



**The World Bank Group
Integrity Vice Presidency**

Democratic Republic of the Congo

Multisectoral HIV/AIDS Project

Redacted Report

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Executive Summary

This Report provides a summary of an administrative fact-finding inquiry (the investigation) by the World Bank's Group's (Bank's) Integrity Vice Presidency into allegations of fraud related to the procurement of a contract under the Multisectoral HIV/AIDS Project (MAP or the Project) in the Democratic Republic of the Congo (DRC).

The investigation involved a company (the Company) which was competing for a medical-supply contract for the Project. INT investigated allegations that the Company had submitted false documents (Documents) in its bid to satisfy a tender requirement. INT investigators reviewed available documentation related to the Company's bid-submission and evaluation process and interviewed Bank staff members. As part of its investigation, INT contacted the manufacturers that purportedly issued the Documents contained in the Company's bid.

INT found evidence indicating that in its bid, the Company had submitted falsified Documents for the goods that it would supply under the contract.

Background

The Multisectoral HIV/AIDS Project (MAP or the Project) sought to mitigate the negative impact of the HIV/AIDS epidemic on the development of the Democratic Republic of the Congo (DRC) through reducing the risk of transmission of HIV, improving the health status and quality of life of persons living with HIV/AIDS and mitigating the socio-economic impact of the epidemic on vulnerable population groups. It is financed by an IDA grant of approximately US\$100 million. MAP operates on the national, provincial and local levels.

After the Project became effective, the National Program to Combat HIV/AIDS launched a tender to purchase supplies and equipment. The tender was comprised of four lots. Each lot involved different medical-related goods.

During the bid tender for the four lots, Project officials reviewing the bids suspected that one bidding firm (hereinafter the Company), may have submitted falsified Documents (hereinafter the Documents) to support its bid tender. The Project officials contacted several manufacturers that purportedly issued the Documents and later disqualified the Company from the bidding process.

Allegations and Methodology

Several years after implementation of the Project began, an allegation of fraudulent practices was sent to the Integrity Vice Presidency (INT). INT conducted an administrative inquiry (the investigation). The inquiry included reviewing relevant procurement and contract documents, correspondence, and other materials, and interviewing Bank staff members. INT also contacted the manufacturers that had purportedly issued the Documents contained in the Company's bid.

Findings

INT's investigation found evidence indicating that the Company falsified Documents. The Company does not manufacture the medical goods identified in the Invitation for Bids (IFB). Rather, its bid proposed to purchase the goods from various manufacturers. Pursuant to the IFB, the Company was required to provide documentation relating to the goods that would be manufactured by the other firms.

The Company submitted documentation identifying several manufacturers that would supply the goods. Of the documentation submitted with the bid, the evidence indicates that in three of the four lots for which the Company submitted bids, several of the Documents had been falsified.

LOT 1

(a) Manufacturer A

The Company's bid included one Document that was purportedly signed by an official of Manufacturer A. However, an official of Manufacturer A whom INT believes to be credible stated that the Document was not authentic and had not been issued by her/his firm. Moreover, the official noted that the alleged signer of the Document was a former employee who had ended her/his employment prior to the purported date on the falsified Document. The official also stated that Manufacturer A had given the only original document issued in that tender to a bidder competing with the Company.

(b) Manufacturer B

The Company's bid included one Document purporting to be from Manufacturer B. It was allegedly signed by an employee of Manufacturer B. However, an official of the Manufacturer whom INT believes to be credible stated that the Document was false and had not been issued by her/his firm. The official explained that the Document can be signed only by her/him and two other officials, none of which had signed this Document. The official also stated that the only original document that Manufacturer B had issued for this tender had been given to a competing bidder. S/he provided INT with a copy of the Document to confirm that it was a forgery.

LOT 2

(c) Manufacturer C

The Company's bid included a Document purporting to be from Manufacturer C. It was allegedly signed by an employee of the Manufacturer. However, an official of Manufacturer C whom INT believes to be credible stated that the Document was false and had not been issued by her/his firm. The official identified a number of inconsistencies in the Document that show its falsity.

LOT 3

(d) Manufacturer D

The Company's bid included a Document purporting to be from Manufacturer D. It was allegedly signed by an employee of the Manufacturer. However, an official of Manufacturer D whom INT believes to be credible stated that the Document was not issued by her/his firm and that the signature was not that of any of the firm's employees. The official identified other information missing from the purported Document

and stated that the only original document that Manufacturer D issued for this tender was issued in favor of another firm. The official provided a copy of the authentic Document to INT.