

# PPDA joins in the fight against Corruption

The Public Procurement and Disposal of Public Assets Authority (PPDA) in partnership with Inspectorate of Government (IG), Office of the Auditor

General (OAG), Directorate of Ethics and Integrity (DEI) and the Justice Law and Order Sector (JLOS) with support from German Technical Cooperation (GIZ)

organised the International Anti-corruption Week events 2015 under the theme:- "Stop Syndicate Corruption for Better Service Delivery"



Heads of Accountability institutions and other stakeholders at the Anti Corruption Day 2015

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## Promoting value for money

### Vision:-

A centre of excellence for regulation of public procurement and disposal

### Mission:-

To promote the achievement of value for money in public procurement so as to contribute to national development.

### Core Values:-

- Reliability:
- Integrity:
- Professionalism:
- Transparency and Accountability:
- Commitment & Teamwork:
- Partnership:

Don't Miss...  
Pictorial for Anti  
Corruption Week  
2015 & Bidders  
Conference  
2015

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# From the Editor

2015 has been a vibrant year here at PPDA. In this issue of the procurement digest, we appraise you on what transpired, how we wrapped up 2015 and what 2016 will unleash in the field of public procurement.

We bring you details of the Anti- Corruption Week celebrations 2015, how corruption manifests in Public Procurement and the strides Uganda has made in the fight against corruption through the collaborative approach by anti-Corruption agencies, and the preventive strategies adopted to fight the vice



We also bring you highlights of the annual Bidders' Conference 2015 and how PPDA is partnering with the private sector to increase participation of bidders in Public Procurement. It should be noted that there has been issues of low participation of bidders from the private sector and hence low competition for government tenders as potential bidders cite several challenges such as the lengthy procurement processes, the unreliable payments, unreasonably high bidding requirements etc.

The conference held under the theme "Breaking down Barriers that inhibit enterprises participation in Public Procurement" aimed at sharing information and creating awareness with the business community on the amendments to the PPDA Act that has been geared towards promoting local content, best practices and key requirements for participation in public procurements by local providers.

In the issue, we also bring you lessons learnt from PPDA study tour to the procurement agency of Georgia to strengthen the implementation of eGP, our continuous capacity building and training programs to strengthen the capacity and performance of key technical staff in conducting procurement and disposal activities in the respective entities.

You will also find a number of other events PPDA held in the last quarter, the New PPDA Guidelines on Administrative Reviews, and the list of suspended providers.

I hope you find the newsletter exciting and informative as we strive to enable greater visibility and transparency in the public procurement process.

We always welcome feedback and stories from you. email: [info@ppda.go.ug](mailto:info@ppda.go.ug).

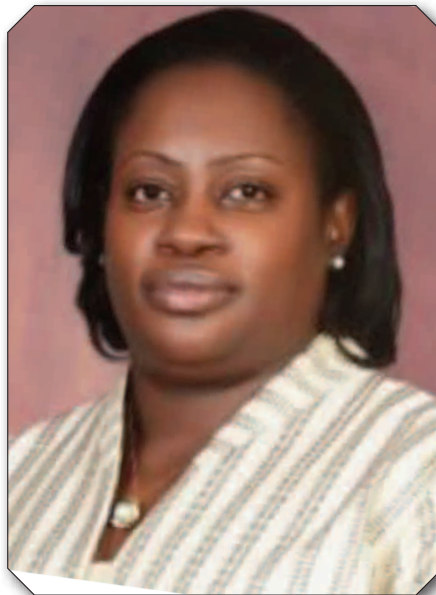
**Kirabo Sylvia Kyalo**  
Senior Public Relations Officer; PPDA

# Executive Director's Message

Dear Readers,

**Happy New Year to you all!**

**A**s we wrap up 2015 to enter into the New Year, it is good to look ahead and think about what the year 2016 may bring us. We have been through many developments in 2015, sometimes challenging circumstances. But we have also made a number of achievements some of which I will briefly summarize below;-



