Statement of Use and Limitations

This Report was prepared by the World Bank Group’s (Bank’s) Integrity Vice Presidency (INT). It provides the findings of an INT administrative inquiry (the investigation) into allegations of corrupt, fraudulent, collusive, and/or coercive practices, as defined by the Bank, regarding one or more Bank-supported activities.

The purpose of the investigation underlying this Report is to allow the Bank to determine if its own rules have been violated. This Report is being shared to ensure that its recipients are aware of the results of the INT investigation. However, in view of the specific and limited purpose of the investigation underlying this Report, this Report should not be used as the sole basis for initiating any administrative, criminal, or civil proceedings. Moreover, this Report should not be cited in the course of any investigation, in any investigation reports, or in any administrative, civil, or criminal proceedings.

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Executive Summary

This Report (the Report) summarizes the findings of an administrative inquiry (the investigation) by the World Bank Group’s (the Bank’s) Integrity Vice Presidency (INT) into allegations that a company engaged in fraudulent practices related to the Bank-financed Gateway Project (the Project) in the Republic of The Gambia.

Specifically, INT investigated allegations that the company submitted forged manufacturer authorization letters and letters of declaration of origin of goods (the Letters) as part of a bid for a contract under the Project.

INT confirmed from the companies in whose name the Letters were issued that the Letters had in fact been forged. The bidder’s managers admitted to having forged the Letters.
Background

The Gambia Gateway Project (the Project) was a $16 million Bank-financed project. The main objective of the project was to enable The Gambia to establish a globally competitive export and processing center as part of the country’s efforts for achieving broad-based expert-oriented and sustained growth. In August 2009, INT received an allegation that there was potential collusion among several companies bidding for procurement contracts related to the Project. INT received further allegations that there had been possible fraudulent expenditures in which project funds were used for operations unrelated to the implementation of the Project.

Methodology

INT conducted preliminary reviews of bid documents, bids submitted by the bidders and other project-related documents. INT also conducted interviews and made inquiries of relevant parties.

As INT determined that the allegation regarding fraudulent expenditures was already being addressed by the Bank’s project staff, this part of the case was not examined further.

During the preliminary stages of the investigation, INT also identified red flags that suggested possible fraud in the form of forged manufacturer authorization letters and letters of declaration of origin of foods (the Letters) from various manufacturers.

Findings

In relation to the bid submitted by one of the bidders for contracts under the Project, INT obtained written confirmation from each of the four companies in whose names the Letters were issues that the Letters were forged.

In response, the bidder’s managers responsible for the fraudulent bid admitted to forging the Letters. The bidder also admitted that one of the managers personally signed the Letters and stated that they would take responsibility for that act.

Further, INT found evidence that this bidder also forged a Letter that it provided to another bidder, for inclusion in that bidder’s bid.

INT did not find evidence to substantiate the allegation of collusion.

At the conclusion of Sanctions Proceedings in this case, the World Bank debarred both the bidder and the manager responsible for forging the Letters for a period of 3 years.