

Who MESSED UP the multi-billion school laboratory chemicals project?

Following the unearthing of the expired laboratory chemicals in schools, Gloria Nakajubi follows up on the companies that were contracted to supply the reagents



BACKGROUND

A total of 5,113 laboratory kits were supplied to 1,362 schools under the universal secondary education programme. A chemical kit according to a Ministry of Education project completion report contained 71 different kinds of reagents. This was part of the \$150m project funded under a World Bank loan. The chemicals in this case, were meant to benefit about 1.2 million secondary school students. The project was meant to increase access to lower secondary education, improve the quality of lower secondary education and enhance the environment for Post Primary Education and Training (PPET).

"We have been trying so hard to let the story pass. The fact is that the project was a disaster. Sometimes you would see what happened and ask yourself whether it is actually true or you are dreaming." The statement by a Ministry of Education official who preferred anonymity sums up the magnitude of the failure of this multi-million dollar World Bank-funded project.

Besides the bulk of the chemicals supplied to schools either expired or nearing their expiry dates, there was a whole commitment that was dispatched to schools without labels. "The teachers were not sure of what was in the bottles. Whether it was an acid or not. So, in your school experiment, you would end up with something different," said the source. In the second part of the series on school chemicals that was published last week, headteachers at the various schools that benefited from the project complained of having received chemicals that were about to expire, while others were already expired. But also, these had been supplied in excessive amounts.

PROJECT RATING

The Independent Evaluation Group (IEG), the evaluation arm of the World Bank rated the borrower and the bank's performance as 'moderately unsatisfactory'.

Who supplied the chemicals? Education ministry records indicate that four companies were procured to supply chemicals worth sh5.1bn under the first phase of the \$150m (sh54bn) project. Only one of them, Mukono Bookshop was Ugandan, but had to team up with another international company - Sure Chemicals L.S. JV - in order to supply chemicals worth \$749,980.54 (about sh 2.7bn). The other companies were DRC Medical International BV (Netherlands) whose supplies were valued at \$583,615 (about sh2.7bn) and Farnco International Ltd (UK) had two contracts - one worth \$641,802.50 (about sh2.2bn) and the other \$428,454.94 (about sh1.5bn). Société Générale de Surveillance (SGS) was contracted by the Uganda National Bureau of Standards (UNBS) to ensure quality chemicals were supplied.

M/S MUKONO BOOKSHOP / SURE CHEMICALS L.S. JV. The company signed the contract on May 30, 2011. According to the project co-ordinator, Arthur Mutawwa, the suppliers met all the requirements

Supply of chemical reagents under World Bank project

Lot	No. of Schools	USE Government		USE Private		TOTAL	
		No. of Kits	No. of Schools	No. of Kits	No. of Schools	No. of Kits	No. of Schools
1 Lot 1	193	789	140	435	333	1,224	
2 Lot 2	204	1,026	184	665	388	1,691	
3 Lot 3	165	705	80	280	245	985	
4 Lot 4	265	920	136	293	401	1,213	
TOTAL	827	3,440	540	1,673	1,367	5,113	

Suppliers:

Lot 1	M/S DRC Medical International BV, Netherlands (€583,615)
Lot 2	M/S Farnco International Ltd (UK) (\$601,002.30)
Lot 3	M/S Mukono Bookshop / Sure Chemicals L.S. JV (\$749,980.54)
Lot 4	M/S Farnco International Ltd (UK) (€428,454.94)

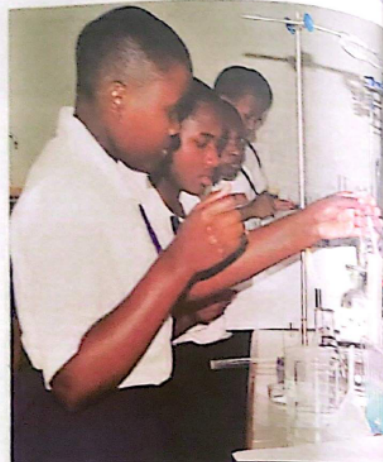
Source: Ministry of Education and Sports

and they even received quality certificates from SGS for the chemicals that were imported. The terms of the contract, Mutawwa explained, were that the chemicals had to have at least 75% of shelf-life. "All the chemicals we supplied were to expire at least after 2017 and we have a UNBS certification to that effect," he said. According to Mutawwa, Mukono Bookshop was in charge of distribution in the northern part of the country.

DRC Medical International BV (Netherlands)

The contract with DRC International was signed on June 17, 2011. According to the website, <http://drcinternational.com>, the company is a Dutch company that specializes in the execution of medical and laboratory projects worldwide. "We are independent and objective. The combination of years of experience and a dedicated professional team, guarantee the best possible outcome of your project," reads a statement on their website.

