



ANTI-CORRUPTION COMMISSION
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SIERRA LEONE WEST AFRICA

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MEDIA RELEASE
UPDATE ON ACC's ACTIONS AND INTERVENTIONS ON THE AUDITOR
GENERAL'S REPORT 2019 AND COVID-19 AUDIT REPORT 2020 (No. 4)

The Anti-Corruption Commission (ACC) in this **fourth (4th)** Media Release continues to update and inform the general public on the actions taken so far on issues raised in the Auditor General's Reports of 2019, 2020, and COVID-19 Audit Report 2020. These interventions focused on aspects of possible or alleged corruption and conducts inconsistent with the provision(s) in the Anti-Corruption Act of 2008 as amended in 2019.

After a thorough review, and analysis of the aforementioned Reports, the Commission initiated actions; with a view to investigating, prosecuting, or recovering of public funds, public revenue, public property, as the case maybe, in accordance with Sections 7, and 48 of the Anti-Corruption Act of 2008 as amended in 2019, respectively.

Below are the **fourth** set of issues, and areas of ACC interventions, and the outcomes of same:

1. **MINISTRY OF DEFENCE (MoD).** The COVID-19 Audit Report 2020 highlighted that; procurement regulations were not followed by the Republic of Sierra Leone Armed Forces (RSLAF) for the procurement of Sixty (60) motor bikes, which led to the loss of about **Five Hundred and Fifty-two Million, One Hundred and Twenty Thousand Leones (Le552,120,000)**, and the said bikes were not made available for physical verification. ACC investigations established the following:
 - a) A request was made on the 27th March 2020, for the procurement of Sixty (60) motor bikes by RSLAF, in order to patrol the various border entry points that are not motorable, and to properly monitor and screen for COVID-19.
 - b) That on the same date, an emergency Procurement Committee meeting was held and they approved the sole source procurement method and that a request for 'no objection' for the sole source method to be used was sought from the National Public Procurement Authority (NPPA) due to the urgency, and was granted.
 - c) That Speedwing Investment (SI) which was already in MoD's database was requested to submit a bid for the supply of the said bikes. The bid was submitted



and evaluated by MOD's Evaluation Committee and it recommended that the contract be awarded to SI.

- d) That NPPA reviewed the evaluation process and gave a concurrence for the award of the contract and on the 2nd April 2020, a contract was signed between MoD and SI for the supply of the said bikes.
- e) That RSLAF initially wanted Yamaha XL 125, but was too expensive **Forty Five Million (Le 45,000,000 each)** for the funds available.
- f) That the bikes supplied by SI (Hensimkim 125) were less in cost **Twenty-one Million, Seven Hundred and Two Thousand Leones (Le 21,702,000)** but were similar to the bikes in the NPPA price norm that cost **Twenty-One Million, Five Hundred Thousand Leones (21,500,000)**.
- g) That SI procured the bikes from Kam Enterprises of 12 Pademba Road Freetown, for **Twelve Million Leones (Le 12,000,000)** each, who is the Sole Distributor of Kam 125 bikes in five African countries including Sierra Leone, and that the cost breakdown from SI for each bike includes; withholding tax, 15% GST, delivery, bike assembly, fuel, oil and warranty.
- h) That both SI and Kam Enterprises are legitimate registered businesses with GST registration certificates.
- i) That during the period of transaction, NRA GST invoice was not issued to MoD even though the payment made to SI included GST. According to MoD, it was an oversight not to have requested from the supplier the NRA invoice due to the urgent nature of the demand for the bikes, but during the course of the investigation, NRA GST invoices were submitted to ACC.
- j) The investigation confirmed from the NRA that the GST owed by SI has been filed and deducted from its credit balance.
- k) It is clear therefore, that RSLAF followed procurement processes in line with the NPPA Act of 2016 and that SI is part of the supply chain of bikes and not a 'middleman' and there was no overpricing of the bikes.

2. **SIERRA LEONE POLICE (SLP)**. The COVID-19 Audit Report 2020 alleged that; procurement regulations were not followed by SLP for the procurement of Forty (40) motor bikes which led to the loss of **Three Hundred and Sixty-eight Million, and Eighty Thousand Leones (Le 368,080,000)** and the said bikes were not presented for physical verification. The ACC investigations however, made the following findings;

- a) That on the 27th March 2020, a request for the procurement of Forty (40) motor bikes for SLP was made to man and patrol various border points which are not motorable so that people entering the country will be properly screened of COVID-19, and on the 31st March 2020 an emergency Procurement Committee meeting was held in which a sole source procurement method was approved. This was followed by a request for 'no



objection' for the sole source method to be used and approval from NPPA was sought, due to the urgent need of the bikes, which was granted.