1. We concluded the start-up activities for strengthening readiness for e-government procurement and have finalized the bidding document for the procurement of the e-Procurement solution.
2. We launched the Government Procurement Portal (GPP) and rolled out its implementation to the Procuring and Disposing Entities (PDEs).
4. We commenced on the implementation of the revised Audit Manual and Audit Tool aimed at monitoring performance and ensuring higher compliance of the PDEs as well as ensuring value for money in public procurement.
5. We launched the Gulu Regional Office that offers support to 31 Entities located in Northern Uganda as a deliberate strategy by the Authority to move its oversight services closer to the stakeholders.
6. We have created awareness and enhanced the capacity of different stakeholders on the public procurement and disposal system in Uganda.
7. We participated in the Anti-Corruption activities together with our sister agencies (CIID, OAG, IGG, DEI, JLOS) to strengthen our partnerships to promote accountability and transparency.
8. We reviewed the implementation of Year I of the Strategic Plan (FY 2014/15) whose results indicated that about 67% of all the strategic objectives were achieved. This moderate achievement is majorly explained by the inadequate realization of the expected resources
2. Finalization of SBDs for framework, large works, pre-qualification, revenue centers and design and build.
3. Monitoring and reporting on the performance of the High Spend Entities.
4. Finalization of the planned procurement audits and issuing of combined quarterly procurement audit reports.
5. Completion of all pending investigations, creating centralized database of complaints and finalizing the compendium of administrative review cases.
6. Finalization of the Local Content implementation strategy and guidelines for implementation of preference and reservation schemes.
7. The public awareness and capacity building activities including the training of officials in the public and private sector, procurement barazas, cadre forums and the procurement sector review workshop.
8. Implementation of Research guidelines, updating and monitoring of Common User prices and finalization of the Procurement Integrity Survey
9. Opening up of the PPDA Mbarara Regional Office.
10. Reviewing the Finance and Accounting Manual
11. Supply, installation and commissioning of the ICT systems to strengthen the efficacy of the Authority including the virtualized servers, Electronic Data Management Systems (EDMS) and E-learning systems.
12. Completion of the designs for the Uganda Road Fund (URF) URF/PPDA office building and procurement of the Supervision Consultant and Contractor.

To our stakeholders and the general public, we pledge to remain a strong Public Procurement Regulator and call upon your support as always to ensure that procurement activities are undertaken in an efficient and effective manner to deliver value for money.

I wish you a nice reading and I hope this quarterly magazine leaves you more informed of the work we are doing in this important field of public procurement.

While we made the above achievements, we shall focus more on implementation of the remaining targets for FY 2015/16. In particular the following shall be our priority in 2016:

1. Reviewing the Local Government Regulations and developing the Standard Bidding Documents (SBDs).

**Cornelia K. Sabiiti**  
**Executive Director**

# PICTORIAL: ANTI CORRUPTION WEEK ACTIVITIES 2015

## PPDA joins in the Corruption Fight

By Kirabo Sylvia Kyalo

The Public Procurement and Disposal of Public Assets Authority (PPDA) joined in partnership with the sister agencies; Inspectorate of Government (IG), Office of the Auditor General (OAG), Directorate of Ethics and Integrity (DEI) and the Justice Law and Order Sector (JLOS) and with support from German Technical Cooperation (GIZ) organized the International Anti-corruption celebrations 2015. The week long events were celebrated under the theme; "Stop Syndicate Corruption for Better Service Delivery" aimed at strengthening and promoting accountability and transparency in Uganda.

The Week's events included:

- Open Day/Exhibition at Nakumatt Parking Lot near Garden city on Wednesday 2nd December to 3rd December 2015.
- Open Day at Anti-Corruption Court in Kololo on Friday 4th December 2015.
- Media Breakfast Meeting with Editors, Reporters and media owners on Monday 7th at the Sheraton Hotel Kampala. and National Dialogue at Hotel Africana on 9th Dec. 2015

Several stakeholders shared experiences on how to fight corruption in Uganda with the top executives and staff of the Anti-Corruption Agencies throughout the celebrations. It should be noted that currently, the country is grappling with grand corruption which is largely executed through syndicates between various government departments and agencies.

