

A True Case: The Dream that never came true

:: 2004 The first encounter

A young Danish student, Ida Ries Waaddegaard, travels to Ghana to work as a volunteer in the town of Dormaa Ahenkro in Western Ghana. It is Ida's first time in Ghana and she likes it: The people, the landscape. But she is also shocked to see so many children going without proper education and food. Education is free in Ghana.

Yet, lots of poor children do not attend school as their parents cannot afford the mandatory school uniforms, fees for exams and school meals. Ida meets a local and enthusiastic Ghanaian, De-Graft Frimpong, who shares her concern and has a dream of building and running a school that will offer free and good quality education to local children. And on top of that a free daily meal. Ida is thrilled that it is possible to make fundamental changes and provide education for poor children for – by Danish standards – little money. The two develop a vision of a Danish-Ghanaian partnership with a very concrete goal: To turn De-Graft Frimpong's dream of the school into reality.

:: The dream materializes

Papaye Ghana – Children in Need – is formed and registered as an NGO in Ghana in 2006. A board is elected with De-Graft Frimpong as chairman. De-Graft Frimpong mobilizes fellow Ghanaians to support the NGO, and local Ghanaians donate a plot with a half-built house and building materials and a school is built.

Papaye Denmark is formed and registered as a Danish NGO in 2007 with the purpose of mobilizing funds for the Papaye School. The membership reaches 120 at its peak. The members pay an annual fee of 40-60 USD. On top of that many of them volunteer work to raise funds, arrange concerts, flea markets etc.

:: 2007 Teaching starts

Construction is still ongoing but the first group of about 30 children are enrolled, teachers are hired and teaching starts. To start with in the shade of a tree. Later, the construction of the school building ends. Altogether five teachers are hired and 80 students enrolled.

:: 2008 Plans to end dependence of Danish funding

In 2008 Papaye Denmark agrees to fund a free daily meal for students and teachers at the school. But the two organisations also look into long term sustainability: Papaye Denmark agrees to fund the planting of 6,000 plantains on three acres of land donated by relatives of De-Graft Frimpong. The aim is that the plantain farm eventually will finance the Papaye School.

A free health insurance scheme is launched for the children and teachers, also funded by Papaye Denmark.

:: 2008-2009 The exchange tour

Representatives of Papaye Denmark travels to Ghana on a regular basis to keep in close touch and to gather facts, photos and information that can be used to mobilise funds and support in Denmark for the activities in Ghana.

They are encouraged by the concrete changes and visible results: Almost 100 students go to school and they pass their exams. The visitors from Denmark note a very warm and enthusiastic atmosphere among students, parents, teachers etc. The local community is actively supporting the activities and happy with them. The project is well rooted, the visitors of Papaye Denmark note in a report. They share future dreams and visions of expansion with De-Graft Frimpong and other Papaye Ghana counterparts.

:: 2009 The shock

In Denmark during August 2009, at long last representatives of Papaye Ghana arrive to kind of balance the numerous visits to Ghana by Danes. The founding father of Papaye Ghana and its present chairman, De-Graft Frimpong, arrives in Denmark together with Vice Chair Bismark Adjei. During what should have been an important visit to share visions for the future development of the partnership, Bismark Adjei blows the whistle and reveals that De-Graft Frimpong has embezzled funds provided by Papaye Denmark and used them for his private purpose.

:: 2009 Quick action

Papaye Denmark is shocked, but acts fast: Within a week the cooperation is suspended, and an agreement detailing the fraud is prepared and signed by De-Graft Frimpong. According to the agreement an estimated amount of up to USD 25,000 has been misused, and De-Graft Frimpong is to repay this amount to the extent that it cannot be accounted for. Papaye Denmark also takes time to inform its membership and funders.

Bismark Adjei returns to Ghana and informs teachers, students and parents. The case is reported to Danish and Ghanaian authorities and an order for De-Graft Frimpong's arrest is issued internationally, but he disappears on the way back to Ghana. Last trace of him is in Schiphol Airport, Amsterdam.

:: 2009 Efforts to rescue the activities fail

Teachers, students and parents at Papaye School are shocked by the closure of the school due to the cancellation of the cooperation. Efforts to develop a Plan B to rescue Papaye Ghana and the school without their founding father and chairman start in Denmark and Ghana. In Ghana a new NGO, Poverty Mitigation Centre (PMC) is formed to pick up from Papaye Ghana. The former Vice Chair of Papaye Ghana and whistleblower Bismark Adjei is elected chairman.

In early 2010 the chair person of Papaye Denmark – and its funding mother – Ida again travels to Ghana with another board member to wrap up Papaye Ghana, but also to look into the possibilities of a future cooperation with the local community. Six months later two other representatives of Papaye Denmark visit Ghana to initiate the new partnership with the new NGO, Poverty Mitigation Centre (PMC) and develop a partnership agreement. Papaye Denmark also agrees to pay the costs of sending the Papaye students to public schools one year on.