- b) That SI which was already in SLP's database, was requested to submit a bid for the supply of Forty (40) motor bikes and the bid was evaluated by SLP's Evaluation Committee and a recommendation for the award of the contract to SI was concluded. This evaluation process was later reviewed by NPPA and gave its concurrence for the award of contract to SI.
 - c) That on the 9th April 2020 a contract was signed between SI and SLP for the supply of the said bikes, and that the bikes supplied by SI (Hensimkim 125) were less in cost **Twenty-one Million, Seven Hundred and Two Thousand Leones (Le 21,702,000)** but were similar to the bikes in the NPPA price norm that cost **Twenty-One Million, Five Hundred Thousand Leones (21,500,000)**.
 - d) That SI procured the bikes from Kam Enterprises of 12 Pademba Road Freetown, for **Twelve Million Leones (Le 12,000,000)** each, who is the Sole Distributor of Kam 125 bikes in five African countries including Sierra Leone, and that the cost breakdown from SI for each bike includes; withholding tax, 15% GST, delivery, bike assembly, fuel, oil and warranty.
 - e) That during the period of transaction, NRA GST invoice was not issued to SLP even though the payment made to SI included GST. According to SLP, it was an oversight not to have requested from the supplier the NRA invoice due to the urgent nature of the demand for the bikes, but during the course of the investigation, NRA GST invoices were submitted to ACC.
 - f) The investigation confirmed from the NRA that, the GST owed by SI has been filed and deducted from its credit balance.
 - g) It is clear therefore, that the procurement process was in line with the NPPA Act of 2016 and that SI is part of the supply chain of bikes and not a 'middleman' and there was no overpricing of the bikes.
3. **OFFICE OF NATIONAL SECURITY (ONS)**. The Auditor General's Report of 2020 on COVID-19 stated that, procurement regulations were not followed for the procurement of Thirty (30) motor bikes which led to the loss of **Two Hundred and Seventy-six Million, and Sixty Thousand Leones (Le 276,060,000)** and the said bikes were not presented for physical verification. The ACC investigations however, established the following;
- a) That on the 1st April 2020, a request for the procurement of Thirty (30) motor bikes for ONS was made to man and patrol various border points which are not motorable so that people entering the country will be properly screened of COVID-19.
 - b) That on the 3rd April 2020, an emergency Procurement Committee meeting was held in which a sole source procurement method was approved. This was followed by a request



for 'no objection' for the sole source method to be used and approval was sought from NPPA due to the urgent need of the bikes, which was granted.

- c) That SI which had already delivered on a similar contract with RSLAF and SLP, was requested to submit a bid for the supply of Thirty (30) motor bikes and the bid was evaluated by the Evaluation Committee of ONS, and a recommendation for the award of the contract to SI was concluded. This evaluation process was later reviewed by NPPA and gave its concurrence for the award of contract to SI.
- d) That on the 17th April 2020, a contract was signed between SI and ONS for the supply of the said bikes, and that the bikes supplied by SI (Hensimkim 125) were less in cost **Twenty-one Million, Seven Hundred and Two Thousand Leones (Le 21,702,000)** but were similar to the bikes in the NPPA price norm that cost **Twenty-One Million, Five Hundred Thousand Leones (21,500,000)**.
- e) That SI procured the bikes from Kam Enterprises of 12 Pademba Road Freetown, for **Twelve Million Leones (Le 12,000,000)** each, who is the Sole Distributor of Kam 125 bikes in five African countries including Sierra Leone, and that the cost breakdown from SI for each bike includes; withholding tax, 15% GST, delivery, bike assembly, fuel, oil and warranty.
- f) That during the period of transaction, NRA GST invoice was not issued to ONS even though the payment made to SI included GST. According to ONS, it was an oversight not to have requested from the supplier the NRA invoice due to the urgent nature of the demand for the bikes, but during the course of the investigation, NRA GST invoices were submitted to ACC.
- g) The investigation confirmed from the NRA that the GST owed by SI has been filed and deducted from its credit balance.
- h) It is clear therefore, that the procurement process was in line with the NPPA Act of 2016 and that SI is part of the supply chain of bikes and not a **'middleman'** and **there was no overpricing of the bikes.**

The ACC however note that, SI may not have had the capacity to supply bikes by themselves and a "sole source" supplier ought to have reasonable capacity. Therefore, the security sector should ensure that they include more sources in their databases.

In the spirit of complementarity, ACC continues to thank and appreciate Audit Service Sierra Leone (ASSL) for their diligence and cooperation in helping to combat corruption in Sierra Leone and Parliament for their sustained and continued support.

For further enquires on this and other ACC matters, please contact **Sylvanus Blake, Assistant Public Relations Officer** on +232-78-832131 or via email info@anticorruption.gov.sl.

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