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Whistleblowing, World Bank's sanctions, and an integrity compliance program

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What was my path from receiving a call to assist a whistleblower who was in trouble, to the World Bank's decision to lift sanctions against a corporate group in the Western Balkans?

When Višnja Marilović — who had disclosed a $2 million corruption scandal in a public company in Sarajevo, Bosnia and Herzegovina — called me in 2011 to ask for help, I could not imagine that it would have a fundamental impact on my career. I decided to help her as a human being, even though I did not know anything about whistleblowing, compliance programs, or compliance officers. I knew still less about the Foreign Corruption Practices Act, Department of Justice and Securities and Exchange Commission guidance, or other American "marvels" as we, the citizens of the former socialist bloc, experience them.

During the same time, in 2010–2011 (while Višnja was in the final stage of collecting information and evidence on corruption in her public company and was getting ready to knock on the door of the Sarajevo Canton public attorney's office), on the other side of the country, the MG Mind corporate group made a fatal mistake by bidding for a local road construction project in Bosnia funded by the World Bank. Two companies from MG, owned by the same person, submitted a bid. The two companies were ranked second and fourth under the lowest price criterion. This means that they were not awarded a contract, they did not receive funds, nor did they implement the construction project. Under the World Bank's standards, this is collusion. The World Bank carried out an investigation and imposed a four-year debarment on the corporate group in August 2012. This prevented the companies from bidding on future contracts financed by the World Bank, the European Bank for Reconstruction and Development (EBRD), etc. The main requirement for lifting the World Bank's sanction was the implementation of an effective integrity compliance program.

Domestic laws are at odds with international standards

In August of 2012, when the sanction was imposed on MG, I was providing assistance to whistleblowers. However, I realized that I was unable to support Višnja and other whistleblowers, because they were not recognized by law nor were they entitled to legal protection. Much like this gap in whistleblowing regulations, collusion was not clearly forbidden by local laws in a bidding process (although it was forbidden by the World Bank), which was the reason it was a standard practice in the market that went unnoticed.

Višnja asked me, "What is the purpose of appealing to citizens to disclose corrupt practices if I am not protected by law after I was fired after blowing the whistle? Am I a good mother if my children have been under too much stress, received threats, and lived under police protection for many months because of me?" So we decided to draft the first-ever Whistleblower Protection Bill in Bosnia and Herzegovina and to lobby for its passage. It passed the parliament and entered into force 17 months later. It was the first Whistleblower Protection Act in Europe to provide protection before the judicial process begins, although we were completely unaware of that.

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