WASHINGTON, January 10, 2013 - The World Bank Group today announced the debarment of ARINC Incorporated, a US-registered engineering and systems integration company, for a period 33 months following the company’s acknowledgment of a violation of the Bank’s Procurement Guidelines in the Bank-financed Airports Development project in Egypt.

The 33-month debarment is part of a Negotiated Resolution Agreement between ARINC and the World Bank Group following an investigation by the World Bank Integrity Vice Presidency and the company’s readiness to cooperate during the investigation.

“This case is an example of why integrity due diligence matters for the World Bank as well as for companies that are engaged in development projects,” said Leonard McCarthy, World Bank Integrity Vice President. “We pursue our efforts to promote a culture of zero tolerance and effective compliance in collaboration with companies and governments as part of the Bank’s goal to ending poverty,” he added.

Under the Agreement, ARINC commits to cooperate with the World Bank’s Integrity Vice Presidency and continue to improve its corporate compliance program.

This debarment qualifies for cross-debarment by other Multilateral Development Banks (MDBs) under the Agreement of Mutual Recognition of Debarments that was signed on April 9, 2010.

About The World Bank Integrity Vice Presidency (INT)

The World Bank Integrity Vice Presidency (INT) is responsible for preventing, deterring and investigating allegations of fraud, collusion and corruption in World Bank projects, capitalizing on the experience of a multilingual and highly specialized team of investigators and forensic accountants. Key results of INT’s work in 2012 include:

- 85 entities debarred, bringing the total number of debarred entities, non-governmental organizations and individuals to 541
- 122 jointly recognized debarments among MDBs that signed the Cross Debarment agreement
- Building precautions against fraud and corruption in 84 high-risk projects with a combined lending volume of USD 21.2 billion.
- In 2012, the World Bank debarred two wholly-owned subsidiaries of Oxford University Press namely: Oxford University Press East Africa Limited and Oxford University Press Tanzania Limited - for a period of three years following acknowledgment of misconduct in...
relation to two Bank-financed education projects in East Africa. The company agreed to pay $500,000 to the World Bank as part of settlement.

- The World Bank introduced its new App to report fraud and corruption allegations relating to its projects. The new App also complements other tools and information resources to support the detection of fraud and corruption red flags. The World Bank Integrity App is available for the iOS platform through the iTunes store.

- Following Alstom's acknowledgment of misconduct in relation to a Bank-financed hydropower project in Zambia, the World Bank debarred Alstom Hydro France and Alstom Network Schweiz AG (Switzerland) - in addition to their affiliates - for a period of three years as part of a Negotiated Resolution Agreement between Alstom and the World Bank which also includes a restitution payment by the two companies totaling approximately $9.5 million.

- Based on an INT referral, UK authorities ordered Macmillan Publishers Limited to pay over £11 million. WBG debarred Macmillan for 6 years (2010), for bribery linked to an education project in Sudan.

- The Norwegian Authorities also took prosecutorial action against three former employees of “Norconsult,” based on an INT referral.

- The second meeting of the International Corruption Hunters Alliance brought together 175 senior enforcement and anticorruption officials from 6 regions, to inject momentum into global anti-corruption efforts.

- Cooperation agreements in support of parallel investigations, asset recovery and information sharing with the UK Serious Fraud Office, the European Anti-Fraud Office, Interpol, the International Criminal Court, USAID, the Australian Agency for International Development, the UN Office for Internal Oversight and several other national authorities.

- Enhanced preventive training and forensic audits designed to identify and address red flags and integrity controls in World Bank-financed projects.