This phenomenon is made possible by collusion of key players across the ministries, departments and agencies to exploit the loop-holes in the system. Syndicate corruption has largely manifested itself in public procurement evident both at the Central and Local Government levels.



PPDA ED Ms. Cornelia K. Sabiiti, IGG Justice Irene Mulyagonja, The Chief Justice Bart Katurebe, The Hon. Minister of State Ethics and Integrity Fr. Simon Lokodo brief the media on the achievements towards the fight against corruption.

### Manifestation of Corruption in Procurement

Some of the specific areas are:

- Conducting procurement outside the pre-established procurement plans,
- failure to publish procurement plans on notice boards,
- signing of contracts without confirmation of availability of funds,
- manipulation of the bidding process to limit the number of bidders participating in the procurement process,
- deliberate delay of procurement planning leading to emergency processes, lack of effective reporting systems to expose perpetrators of corruption;
- Poor record management by procuring agencies such that it jeopardizes evidence of procurement requests, payments and disposal of public assets.

PPDA has strengthened its fight against corruption through conducting Administrative Reviews, Suspension of Providers and regularly Procurement and Disposal Audits as part of our continuous efforts to ensure value for money in all public procurement processes.

### PPDA Commitment to fight Corruption

Specifically, PPDA has made the following commitments in the fight against corruption in the Public Procurement.to:

- a) Ensure that the distribution of information relating to procurement

- procedures and contracts, including information on invitations to tender and relevant or pertinent information on the award of contracts, allowing potential bidders sufficient time to prepare and submit their bid.
- b) Ensure there is an effective system of complaints handling, including an effective system of appeal, to ensure legal recourse and remedies in the event that there are breaches on established rules or procedures.
- c) Ensure errant bidders/providers are debarred from participating in procuring and disposing activities through blacklisting for specific period of time.
- d) Ensure that there are measures in place to regulate matters regarding personnel responsible for procurement, such as declaration of interest in particular public procurements, screening procedures and capacity building requirement.
- e) Anti-corruption hotline(s) to report procurement related corruption.
- f) Work with the Civil Society Organisations to monitor and report on contracts managed by the High Spend Entities and Districts.
- g) Work more closely with our sister Accountability and Transparency agencies IG, OAG, CIID and DPP to harmonise approaches to fight corruption in public procurement.
- h) Implement e-Government Procurement to enhance transparency and accountability in public procurement.

# PICTORIAL: ANTI CORRUPTION WEEK ACTIVITIES 2015



(Above) PPDA ED Ms. Cornelia Sabiiti, Auditor General John Muwanga, IGG Justice Irene Mulyagonja and 3rd Deputy Prime Minister Hon. Kirunda Kivejinja on the official opening of the AC week (Below) Matching RF During the Anti Corruption Walk



PPDA Staff Mr. Dan Atuhairi (above) and Ms. Winny Akullo (below), and engage stakeholders during the Anti Corruption Week exhibition at the Oasis Mall and Anti Corruption Court respectively.



PPDA Staff march during the Anti Corruption Walk 2015



PPDA Executive Director giving opening remarks during a media breakfast meeting on the 7th December 2015



PPDA Staff and other stakeholders march during the Anti Corruption Walk 2015



PPDA Management follow the proceedings at the Media breakfast meeting

# Anti Corruption week Continued



*Syndicate against Corruption: The Heads of Anti Corruption Agencies and Development Partners have partnered to fight corruption*



*PPDA ED. Ms. Cornelia Sabiti re-assures the stakeholders on PPDA's commitment to fight Corruption during the Anti Corruption dialogue*



*Some of the PPDA management members and staff follow the discussions at the National Dialogue on Anti Corruption Week at the Africana Hotel on the 9th December 2015*



*Rewarding the young generation who presented poems and skits on the Anti Corruption Day ( Left) Taibah International School and (right) Acorns International School*

# Joint Statement on Anti Corruption

## International Anti-Corruption Day 2015

"Stop Syndicate Corruption for Better Service Delivery"



Uganda has made great strides in the fight against corruption over the years. There are improved mechanisms in the management of public finances which has narrowed the space within which funds from government are stolen without detection. This is coupled with the establishment of a strong legal framework and institutions to enforce accountability and transparency in the management of public offices and resources.

