Socialist Republic of Vietnam

Second Northern Mountains Poverty Reduction Project
Danang Sustainable City Development Project
Mekong Delta Region Urban Upgrading Project

Redacted Report

January 2016
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Executive Summary

This report provides the findings of an administrative inquiry by the World Bank Group Integrity Vice Presidency (INT) into allegations of misconduct in relation to several contracts financed under the Second Northern Mountains Poverty Reduction Project, the Danang Sustainable City Development Project, and the Mekong Delta Region Urban Upgrading Project in the Socialist Republic of Vietnam.

Evidence indicates that Company A misrepresented the professional experience of one of the individuals included in its technical proposals in connection with the above-mentioned three projects.

The World Bank imposed a sanction of debarment with conditional release on Company A, which extends to any legal entity that Company A directly or indirectly controls.
Background

The Second Northern Mountains Poverty Reduction Project (the NMPRP2)

The NMPRP2 aimed to enhance the living standards of the project beneficiaries by improving their access to productive infrastructure, enhancing the productive and institutional capacity of local governments and communities, and promoting market linkages and business innovations. NMPRP2 was financed by the International Development Association (IDA).¹

The Danang Sustainable City Development Project (the Danang Project)

The Danang Project aims to expand the access of city residents to improved drainage, wastewater collection and treatment services, the arterial road network, and public transport in selected areas of Da Nang City. The Danang Project is financed by IDA.

The Mekong Delta Region Urban Upgrading Project (the Mekong Project)

The Mekong Project aims to improve infrastructure services in low income areas in the project cities located in the Mekong Delta Region. The Mekong Project is financed by IDA.

The above-mentioned three Projects are collectively referred to as “the Projects” in this Report.

The Vietnamese government agencies responsible for managing the Projects issued Requests for Proposals for three separate consulting services contracts, one under each of the three Projects. Company A submitted a technical proposal for each of the three contracts (collectively, the Contracts). Company A’s technical proposals for the Contracts proposed one individual (the Employee) for certain positions for the Contracts. The Employee’s signed Curriculum Vitae (CV) was enclosed in each of Company A’s technical proposals.

After submission of its proposals, Company A was recommended to be awarded the contract under NMPRP2 (the NMPRP2 Contract), based in part on the information submitted regarding the Employee. Company A also was awarded, and signed, the contracts under the Danang and Mekong Projects with the relevant local Vietnamese government offices. The Employee was listed as key personnel in both contracts.

Allegations

The Project Management Unit for NMPRP2 (the PMU) received a complaint, alleging that the Employee’s CV submitted by Company A with its technical proposal contained false information. In response, the PMU requested documents from Company A in relation to a number of items in the Employee’s CV. Company A sent a written response with supporting documents to the PMU.

The PMU informed the World Bank that the explanation and documents received from Company A did not sufficiently support the accuracy of material contained in the Employee’s CV. The PMU reduced the scores assigned to the Employee in its Final Evaluation Report for the NMPRP2

¹ IDA is one of the five institutions comprising the World Bank Group. The International Bank for Reconstruction and Development (IBRD) and IDA constitute the World Bank. IDA and the World Bank are used interchangeably throughout this Report.
Contract. As a result, Company A was not awarded the NMPRP2 Contract. Subsequently, the World Bank Group Integrity Vice Presidency (INT) was informed of this matter.

**Methodology**

INT reviewed the PMU’s findings and relevant Project documents, and obtained documents and statements from Company A and the Employee.

**Findings**

**Evidence indicates that Company A and the Employee misrepresented the Employee’s professional experience in Company A’s technical proposals for the Contracts.**

Evidence indicates that, for all three Contracts, Company A submitted a version of the Employee’s CV which misrepresented the Employee’s professional experience. Evidence also indicates that Company A and the Employee jointly prepared these CVs. Evidence indicates that the three CVs contained identical, similar, or contradictory statements misrepresenting eleven material elements of the Employee’s purported experience. Nine of those eleven misrepresentations involved purported experience on other World Bank-financed projects.

**Follow Up Action by the World Bank**

The World Bank imposed a sanction of debarment with conditional release on Company A, which extends to any legal entity that Company A directly or indirectly controls.