

Government of West Bengal
Finance Department
Budget Branch
Nabanna, Howrah

Memo No: 1182FB

Date: 28/11/2025

Notification

Re: Anti-Corruption Guidelines Protocol for World Bank assisted West Bengal Boosting Logistics Efficiency and Trade Facilitation Program

The Government of West Bengal is implementing this programme to increase logistics efficiency and trade facilitation in West Bengal. The **West Bengal Boosting Logistics Efficiency and Trade Facilitation Program** in assistance with World Bank funding will enable the State Government to (i) enhanced institutional capacity for promoting trade and logistics; and (ii) reduced trade costs.

The program will increase climate resilience and sustainability in the logistics and trade sectors. The program will support the adoption and implementation of sustainability frameworks that support infrastructure investment plans and energy efficiency measures in warehousing and cold storage facilities. It will also increase overall efficiency of the movement of goods and reduce greenhouse gas (GHG) emissions (as logistics parks lend themselves to promote hub and spoke arrangements in freight movement, which promote utilization of bigger and fuller trucks that have a low GHG footprint).

As part of implementation of the program and pursuant to General Conditions of Agreement, it is hereby adopted the "Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing", dated February 1, 2012 and revised on July 10, 2015 (variously, the "Anti-Corruption Guidelines" or "ACG") in accordance with the provisions of the World Bank for **West Bengal Boosting Logistics Efficiency and Trade Facilitation Program**.

The guidelines on Preventing and Combating Fraud and Corruption in Program-For-Results Financing as enclosed in Annexure I and Supplementary Protocols as enclosed in Annexure II, will be followed for the above-mentioned program with immediate effect.



(P K Mishra, IAS)

Additional Chief Secretary
to the Government of West Bengal

Annexure-I

Guidelines On Preventing and Combating Fraud and Corruption in Program-For-Results Financing for West Bengal Boosting Logistics Efficiency and Trade Facilitation Program

Dated February 1, 2012 and Revised July 10, 2015

Purpose and General Principles

1. These Guidelines address Fraud and Corruption (as defined in paragraph 5) that may occur in connection with the preparation and implementation of programs financed, in whole or in part, by the International Bank for Reconstruction and Development (IBRD) or the International Development Association (IDA) through Program-for-Results Financing. They set out the general principles, requirements, and sanctions applicable to such programs.
2. The Loan Agreement¹ providing for the Loan² governs the legal relationships between the Borrower³ and the Bank⁴ with respect to the Program⁵ for which the Loan is made. The responsibility for the implementation of the Program under the Loan Agreement, including the primary responsibility for preventing and combating Fraud and Corruption, rests with the Borrower. The Bank, for its part, has a fiduciary duty under its Articles of Agreement to "make arrangements to ensure that the proceeds of any loan are used only for the purposes for which the loan was granted, with due attention to considerations of economy and efficiency and without regard to political or other non-economic influences or considerations."⁶ These Guidelines constitute an important element of those arrangements and are made applicable to the preparation and implementation of the Program as provided in the Loan Agreement.
3. Recognizing that Fraud and Corruption leads to wasted resources and undermines development effectiveness, the Bank and the Borrower agree that all individuals and entities participating in the Program must observe the highest standard of ethics and, specifically, that all such persons and entities must take all appropriate measures to prevent and combat Fraud and Corruption, and refrain from engaging in Fraud and Corruption, in connection with the

¹References in these Guidelines to "Loan Agreement" include any Loan Agreement providing for an IBRD loan; Financing Agreement providing for an IDA credit or IDA grant; Trust Fund Grant Agreement or Loan Agreement providing for a recipient-executed trust fund grant or loan in cases where these Guidelines are made applicable to such agreement; and the Program Agreement with a Program Implementing Entity related to any of the above.

²References to "Loan" or "Loans" include IBRD loans as well as IDA credits and grants, project preparation advances, and recipient-executed trust fund grants or loans for programs to which these Guidelines are made applicable under the agreement providing for such grant and/or loan. These Guidelines do not apply to investment project financing (to which separate guidelines apply) or to development policy financing.

³References in these Guidelines to "Borrower" include the recipient of an IDA credit or grant or of a trust fund grant or loan.

⁴References in these Guidelines to the "Bank" include both IBRD and IDA.

⁵Reference in these Guidelines to the "Program" means the Program as defined in the Loan Agreement.

