



**Focus Group Meeting with members of the U.S. and non-U.S. Defense Bar
on the Review of the World Bank Group Sanctions System
*Consultation Feedback Summary***

Date: November 20, 2013 – 10:30 a.m. – 12:30 p.m. (-0500 UTC) (audio-connections with Paris, France – Houston, Texas – Toronto, Canada)

Venue: World Bank, Washington, D.C.

Total Number of Participants: 6

FEEDBACK FROM PARTICIPANTS
General Comments
<ul style="list-style-type: none"> • Importance for the Bank to clarify the objectives and purpose of the sanctions system by focusing its transformative, rather than punitive, nature. To achieve this transformative goal, it was suggested that: 1) the SDO should be involved in the process at an earlier stage; 2) the show cause process should be codified; and 3) the system should incentivize companies to adopt compliance programs and cooperate with procuring agencies at the country level • Considering that the sanctions system may be used by some bidders as an alternative to an inefficient national judicial system, the Bank needs to pay more attention to the role of referral reports and urge client countries to follow up on referral reports at the national level
Investigations
<ul style="list-style-type: none"> • One participant praised the experience and professionalism of INT investigators, the quality of investigation, and the ability of INT investigators to understand the specific factual circumstances of a case. However, occasional delays in the responsiveness of INT staff were mentioned in connection with the need that INT be given sufficient resources • Participants were of the view that more information sharing on the part of INT is crucial. Need for INT to provide a justification of their withholding of certain evidence/information on grounds of confidentiality. The Bank should make sure that its system is not ‘americanized’—as it must be understood by different legal traditions and systems around the globe
Settlements
<ul style="list-style-type: none"> • Transparency in the settlement process should be increased, for example, by making available more information about the standard settlement terms

Transparency

- The Bank should do better at disseminating information about the sanctions system, also in connection with specific cases where 'rumors' about a certain investigation may create considerable anxiety

Proportionality and the Nature of Sanctions

- While cross-debarment achieves important goals, the Bank should put in place a mechanism whereby a company can object to automatic cross-debarment. The Bank should consider establishing a unified second tier of adjudication that is common to all MDBs
- Increase flexibility and proportionality in the system by revising the Sanctioning Guidelines and support for the review team's recommendation to revise the current 'baseline' sanction
- More guidance on the treatment of corporate groups was perceived as necessary