The Danish visitors from Papaye Denmark, nevertheless, leave Ghana with mixed feelings. From experience they now know that it takes a strong partner organization in Ghana to run a project, and that partnerships have to build on clear agreements and deadlines that must be adhered to. They are aware that PMC is backed by committed and trustworthy people, but it is not exactly a very strong partner with a capacity to administer entrusted funds.

The activists of Papaye Denmark therefore hesitates to transfer a relatively big amount to PMC – money earmarked to get the plantain farm up and running and they – unenthusiastically – decide to call an end to the partnership with PMC and communicate this to Ghana.

Papaye Denmark further decides that PMC can keep the money they have been able to raise through sale of building materials recovered from the former school building and other small assets left over from Papaye Ghana.

But other than that, PMC is now on its own.

Papaye Denmark – now down to some 60 members, and some 10-12 rather disillusioned but still enthusiastic activists – is in the process of shaping a new future for the organisation.

And De-Graft Frimpong? Still missing. He has not paid any of the embezzled money back. Both Papaye Denmark and PMC in Ghana have realized that he is not likely to do so.

Warning signs:

Papaye Denmark and Papaye Ghana have produced a report on their cooperation and experiences. It reveals a wide range of early warning signs which – in hindsight – indicated that something was wrong in Papaye Ghana:

- **No board meetings:** The board of Papaye Ghana was not a real board, but the chairman's handpicked friends and relatives who only met when representatives of Papaye Denmark came on visits.
- **No members:** Papaye Ghana did not have – and was not supposed to have – real members, but an informal network of enthusiastic supporters among parents etc. This network, though, did not have a system to hold the leaders accountable.
- **Lack of transparency:** Neither the 'board' or 'members' of Papaye Ghana nor the parents of the students saw the accounts of Papaye Ghana.
- **Payment for 'free meals':** After some months De-Graft Frimpong demanded payment for the meals that – according to the agreement – should have been for free and were paid for by Papaye Denmark
- **Teachers' salaries cut:** After some months teachers saw their salaries being cut – again contrary to the partnership agreement.
- **Trees missing:** Papaye Denmark in 2008 agreed to fund 6,000 trees, but only 3-500 were actually planted.

Well Done:

A lot of things went wrong in the Papaye partnership, which both organisations openly admit. Having said that, the case also shows that once the hell broke out they did good things:

- The Vice Chair of Papaye Ghana blew the whistle and informed his Danish partners.
- Papaye Denmark acted quickly and informed the authorities, sponsors, members etc.
- Both organisations did everything possible to save what could be saved and keep the students at school .

Reflections and lessons learnt of Papaye Denmark:

- **Put in place proper checks and balances:** Make sure that your partner organisation actually has members, an active, elected board, an external auditor etc. This *can* be seen as lack of trust but it is rather a way of protecting your partner from giving in to the temptation of misusing what is small amounts by Danish standards, but huge amounts by Ghanaian standards and also giving in to pressure from friends and relatives to favour them
- **Cheated from the onset?** De-Graft Frimpong probably created Papaye Ghana with the best of intentions to help children in need. His fraud started when the opportunity came and the checks and balances were not in place
- **Don't be over-ambitious:** When partnering with organisations in the South be realistic about the capacity of the organisation, its board and members to administer entrusted money and projects and to hold the leaders accountable
- **Whistle blowing can harm beneficiaries:** There is no doubt that several Ghanaians knew of the fraud long time before the Vice Chair of Papaye Ghana blew the whistle. Yet they did not report it. Not because they supported it, but probably rather for various other reasons. Most importantly, they probably feared that the funding would come to an end – with severe consequences for the beneficiaries – if the fraud was revealed. They did, though, welcome it when the fraud was revealed and stopped
- **Beware of family relations:** The father, brother and other relatives were heavily involved in Papaye Ghana as funders, employees etc. Even with the best of intentions this poses the risk of turning the activities into family business
- **Be friendly, but professional:** The activists of Papaye Denmark and Papaye Ghana developed close friendships. Friends are supposed to trust each other, and asking friends to put in place formal control mechanisms like an external auditor signals distrust. So, Papaye Denmark thought. The hard lessons learnt are that when money is involved, control mechanisms have to be in place – to protect your friends.

Take action when you suspect that something is wrong: The activists of Papaye Denmark on several early occasions suspected that something was wrong, but did not know how to handle it. Activities were proceeding well and it would be a pity to have to close down the project. And so they accepted that receipts were missing with the excuse that receipts are not part of the local culture.

Papaye Denmark has decided to speak openly about the case – hoping that others can learn from their experience. If you have comments, ideas or experiences with corruption you want to share with us, please contact us [here](#).