The company is said to have had years of 'successful execution' of projects financed

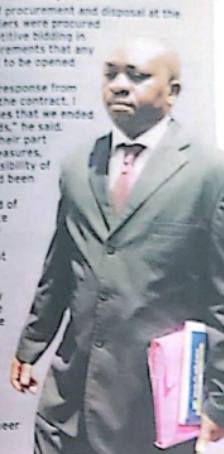


Students during a practical lesson. Headteachers have been faulted by the education ministry for accepting chemicals without checking contents

Ministry's view

Head of procurement speaks out

Arthur Mutawwa, the then head of procurement and disposal at the Ministry of Education and Sports, said the suppliers were procured through open international competitive bidding in accordance with World Bank requirements that any contract in excess of sh200m had to be opened to all interested parties. "We had to get a 'no objection' response from the World Bank at every stage of the contract. I am sure that all those companies that we ended up with met the required standards," he said. However, the companies fulfilled their part of the contract to satisfactory measures, Mutawwa said it was the responsibility of the procurement committees that had been set up in each district. Kyaligonza, who is now the head of procurement at the Uganda Police Force, said his responsibility only lay with the suppliers and not the procurement committees. "The headteachers of some of the secondary schools said they were not given time to check the contents before signing the contracts," he said. "They were not given time to check the quality of the products. They were delivered to the schools. Now, would a headteacher be expected to sign on chemicals that are not labeled? That is sheer nonsense," Kyaligonza said.



under programmes of World Bank, European Union, United Nations, German government, private initiatives and many others that prove DRC International's competitiveness and capabilities.

M/S FARNCO INTERNATIONAL LTD (UK) Farnco International, too, has not yet responded to an e-mail inquiry sent to them. The company had two contracts both signed on the same date, June 8, 2011. According to information on what seemed like the company's website at <http://www.farncointernational.com>, the company prides itself in the supply of farm machinery, equipment and parts. They specialise in "three main areas of business" namely farm equipment and spares, farm machinery and farm CCTV. "Farnco International is an established family-run business and has been running since 1992 and, therefore, has years of experience. We specialise in exports of farm machinery, equipment and implements as well as CCTV equipment," reads a statement on the website.

World Bank rates project poorly If the comments from the January 12, 2015, implementation completion report of the World Bank are anything to go by, this particular project was more or less a failure after it was ranked 'moderately unsatisfactory'.

The Independent Evaluation Group (IEG), the evaluation arm of the World Bank rated the borrower and the bank's performance as "moderately unsatisfactory". The same rating was also given by the borrower (Government of Uganda) in their implementation and completion report. The same applied to the outcome of the project procurement.

The procurement process, according to the report was rated as "moderately satisfactory to moderately unsatisfactory" by close of the project. "This

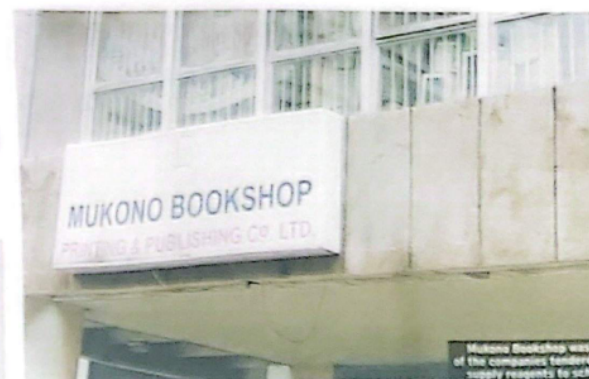
2011 Mukono Bookshop signed the contract to supply the chemicals on May 30, 2011. According to Arthur Mutawwa, the project co-ordinator, Mukono Bookshop was in charge of distribution in the northern part of the country.

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rating is appropriate based on the unlabelled and lengthy delays in procurement processing experienced," reads the report. The report further highlights that "two-and-a-half years after project effectiveness, civil works contracts remained to be executed, textbooks and science kits, though contracted, had not been delivered to schools." Actually, the report supports the earlier comments from one of the officials who indicated the lack of labels on some of the chemicals supplied. According to the report, the contract sum was reduced as a result of contractor failure to comply with the bottle specifications for the reagents in some instances.

Govt unprepared for project The World Bank stated in the report that the Government had limited project management capacity.

Students carrying out a practical lesson



Mukono Bookshop was one of the companies contracted to supply reagents to schools

and was not fully prepared for the heavy procurement requirements resulting in both avoidable as well as unavoidable procurement delays that slowed implementation throughout the project implementation cycle. The project was in 2010 also a subject of Police investigation on allegations of irregular award of contracts worth sh1.5bn for the construction of science laboratories and classrooms in the district of Bundibugye, Kasese and Mbarara. However, Kyaligonza said they were cleared of any wrongdoing. "Before I joined the Police, I was vetted and cleared as part of the requirements," he said.

Bank faulted on supervision The IEG also faulted the World Bank for poor supervision of the project. The report observed that the bank should have been more proactive ensuring that adequate accounts and control systems were in place, school level and that school heads received adequate training to handle civil works procurement at the school level.

"Similarly, it should have worked more closely with the education ministry on ensuring procurement timelines and control were realistic," added the report.

