department of Justice, Alstom and its subsidiaries - Alstom Prom, Alstom Power and Alstom T&D - "through various executives and employees, paid bribes to government officials and falsified books and records in connection with power, grid and transportation projects for state-owned entities around the world, including in Indonesia, Egypt, Saudi Arabia, the Bahamas and Taiwan. In Indonesia, for example, Alstom, Alstom Prom and Alstom Power paid bribes to government officials including a high-ranking member of the Indonesian Parliament and high-ranking members of Perusahaan Listrik Negara, the state-owned electricity company in Indonesia in exchange for assistance in securing several contracts to provide power related services valued at approximately \$375 million. In total, Alstom paid more than \$75 million to secure more than \$4 billion in projects around the world, with a profit to the company of approximately \$300 million. Alstom and its subsidiaries also attempted to conceal the bribery scheme by retaining consultants who purportedly provided consulting services on behalf of the companies, but who actually served as conduits for corrupt payments to the government officials. Internal Alstom documents refer to some of the consultants in code, including "Mr. Geneva," "Mr. Paris," "London," "Quiet Man" and "Old Friend." The sentence, which is the largest criminal fine ever imposed in an FCPA case, reflects a number of factors, including: Alstom's failure to voluntarily disclose the misconduct, even though it was aware of related misconduct at a U.S. subsidiary that previously resolved corruption charges with the department in connection with a power project in Italy; Alstom's refusal to fully cooperate with the department's investigation for several years; the breadth of the companies' misconduct, which spanned many years, occurred in countries around the globe and in several business lines, and involved sophisticated schemes to bribe high-level government officials; Alstom's lack of an effective compliance and ethics program at the time of the conduct; and Alstom's prior criminal misconduct, including conduct that led to resolutions with various other governments and the World Bank." (Source: US Department of Justice Press Release, "Alstom Sentenced to Pay \$772 Million Criminal Fine to Resolve Foreign Bribery Charges," November 1, 2015.) According to secondary sources, in May 2016, a former board member of the Bahamas Electricity Company was convicted following trial of accepting bribes. (Source: Lamech Johnson, "Update: Ramsey convicted of multiple charges in Bec bribe," May 4, 2016, at <http://www.tribune242.com/news/2016/may/04/ramsey-guilty-most-charges-bec-bribe-case/>)

**Sources :**

US v. Alstom S.A., Case No. 14-cr-246 (D. Conn), Information and Plea Agreement filed December 22, 2014; US Department of Justice Press Release, "Alstom Sentenced to Pay \$772 Million Criminal Fine to Resolve Foreign Bribery Charges," November 1, 2015, at <https://www.justice.gov/criminal-fraud/case/united-states-v-alstom-sa-et-al-court-docket-number-314-cr-00245-jba-314-cr>; See also, Office of the Attorney-General Statement in Response to Nassau Guardian Editorial, Thursday 28 May 2015, at [http://www.bahamas.gov.bs/wps/portal/public/Agency%20News%20and%20Press%20Release/Office%20General%20Statement%20in%20Response%20to%20Nassau%20Guardian%20Editorial%20Thursday%2028%20May%202015/6fbG67k\\_16vh8TnAKVdt0RURMghEHNCqwNEI2oArZh2D5EID\\_WDz4Fg9Uk-cf8SoDMNBCx-AddkbbOj1dTOPZkhWyi9bLspcmPmEW9VLko8mhvYB5azUbpGhXEjR3YdNpmA10yOV9tassWB2AFx](http://www.bahamas.gov.bs/wps/portal/public/Agency%20News%20and%20Press%20Release/Office%20General%20Statement%20in%20Response%20to%20Nassau%20Guardian%20Editorial%20Thursday%2028%20May%202015/6fbG67k_16vh8TnAKVdt0RURMghEHNCqwNEI2oArZh2D5EID_WDz4Fg9Uk-cf8SoDMNBCx-AddkbbOj1dTOPZkhWyi9bLspcmPmEW9VLko8mhvYB5azUbpGhXEjR3YdNpmA10yOV9tassWB2AFx)

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Lamech Johnson, "Update: Ramsey convicted of multiple charges in Bec bribe," May 4, 2016,  
at <http://www.tribune242.com/news/2016/may/04/ramsey-guilty-most-charges-bec-bribe-case/>