



Any reply or subsequent reference to this communication should be addressed to the Contractor-General and the following reference quoted:-

No. :

TELEPHONE No.:876-929-8560/6466

FAX No. : 876-929-2476

E-mail: communications@ocg.gov.jm

OFFICE OF THE CONTRACTOR-GENERAL

PIOJ Building

16 Oxford Road

P.O. BOX 540

KINGSTON 5

JAMAICA, W.I

MEDIA RELEASE

OCG Expresses Alarm at Allegations Made by Former NWA CEO that JDIP Sub-Contracts Were Awarded upon the Recommendation of Politicians

Kingston; October 17, 2012 – The Office of the Contractor General (OCG) has noted, with alarm, the assertions which have been attributed to Mr. Patrick Wong, the former Chief Executive Officer of the National Works Agency (NWA), in an October 14, 2012 Sunday Gleaner Newspaper article that was captioned: “*WRONG on WONG – Former NWA boss says poor state of Ja’s infrastructure and election demands forced JDIP spending spree*”.

In the article, Mr. Wong is alleged to have said that the selection of sub-contractors on the troubled US\$400 million Jamaica Development Infrastructure Programme (JDIP) mega-contract, that was awarded by the Government to China Harbour and Engineering Company (CHEC), was guided by an “*unwritten protocol*”. The selection of the JDIP subcontractors was criticized by the Auditors who recently completed a Forensic Audit of the Programme.

The Gleaner article quotes Mr. Wong as saying that “*The unwritten protocol was established by former Prime Minister P.J. Patterson that MPs must be consulted...The recommendations of the MPs were, therefore, considered in accordance with the unwritten protocol that existed.*”

If Mr. Wong’s assertions are true, or are to be taken at face value, then they would depict a very worrisome state of affairs for the country’s Public Contracting System.

In essence, what Mr. Wong has alleged would confirm that there is a systemic, irregular, widespread and potentially corrupt interference, by politicians, in the disbursement of scarce public financial resources to certain selected works contractors who may be aligned to the said politicians.

Any such “*unwritten protocol*” would significantly undermine the good governance principles of impartiality, fairness, merit, transparency, competition and value for money in the award of State contracts.

More worrying, however, is that such an “*unwritten protocol*” would also invite the inescapable question as to whether the “*protocol*” is being used to facilitate corruption in the form of ‘kick-backs’ from the selected contractors to the politicians and parliamentarians who would have “*recommended*” them for the receipt of the referenced contract awards.



In the circumstances, the OCG wishes to publicly call upon the Government to state without equivocation if the alleged “*unwritten protocol*” does in fact exist.

If it exists, the OCG would respectfully submit that it should be abandoned forthwith, and that a formal statement be publicly issued by the Government of Jamaica regarding the circumstances which surround the existence of the “*unwritten protocol*” and the ambit of its application.

The OCG considers the matter to be an extremely grave one, since it stands as further evidence of the magnitude of the deficits that are currently embedded in Jamaica’s system of governance, and the challenges which they pose as institutionalized corruption enabling facilities.

The fact that a multi-billion dollar State contract, such as the JDIP contract, was awarded without competition to CHEC, which is a foreign Contractor, and was then subsequently sub-awarded by CHEC to several local sub-contractors without competition, and outside of the remit of the OCG, should now be cause for concern for all Jamaicans, particularly having regard to Mr. Wong’s assertions that the selection of the said sub-contractors was politically inspired and engineered.

The issue also invites the question as to whether, by their very design, high-value construction contracts, such as the JDIP, are now being deliberately awarded by the State on a sole source basis, so that sub-contracts can, in turn, be awarded to preferred local contractors, at the direction of the State’s politicians, without certain institutional checks and balances being brought to bear.

The assertions of Mr. Wong have brought into sharp focus the merits of one of the many remedial anti-corruption recommendations that the OCG has repeatedly made that the Government should move with urgency to bring the engagement of sub-contractors, on high-value works projects, under the Government’s Procurement Rules as well as under the contract monitoring jurisdiction of the OCG.

The recommendation was first publicly made, by the Contractor General, more than two (2) years ago, on June 3, 2010, via the issue of an official OCG Media Release.

-END-

Contact: The Communications Department, Office of the Contractor General of Jamaica
C/o Craig Beresford, Senior Director of Monitoring Operations, Corporate Communications and Special Projects
E-mail: communications@ocg.gov.jm. Tel: 876-929-8560; Direct: 876-926-0034; Mobile: 876-564-1806