



World Bank
Department of Institutional Integrity (INT)
Voluntary Disclosure Program (VDP)



The World Bank's Department of Institutional Integrity (INT) investigates allegations of fraud, corruption, collusion, and coercion in Bank operations. Based on INT's investigations, the Bank may impose sanctions against firms and individuals, including Bank staff, found to have engaged in misconduct. The Bank publishes the names of sanctioned firms and individuals on its website.

The Bank is currently enhancing its investigation and sanctioning capabilities with proactive tools that further combat corruption through prevention and deterrence. One of these new tools is the Voluntary Disclosure Program (VDP).

WHAT IS THE VDP?

Under the VDP, participants commit to (1) not engage in misconduct in the future; (2) disclose to the Bank the results of an internal investigation into past fraudulent, corrupt, collusive, or coercive acts in Bank-financed or supported projects or contracts; and (3) implement a robust internal compliance program which is monitored by a Bank-approved compliance monitor. Participants pay the costs associated with almost every step of the VDP process.

In exchange for their full cooperation, VDP participants avoid debarment for disclosed past misconduct, their identities are kept confidential, and they may continue to compete for Bank-supported projects. Similar programs successfully promote legal compliance in the European Union, Brazil, Japan, Pakistan, the United States, and other countries.

HOW DOES THE VDP OPERATE?

All firms, other entities, and individuals performing under Bank-financed or supported projects or contracts are eligible to participate in the VDP unless they are Bank staff or under active investigation by the Bank. Participants enter the VDP by agreeing to a non-negotiable, standardized set of Terms and Conditions.

A VDP participant conducts an internal investigation of all its Bank-project-related contracts that were signed or in effect in the five years prior to its entry into the VDP. The participant reports the results of its investigation to the Bank, and the Bank verifies the completeness and accuracy of that investigation. The Bank then shares selected disclosures with member countries, Bank management and staff, and other stakeholders through reports carefully redacted to keep the VDP participant's identity confidential.

A Bank-approved Compliance Monitor monitors a participant's internal compliance program for three years and reports annually to both the participant and the Bank. The Bank will debar, for a period of ten years, any participant that continues to engage in misconduct or otherwise materially violates the VDP Terms & Conditions.

WHY IS THE VDP IMPORTANT?

For member countries, the VDP helps ensure proper use of Bank and donor funds and facilitates meaningful enforcement action by national authorities based on VDP participant disclosures.

For firms, entities, or individuals performing under Bank-financed or supported projects or contracts, the VDP provides incentives to stop corrupt behavior and become compliant with Bank rules and guidelines. In the long term, this will promote a business environment characterized by merit-based competition.

For the Bank, the VDP is an efficient and very cost-effective method of combating corruption. Information disclosed by one participant can provide high-quality evidence of the nature, forms, and patterns of corruption in Bank projects, as well as the identities of corrupt actors. Lessons learned from VDP disclosures are mainstreamed into Bank policies and operations. Participants also alert the Bank to ongoing or planned corrupt acts in real-time, enabling the Bank to safeguard projects throughout their development and implementation.

For more information, see www.worldbank.org/vdp