

Notice of Uncontested Sanctions Proceedings

June 24, 2024

**Sanctions Case No. 778
IDA Credit Number 6074-VN
(Viet Nam Emergency Natural Disaster Reconstruction Project)**

**Respondent:
Thanh Cong Construction and Investment JSC**

1. On March 19, 2024, the World Bank’s Chief Suspension and Debarment Officer (the “SDO”) issued a Notice of Sanctions Proceedings (the “Notice”) to Thanh Cong Construction and Investment JSC (the “Respondent”) pursuant to sub-paragraph 4.1(a) of Section III.A of the Bank Procedure: Sanctions Proceedings and Settlements in Bank Financed Projects issued by the Bank on November 30, 2023 (the “Sanctions Procedures”).
2. The Statement of Accusations and Evidence (the “SAE”) prepared by the Bank’s Integrity Vice Presidency (“INT”) and appended to the Notice contained INT’s accusation that the Respondent engaged in a Sanctionable Practice (as defined in the Sanctions Procedures) in connection with the above-named project (the “Project”). The SAE also contained the evidence gathered by INT in support of this accusation.
3. The specific accusation made by INT in the SAE was that the Respondent engaged in an obstructive practice by failing to respond to repeated INT communications and requests, with an intent to materially impede the exercise of the Bank’s inspection and audit rights.
4. Based on a review of INT’s SAE conducted in accordance with sub-paragraph 4.1(a) of Section III.A of the Sanctions Procedures, and pursuant to sub-paragraph 4.1(c), sub-paragraph 9.1, and sub-paragraph 9.4 of Section III.A of the Sanctions Procedures, with due consideration of the factors set forth in sub-paragraph 9.2 of Section III.A of the Sanctions Procedures and in the World Bank Group Sanctioning Guidelines, the SDO recommended in the Notice that the Respondent, together with certain Affiliates (as defined in the Sanctions Procedures) where so specified, be sanctioned as follows:

Thanh Cong Construction and Investment JSC (“Thanh Cong”)

***Recommended Sanction: Debarment
Period of Ineligibility of One (1) Year and Six (6) Months***

It is recommended that Thanh Cong (together with any entity that is an Affiliate directly or indirectly controlled by Thanh Cong) be declared ineligible (i) to be awarded or otherwise benefit from a Bank-financed

contract, financially or in any other manner;¹ (ii) to be a nominated² sub-contractor, consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract; and (iii) to receive the proceeds of any loan made by the Bank or otherwise to participate further in the preparation or implementation of any Bank-Financed Project for a period of ineligibility of one (1) year and six (6) months.

In determining this recommended sanction, the SDO took into account, among other things, the nature of the obstructive misconduct that occurred. The SDO did not apply any aggravating or mitigating factors.

This declaration of ineligibility will extend across the operations of the World Bank Group, including IFC, MIGA, and the guarantee and carbon finance operations of the Bank.³

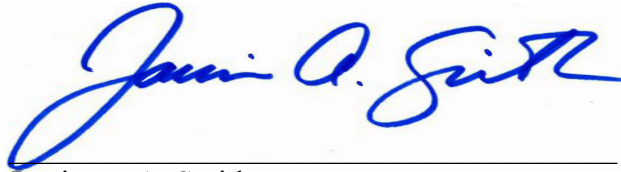
5. Sub-paragraph 4.4 of Section III.A of the Sanctions Procedures provides that if a respondent does not contest the accusation or the sanction recommended by the SDO in a Notice of Sanctions Proceedings by submitting a Response (as defined in the Sanctions Procedures) to the World Bank Group Sanctions Board (the “Sanctions Board”) within ninety (90) days after delivery of such Notice of Sanctions Proceedings, the sanction recommended by the SDO shall enter immediately into force.
6. No Response having been submitted to the Sanctions Board by the Respondent within the specified period, INT’s accusation in the SAE and the sanction recommended by the SDO in the Notice are deemed uncontested for purposes of sub-paragraph 4.4 of Section III.A of the Sanctions Procedures, and the

¹ *For the avoidance of doubt, the declaration of ineligibility to be awarded a contract will include, without limitation, (i) applying for pre-qualification, expressing interest in a consultancy, and bidding, either directly or as a nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract.*

² *A nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider (different names are used depending on the particular bidding document) is one which has been (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid or (ii) appointed by the borrower.*

³ *Sanctions Procedures, . . . sub-paragraph 9.1(c) of Section III.A. For the avoidance of doubt, the declaration of ineligibility also extends to activities financed through trust funds administered by the Bank to the extent governed by the Bank’s Procurement Regulations (or either of the Regulations’ predecessor documents, the Procurement Guidelines and Consultant Guidelines) or Anti-Corruption Guidelines. Id., sub-paragraph 1.1(c)(i) of Section III.A.*

recommended sanction set forth in paragraph 4 above has entered into force as of the date hereof.



Jamieson A. Smith
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The World Bank