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Executive Summary

This report provides the findings of an administrative inquiry by the World Bank Group Integrity Vice Presidency into allegations of misconduct in connection with the Education Sector Strategy Support Project (the “Project”) in the Republic of Nicaragua.

The Project Implementation Unit published the Bidding Documents for a Project-financed Tender (the “Tender”) with multiple lots for construction works. Company A bid on two Lots (“Lot A” and “Lot B”), which required that bidders have previous experience similar to the lot bid on. Evidence indicates that Company A misrepresented its past experience and submitted a falsified document in its Lot A and Lot B bids to meet this requirement.

The World Bank imposed the sanction of debarment on Company A, extending to any legal entity Company A directly or indirectly controls.
Background

The Education Sector Strategy Support Project (the “Project”) in the Republic of Nicaragua (“Nicaragua”) was funded by two Trust Fund Grants administered by the International Development Association (“IDA”). The Project became effective in May 2013, and closed in November 2017.

The Project Development Objectives were to: (a) increase access to preschool education in selected municipalities, and to improve preschool education learning conditions nationwide, and (b) increase access to lower secondary education in selected municipalities and improve lower secondary education quality and completion rates nationwide.

The Project Implementation Unit (“PIU”) published the Bidding Documents for a Project-financed tender with multiple lots for construction works (the “Tender”). Company A submitted bids for Lot A and Lot B.

Allegations

The PIU reported to the World Bank that it had found evidence indicating that Company A had submitted a forged document in its Lot A and Lot B bids and that, based on this finding, had disqualified Company A from the Tender. INT initiated an investigation.

Findings

Evidence indicates that Company A misrepresented its past experience and submitted a falsified document in its Lot A and Lot B bids.

The Tender Bidding Documents required that, in the four years prior to the bid submission deadline, bidders have completed at least three contracts similar to the tendered Lot. In its bids for Lot A and Lot B, Company A claimed to have executed a previous construction contract (the “Previous Contract”). In support of this claim, Company A submitted in both bids a certificate of completion for the Previous Contract (the “Completion Certificate”) purportedly issued by the Previous Contract employer.

However, evidence indicates that the Previous Contract was executed by another company, and that the Completion Certificate had been falsified to misrepresent that Company A had been the one to execute the Previous Contract. Further, in response to INT’s inquiries, Company A stated that it had submitted false information in its Tender bids and falsified the Completion Certificate.

Corrective Actions

The World Bank imposed the sanction of debarment on Company A, extending to any entity Company A directly or indirectly controls.