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

SPOTLIGHT

"We have been trying so hard to let the storm 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 consignment 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, as you would expect a blue solution from an 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'.

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).

Who supplied the chemicals?
Education ministry records indicate that four companies were procured to supply chemicals worth sh9b under the first phase of the $150m (sh540b) project. Only one of them, Mukono Bookshop was Ugandan, but had to team up with another international company – Sure Chemicals LS. JV – in order to supply chemicals worth $749,980.54 (about sh 2.7b).

The other companies were DRC Medical International B.V (Netherlands) whose supplies were valued at £583,615 (about sh2.7b) and Farmco International Ltd (UK) had two contracts – one worth $601,002.30 (about sh2.2b) and the other $428,454.94 (about sh1.5b).

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 LS. JV.
The company signed the contract on May 30, 2011. According to the project co-ordinator, Arthur Mutaawe, the supplies met all the requirements and they even received quality certificates from SGS for the chemicals that were imported.

The terms of the contract, Mutaawe 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 Mutaawe, Mukono Bookshop was in charge of distribution in the northern part of the country.

DRC Medical International B.V (Netherlands)
The contract with DRC International was signed on June 17, 2011. According to the website, *https://drcinternational.com/index.html*, DRC International is a Dutch company that specialises 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 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 FARMCO INTERNATIONAL LTD (UK)
Farmco International, too, has not yet responded to an e-mail inquiry sent to them. The company had two contracts both signed on the same day, June 6, 2011. According to information on what seemed like the company's website at *http://www.farmcointernational.com*, the company prides itself in the supply of farm machinery, equipment and parts. They specialise in 'three main areas of business' namely farmco equipment and spares, farmco e-solutions and farmco CCTV.

"Farmco 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 results 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 "moderately satisfactory to moderately unsatisfactory" by close of the project.

"This rating is appropriate based on the unjustified 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 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 sh900m for the construction of science laboratories, latrines and classrooms in the districts of Bundibugyo, Kasese and Mitooma.

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 in ensuring that adequate accounting and control systems were in place at school level and that school leaders received adequate training to handle civil works procurement at the local level.

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

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

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

Supply of chemical reagents under World Bank project

	Lot	USE Government No. of Schools	USE Government No. of Kits	USE Private No. of Schools	USE Private No. of Kits	TOTAL No. of Schools	TOTAL No. of Kits
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 Farmco International Ltd (UK) ($601,002.30)
Lot 3	M/S Mukono Bookshop / Sure Chemicals L.S. JV ($749,980.54)
Lot 4	M/S Farmco International Ltd (UK) ($428,454.94)

Source: Ministry of Education and Sports

Ministry's view

Head of procurement speaks out

... Kyaligonza, the then head of procurement and disposal at the education ministry, 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 ...

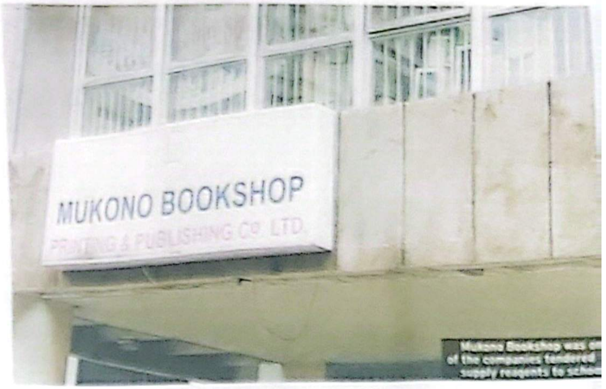
"... had to get a 'no objection' response from the World Bank at every stage of the contract. I am certain that all those companies that we ended up with met the required standards," he said.

... whether the companies fulfilled their part of the contract to satisfactory measures, Kyaligonza said it was the responsibility of the different committees that had been put in place.

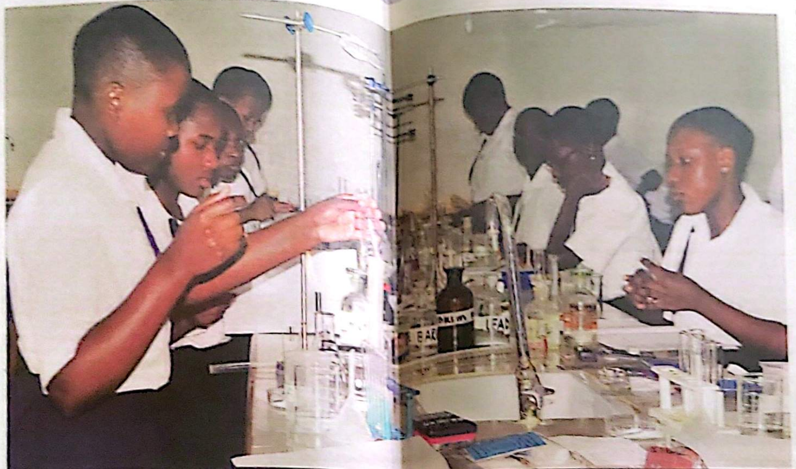
Kyaligonza, who is now the head of procurement at the Uganda Police Force, said his responsibility only stretched as far as the contract signing with the suppliers and not implementation.

While headteachers of some of the beneficiary schools said they were not given time to check the consignments before signing, the ministry officials said as heads of the beneficiary departments, it was their responsibility to ensure that quality products were delivered to the schools.

"How would a headteacher accept to sign on chemicals that are not labelled? That is sheer negligence," Kyaligonza said.



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


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


Students carrying out a practical lesson