In addition, a combination of preventive anti-corruption strategies have been adopted by the various anti-corruption agencies to ensure better utilisation of resources and improvement of service delivery to the public.

### Manifestation of Syndicate Corruption in Uganda

In Uganda syndicate corruption is evident both at the Central and Local Government levels. It largely manifests itself in public procurement and service delivery. Some of the specific areas are: conducting procurement outside the pre-established procurement plans, failure to publish procurement plans on notice boards, signing of

contracts without confirmation of availability of funds, manipulation of the bidding processes to limit the number of bidders participating in the procurement, deliberate delay of procurement planning leading to emergency processes, lack of effective reporting systems to expose perpetrators of corruption; Poor records management by procuring agencies hides or destroys evidence of procurement requests, payments and disposal of public assets.

In the area of service delivery we have seen delays in the payment of salaries of teachers, health workers and others which sometimes leads to slow downs or strikes which prevents the public from accessing services. Massive losses have also been seen in the payment of pensions.

Examples of syndicate corruption include the loss of over 50 billion shillings in the Office of the Prime Minister (OPM), the loss of 169 billion shillings for former East African Community (EAC) workers' pension claims, alleged advancement of 24 billion shillings in construction of Mukono-Katosi Road, loss of 5 billion shillings intended for the purchase of bicycles for local officials and misappropriation of funds for the national identity registration exercise in 2011.

These incidences have led to the collaborative effort amongst the anti-corruption agencies to firmly respond and address the manifestations. This has involved different approaches, initiatives and strategies either jointly or individually in line with the legal mandate of each institution.

The Inspectorate of Government (IG), Office of the Auditor General (OAG), Public Procurement and Disposal of Public Assets Authority (PPDA), the Justice Law and Order Sector (JLOS) and Directorate for Ethics and Integrity (DEI) have come together to join the rest of the world to commemorate the International Anti-Corruption Day 2015 focusing on "stopping syndicate corruption for better service delivery". The collaboration between PPDA, OAG and IG is supported by the German Government through Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, under the framework of the project "Promotion of Accountability and Transparency in Uganda".

### INITIATIVES OF THE OFFICE OF THE AUDITOR GENERAL (OAG)

In July 2013 OAG formed a new Directorate called "Forensic Investigation and IT Audits" following the OPM scandal among other scandalous audit revelations. The Directorate was formed in response to the need to address the increasing concern to have audit findings more definitive and revealing and more amenable to prosecuting bodies. The Directorate would also be able to respond to the challenges of government's increasing use of IT most particularly the "Integrated Financial Management Information System - IFMIS".

The Office has also recruited Engineers, Economists and Procurement professionals together with external engineering consultants who have undertaken "Engineering Road Audits". These audits have revealed issues which not only capture financial flows but question technical parameters applied. In instances where performance audits have been undertaken, the causes and consequences of the shortcomings have been revealed. These have led the office to conduct six technical infrastructure audits which

were used in the UNRA commission of inquiry.

### STRATEGIES BY THE PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS AUTHORITY (PPDA)

The PPDA has come up with new initiatives to streamline the Procurement process and ensure value for money in all public procurements for effective service delivery and national development.

An online Government platform about all procurement and disposal opportunities was introduced. The system reduces the human interface i.e. between suppliers and procuring and disposing entities, thereby ensuring transparency in the public procurement process.

PPDA has also established a platform to conduct Administrative Reviews for use by service providers who wish to complain against a decision of a public entity on Procurement when dissatisfied.

PPDA will continue to suspend providers following recommendations from investigations on corruption in the procurement process. Further, the Authority will conduct procurement audits in all Procuring and Disposing Entities (PDEs).

PPDA will also conduct investigations related to unfair award of contracts, noncompliance with contract terms, fraud at evaluation, conflict of interest and the lack of confidentiality of information at bidding and evaluation

The overall performance of the entities indicates an increase in PPDA's intervention in procurement processes both in the Local and Central Government Departments for better service delivery.