⁶IBRD Articles of Agreement, Article III, Section 5(b); IDA Articles of Agreement, Article V, Section 1(g)

Definitions of Practices Constituting Fraud and Corruption

4. These Guidelines address the following defined practices in connection with the Program:⁷
- a. A "corrupt practice" is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party.⁸
 - b. A "fraudulent practice" is any act or omission, including a misrepresentation, that knowingly or recklessly⁹ misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.
 - c. A "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party.
 - d. A "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.
 - e. An "obstructive practice" is (i) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank investigation¹⁰ into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or (ii) acts intended to materially impede the exercise of the Bank's contractual rights of audit or access to information.
5. The above practices, as so defined, are referred to collectively in these Guidelines as "Fraud and Corruption."

Borrower Actions to Prevent and Combat Fraud and Corruption in Connection with the Program

6. In furtherance of the above-stated purpose and general principles, except as otherwise agreed in writing by the Borrower and the Bank, the Borrower:

⁷ Unless otherwise specified in the Loan Agreement, whenever these terms are used in the Loan Agreement, including in the applicable General Conditions, they have the meanings set out in paragraph 4 of these Guidelines.

⁸ Typical examples of corrupt practice include bribery and "kickbacks."

⁹ To act "knowingly or recklessly," the fraudulent actor must either know that the information or impression being conveyed is false, or be recklessly indifferent as to whether it is true or false. Mere inaccuracy in such information or impression, committed through simple negligence, is not enough to constitute fraudulent practice.

¹⁰ As used in the definition of "obstructive practice", the term "investigation" includes any inquiry undertaken under these Guidelines.

- (a) takes all appropriate measures to ensure that the Program is carried out in accordance with these Guidelines;
- (b) takes all appropriate measures to prevent Fraud and Corruption in connection with the Program, including (but not limited to) adopting and implementing appropriate fiduciary and administrative practices and institutional arrangements;
- (c) promptly informs the Bank of all credible and material allegations or other indications of Fraud and Corruption in connection with the Program that come to its attention, together with the investigative and other actions that the Borrower proposes to take with respect thereto;
- (d) unless otherwise agreed by the Borrower and the Bank with respect to a particular case, takes timely and appropriate action to investigate such allegations and indications; reports to the Bank on the actions taken in any such investigation, at such intervals as may be agreed between the Borrower and the Bank; and, promptly upon the completion of any such investigation, reports to the Bank the findings thereof;
- (e) if the Borrower or the Bank determines that any person or entity has engaged in Fraud and Corruption in connection with the Program, takes timely and appropriate action, satisfactory to the Bank, to remedy or otherwise address the situation and prevent its recurrence; provided that nothing in this sub-paragraph (e) or in sub-paragraph (d) above obligates the Borrower to take action in direct contradiction of the applicable law of the Member Country;
- (f) cooperates fully with representatives of the Bank in any inquiry conducted by the Bank into allegations or other indications of Fraud and Corruption in connection with the Program, and takes all appropriate measures to ensure the full cooperation of relevant persons and entities subject to the Borrower's jurisdiction in such inquiry; and
- (g) ensures that any person or entity debarred or suspended by the Bank is not awarded a contract under or otherwise allowed to participate¹¹ in the Program during the period of such debarment or suspension.

Sanctions and Related Actions by the Bank in Cases of Fraud and Corruption

7. In furtherance of the above-stated purpose and general principles, except as otherwise agreed in writing by the Borrower and the Bank, the Bank:

¹¹ For purposes of paragraph 6(g), participation does not include the performance under contracts entered into or other engagements began prior to the date of the Loan Agreement

- (a) promptly informs the Borrower of all credible and material allegations or other indications of Fraud and Corruption in connection with the Program that come to its attention, consistent with Bank policies and procedures;
- (b) in cases where the Bank determines it necessary to do so to fulfill its fiduciary duty, may conduct an inquiry into such allegations or other indications, independently of or in collaboration with the Borrower;
- (c) reports to the Borrower on the outcome of any such inquiry; and
- (d) may sanction¹² any individual or entity other than the Member Country¹³ if at any time the Bank determines that such individual or entity has engaged in Fraud and Corruption in connection with the Program or any other Bank-financed activity, or is otherwise subject to sanction pursuant to its prevailing policies and procedures.

Miscellaneous

8. For avoidance of doubt, nothing in these Guidelines is intended to restrict or otherwise affect the Member Country's sovereign right to investigate, prosecute or take any other action in furtherance of its own laws and regulations. Any inquiries conducted by the Bank pursuant to these Guidelines are administrative in nature, for the purpose of determining compliance with the Bank's policies, directives and procedures. Inquiries include, but are not limited to, the review of relevant accounts, records and other documents, and interviews with relevant persons.

9. Without prejudice to any provision hereof, in the event that any action to be taken by the Borrower under these Guidelines may conflict with requirements of the applicable laws and regulations of the Member Country, the Bank and the Borrower will consult with a view to identifying and agreeing on alternative actions that will avoid such conflict while ensuring compliance herewith.

