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Client Advisory

World Bank Announces Major Changes to How it Evaluates Corporate Compliance Programs

The World Bank is following the lead of the U.S. Department of Justice (“DOJ”) by devoting significant resources to evaluating corporate compliance programs. The Integrity Vice Presidency (“INT”), an independent unit within the World Bank Group that investigates and pursues sanctions related to allegations of fraud and corruption in World Bank Group-financed projects, announced its intention during a virtual colloquium on suspension and debarment that aired last month. This announcement constitutes a significant swing for INT, who before now considered corporate compliance safeguards only after the imposition of sanctions.

INT’s announcement dovetails the DOJ’s new “Evaluation of Corporate Compliance Programs,” which outlines the criteria federal prosecutors should evaluate when considering whether compliance measures warrant a reduction in penalty.

INT’s announcement is noteworthy as it highlights the analogous measures taken by both U.S. federal law enforcement authorities and international financial institutions in fighting corruption. Accordingly, companies should be on notice that while corporate compliance programs may involve a small upfront expenditure, they could potentially yield large financial benefits to the company down the road. After all, INT indicated the overarching objective is for compliant companies to squeeze out the bad actors. Thus, compliance expenditures will generate a return on investment by limiting the chance for sanctions and helping good companies win work.

If you believe the INT or DOJ’s compliance protocols apply to you and/or your company and would like more information on implementing a compliance program, please contact [Jeffrey Kolansky](#) at 215-279-9693 or jkolansky@archerlaw.com, or [Allison Borgatti](#) at 215-246-3116 or aborgatti@archerlaw.com.

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