### THE INSPECTORATE OF GOVERNMENT (IG) STRATEGY

The IG will step up engagement in preventive strategies of combating corruption and improving governance through collaborating and partnering with stakeholders for the effective identification of corruption risks and of potential loopholes in the management and administration of public office.

The IG will also deepen the enforcement strategies since detection, investigation and prosecution are strong deterrents against corruption.

The institution will Remodel itself into a robust organisation that is able to meet the challenges of the times.

Building on these key approaches the IG Strategy will be premised on five Strategic Objectives:

- Reducing corruption:** through increasing its capacity to effectively investigate and prosecute corruption.
- Maximising the ombudsman role by focusing on** investigating maladministration and injustices.
- Enforcing the Leadership Code of Conduct**, which will in turn re-enforce the Government's priority of increased transparency and accountability in its institutions.
- Strengthening organisational capacity for service delivery**, to deliver results.
- Effective collaborations with partners** including Parliament, Accountability entities, Ministries, Departments Agencies and Local Governments (MDALGs), Civil Society and the public, in execution of its mandate of improving governance and eliminating corruption.

### THE JUSTICE, LAW AND ORDER SECTOR (JLOS) STRATEGY

The JLOS Anti-Corruption Strategy (JACS) is premised on a vision of "A corruption free Society based on rule of law and respect for human rights". This is founded on three core pillars which include; (1) PREVENTION; To enhance the Sector capacity to prevent corruption, (2) DETECTION; To strengthen the Sector to detect, investigate, and adjudicate cases of corruption, and (3) PUNISHMENT; To promote and enforce effective mechanisms for punishment of those found culpable and reparations for acts of corruption.

The Sector has in place measures to eliminate abuse of office, acts of impunity and ensuring accountability and the rule of law. These include the JLOS Inspectors Forum, the JLOS Integrity Committee, the JLOS Audit Committee, the Human Rights and Accountability Working Group, Professional Standards Unit (PSU) of Police, institutional staff disciplinary units, a series of toll free call lines and standardised complaints handling frameworks, among others.

