

Notice of Uncontested Sanctions Proceedings

May 2, 2023

Sanctions Case No. 728
IBRD

Henan Geological and Mining Construction Engineering (Group) Co., Ltd.
(“Henan Geological”) ())

***Recommended Sanction: Debarment with Conditional Release
Minimum Period of Ineligibility of Three (3) Years***

It is recommended that Henan Geological, together with any entity that is an Affiliate directly or indirectly controlled by Henan Geological, including but not limited to, the following:

- 1) *Aksu Geology and Mineral Construction Engineering Co., Ltd. ()*
- 2) *Ganzhou Jida Construction Engineering Co., Ltd. ()*
- 3) *Henan Geology and Mineral Construction Engineering (Group) Anhui Co., Ltd. ()*
- 4) *Henan Geology and Mineral Construction Engineering (Group) Dalian Municipal Engineering Co., Ltd. ()*
- 5) *Henan Geology and Mineral Group Municipal Engineering Co., Ltd. ()*
- 6) *Henan Geology and Mineral Group Road & Bridge Engineering Co., Ltd. ()*
- 7) *Inner Mongolia Yuanshan Energy Co., Ltd. ()*
- 8) *Inner Mongolia Yuhe Construction Engineering Co., Ltd. ()*
- 9) *X7)t Grology and ineral Construction Engineering (o., Ltd. ()*

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; provided, however, that after a minimum period of ineligibility of three (3) years, Henan Geological may be released from ineligibility only if Henan Geological has, in accordance with sub-paragraph 9.03 of Section III.A of the Sanctions Procedures, demonstrated to the World Bank Group's Integrity Compliance Officer that Henan Geological has complied with the following conditions:

(a) Henan Geological has taken appropriate remedial measures to address the sanctionable practices for which Henan Geological has been sanctioned; and

(b) Henan Geological has adopted and implemented, in a manner satisfactory to the Bank, integrity compliance measures as may be imposed by the World Bank Group's Integrity Compliance Officer pursuant to sub-paragraph 9.03(b) of Section III.A of the Sanctions Procedures (e.g., an integrity compliance program or elements thereof) to address the sanctionable practices.

In determining this recommended sanction, the SDO took into account, as an aggravating factor, that Henan Geological engaged in a repeated pattern of fraudulent practices. The SDO also took into account, as a mitigating factor, the passage of time since the fraudulent practices occurred and the Bank became aware of them. The SDO did not apply any additional 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 The Bank will also provide notice of this declaration of ineligibility to the other multilateral development banks ("MDBs") that are party to the Agreement for Mutual Enforcement of

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 9.01(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.*,

