Sanctions Decision No. 15 issued on 16 April 2019

Fraudulent Practice – Misrepresentation of facts during bid submission in order to influence the award of a contract

Respondent: QUALITRENDS GLOBAL SOLUTIONS NIGERIA LTD

In May 2014, the African Development Fund approved a loan and a grant to finance the Agricultural Transformation Agenda Support Program (the “Project”), in Nigeria. The broad objective of the Project was to contribute to employment generation and shared wealth creation along strategic commodity value chains, as well as food and nutrition security. One of the components of the Project, Lot 1, consisted of the construction of social infrastructure, namely classrooms, health centres, market stalls and a technology demonstration centre in the zone of Bida-Badeggi. Upon issuance of the bidding documents for Lot 1, Qualitrends Global Solutions Nigeria Ltd (“Respondent Qualitrends”) and ALG Global Concept Nigeria Ltd. formed a joint venture and submitted the tender for Lot 1. Respondent Qualitrends is a small civil engineering company registered in Nigeria in 2016.

An internal audit conducted by the Office of the Auditor General of the Bank in March 2018 revealed some irregularities in the bidding process as well as some forgeries of the documents submitted in the context of Lot 1 of the tender. PIAC undertook an investigation and concluded that Respondent Qualitrends had misrepresented its intention and role in the performance of the contract and submitted forged contract award and bid security letters in order to meet the requirements of the tender. Respondent Qualitrends denied knowledge of the fraudulent practice alleged against it. PIAC proceeded to present a Findings of Sanctionable Practices (the “FoSP”) to the Sanctions Office on 19 December 2019.

Upon a first review of the case, the Sanctions Commissioner determined that the FoSP contained _prima facie_ evidence in support of the alleged fraudulent practice. He issued a Notice of Sanctions Proceedings (“Notice”) against the Respondent on 30 January 2019. Respondent Qualitrends was notified of its right to respond to the FoSP within sixty (60) days of its receipt. No Response to the Notice was received from Respondent Qualitrends.

On reviewing the case further, the Sanctions Commissioner held that it was _more likely than not_ that Respondent Qualitrends engaged in the alleged fraudulent practice. Therefore, on 16 April 2019, the Sanctions Commissioner imposed against Respondent Qualitrends a three (3) year debarment with conditional release. Respondent Qualitrends shall be released from debarment at the end of its debarment period subject to the implementation, at its own costs, of an Integrity Compliance Program to be monitored by the Bank and a business ethics training of its entire management and staff.

In issuing a decision, the Sanctions Commissioner took into account, as aggravating factors, the multiplicity of misrepresentations and the sophisticated means used in forging seven official documents. As a mitigating factor, the Sanctions Commissioner took into consideration Respondent Qualitrends’ cooperation during the investigations.

The Sanctions decision was not contested before the Sanctions Appeals Board. It therefore remains final and binding.