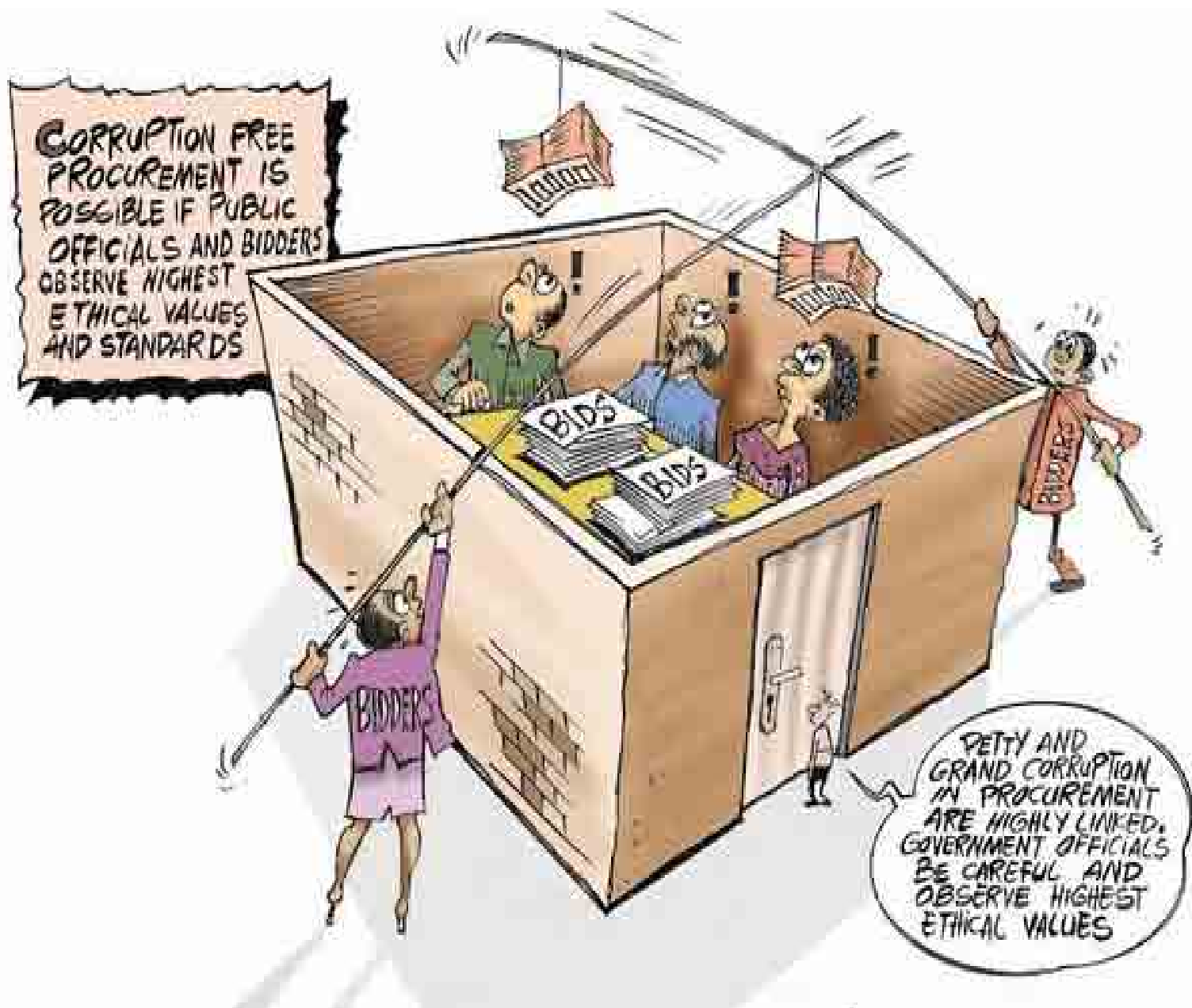
Implementation of process and service delivery reforms, such as automation of business processes, have minimised opportunities for syndicate corruption at many service points such as the Uganda Registration Services Bureau (URSB). In addition, innovative justice initiatives aimed at simplification of processes and expedition of the adjudication of court cases. These have reduced opportunity for corruption.

The Directorate of Public Prosecutions (DPP) established the Anti-Corruption Department as a specialized body to handle prosecutions of corruption cases. In all corruption investigations, efforts to recover assets and proceeds of corruption are emphasized.