10. The provisions of these Guidelines do not limit any other rights, remedies¹⁴ or obligations of the Bank or the Borrower under the Loan Agreement or any other document to which the Bank and the Borrower are both parties.

¹² Sanctions include (but are not limited to) publicly declaring such individual or entity ineligible, either indefinitely or for a stated period of time, to: (i) be awarded a Bank-financed contract; (ii) benefit from a Bank-financed contract, financially or otherwise, for example as a subcontractor; and (iii) otherwise participate in the preparation or implementation of the Program or any other project or program financed, in whole or in part, by the Bank. The Bank may publish the identity of any individual or entity sanctioned under subparagraph 7(d).

¹³ For purposes of these Guidelines, "Member Country" includes (i) officials and employees of the national

government or of any of its political or administrative subdivisions, and (ii) non-autonomous government-owned enterprises.¹⁴ The Loan Agreement provides the Bank with certain rights and remedies that it may exercise with respect to the Loan in the event of Fraud and Corruption in connection with the Program, in the circumstances described therein.

Annexure-II- Supplementary Protocols on ACG Guidelines

Following are the supplementary protocols to be followed in implementing the Anti-Corruption Guidelines for the Program:

1. **Reporting.** For purposes of Section 6 of the ACG, Finance Department of GoWB will collect, consolidate and provide the Bank, on a semi-annually basis, with a report on: (1) any material and credible allegations and other indications of fraud and corruption under the Program that come to the attention of during such period; (2) any investigations into such allegations; and (3) the progress of and outcomes from such investigations and any remedial or corrective actions taken or planned in response to such allegations or the findings of such investigations. It will also report therein that none of the contract awards under the Program are made to any of the Bank debarred or suspended persons or entities. A template for reporting is attached to this Protocol as Appendix-A

2. **Conduct of Investigations and Inquiries.** For purpose of Section 6(d) of the ACG, Finance Department of GoWB will ensure timely and appropriate action to get investigation conducted on allegation and indications of fraud and corruption; and inform the Bank of its progress and findings at semi-annual intervals and no later than one month after the conclusion of any investigation.

3. **Suspension and Debarment.** The Borrower and the Program Implementation Agencies will ensure that any person or entity debarred or suspended by the Bank is not awarded a contract under, or otherwise allowed to participate in or benefit from, the Program during the period of such debarment or suspension by the Bank. To that end, the Borrower and the Program Implementation Entity will put in place appropriate measures, including but not limited to the following: (1) Bidding documents will include information regarding the applicability of the ACG to the Program, and exclusion of any debarred or suspended person or entity from a contract under or participation in the Program; (2) the Bank's listing of debarred or suspended persons or entities will be incorporated in the filter used by implementing agencies when they conduct due diligence; (3) each participating bidder will be required to submit a self-declaration that the firm is not subject to ineligibility or has not been sanctioned under the Bank system of debarment and cross-debarment.

ANTI-CORRUPTION: COMPLAINTS HANDLING REPORT
(Reporting Period: dd/mm/yyyy to dd/mm/yyyy)

(Date of Reporting)

1. Credible and Material Allegations of Fraud and Corruption under the Program

[illegible]

2. Suspension and Debarment.

This is to confirm that none of the contract awards under the Program are made to any of the Bank's debarred or suspended persons or entities.

Sample Complaint handling Procedure for Procurement

- 1 The bidder has the right to submit a written and signed complaint at any stage in the procurement procedure. The complaint will be addressed to the procuring officer who has invited the bids. No complaint will be responded to during the evaluation period. Complaints received during the evaluation period will be reviewed and response issued only after the evaluation is completed.
- 2 The Procurement officer shall, within 5 working days of receipt of the complaint, acknowledge receipt in writing to the complainant indicating that it has been referred to the Bid Evaluation Committee for consideration.
- 3 The Bid Evaluation Committee shall review and make a judgment as to the validity of the complaint and send its recommendation to the next higher authority for remedial action within 14 working days of receipt of complaint.
- 4 The competent authority shall take a final decision on the complaint within 20 working days of receipt of complaint and instruct the Procurement Officer to take remedial action.
- 5 The Procurement Officer shall convey the final decision of the competent authority within 30 working days of the receipt of such complaint to the complainant. The response will be final without prejudice to any other recourse available under the law of the country.

As per international practice the complainant should have recourse to an independent complaints review body in case they are not satisfied with the response of procuring authorities. It is recommended that Independent External Monitors (IEMs) be appointed to handle disputes/complaints in case a complainant is not satisfied with the response of the procuring entity