SANCTIONS CASE No. 3/REPORT/1  
Sanctions Decision No. 01, issued on March 17, 2014.

Corrupt Practice- Offering a Director position to a public official in order to influence his actions in a procurement process

Respondents: Ndala Consulting Service (PTY) Limited [also trading under the name of Indala Consulting Services] / Mr. David KALISILIRA / Mr. Albert MWANSA

In December 2005, the African Development Fund, an entity of the African Development Bank Group (the “Bank Group” or the “Bank”) entered into a grant agreement with the Republic of Angola to finance the Bom Jesus-Calenga Smallholder Agricultural Development Project, a project aimed at enhancing food security and incomes of smallholder farmers (the Project). A planned mid-term review of the Project required the procurement of a consultant for that purpose. A selection process for the recruitment of a consultant was therefore conducted in October 2009 and Ndala Consulting Service (PTY) Limited (Respondent Ndala), also trading under the name of Indala Consulting Services, a company incorporated in South Africa, made a proposal.

In July 2010, the Bank’s Agriculture and Agro-Industries Department (OSAN) transmitted to the Bank’s Integrity and Anti-Corruption Department (IACD) an anonymous complaint together with extensive emails exchanges, which raised suspicions of corruption and collusion. IACD investigated and concluded that during the procurement process, Mr. David Kalisilira (Respondent Kalisilira) and Mr. Albert Mwansa (Respondent Mwansa), two Executive Directors for Ndala, offered the Bank’s Task Manager a Director position, and as a result, the latter provided insider information to the Respondents and instructed the Executing agency to extend the initial deadline in order to accommodate the Respondent Ndala’s proposal. The Director position was offered with the ultimate objective of moving the Task Manager to manipulate the Executing agency to award the consulting contract to Respondent Ndala. IACD presented a Findings of Sanctionable Practices (the FoSP) to the Sanctions Office on August 19, 2013.

Upon review of the case, the Sanctions Commissioner determined that the FoSP contained prima facie evidence in support of the alleged corruption and therefore issued a Notice of Sanctions Proceedings against the Respondents on October 22, 2013. The Respondents were informed of their right to contest the FoSP within sixty (60) days of receipt. However, the Respondents did not submit a Response.

After due consideration of the case, the Sanctions Commissioner determined that it is more likely than not that the Respondents engaged in corrupt practice. As a consequence, on March 17, 2014, the Sanctions Commissioner decided to impose a sanction of six (6) years debarment with conditional release. The involvement of the Bank’s Task Manager in the corrupt practice was considered an aggravating factor. The Respondents will be released at the end of the debarment period, upon implementation of an integrity compliance regime at Respondent Ndala, satisfactory to the Bank.

The Sanctions Decision was not contested before the Sanctions Appeals Board and therefore became final and enforceable.