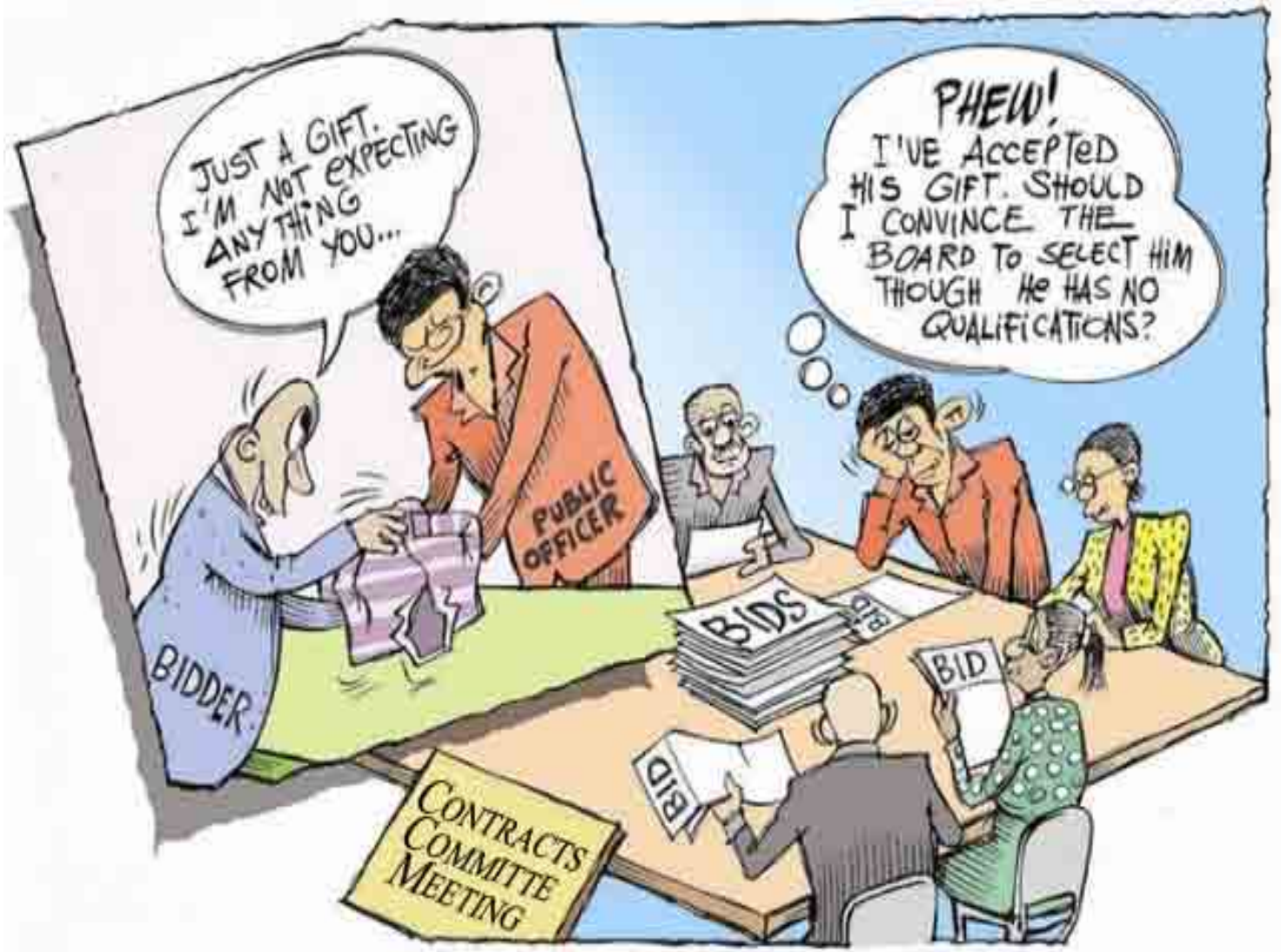
### CONCLUSION

While the anti-corruption agencies have put in place a number of interventions and strategies to combat corruption, the emergence of the phenomenon of syndicate corruption remains a threat to effective service delivery. The OAG, IG, PPDA, DEI, and JLOS have pledged to work jointly and collaborate to stem the tide. However, the success of this initiative calls for collective response by all the stakeholders in the country. The agencies will continue to build partnerships with the media, civil society and the public at large to reduce the space within which syndicated corruption can thrive.

# PROCUREMENT HUMOUR



**ZERO TOLERANCE TO CORRUPTION:**  
*Fight Against Corruption in Public Procurement  
is every ones responsibility...*



**ZERO TOLERANCE TO CORRUPTION:**  
*Join the fight today and SAY NO TO CORRUPTION!*

# Submit Bids on Time, PPDA Advises Local Bidders



*PPDA Executive Director Ms Cornelia K. Sabiiti (centre) and other stakeholders addresses members of the press during the Bidders Conference.*

The Local entrepreneurs and contractors have been urged to always submit their bids on time if they are to take part in the government procurements. The remarks were made by the Executive Director of Public Procurement and Disposal of Public Assets Authority (PPDA) Ms Cornelia K. Sabiiti while addressing local suppliers and contractors during the bidders' conference 2015 in Kampala.

"I interest you to take time and understand the bidding process and to always submit bids on time. If the deadline for submitting a bid is 4:00 O'clock, and you come five minutes past the time, you are out? , and this



*A bidder makes a point during the bidders conference 2015..PPDA regularly meets stakeholders public procurement issues*

is why many local bidders have lost out in big Government procurement projects” Ms. Sabiiti explained. Ms Sabiiti also warned bidders against Submitting forged documents in government procurement activities as one risks being blacklisted by the public procurement regulator.

“We have had bidders who have forged experience? We have had contractors who said they have built bridges in South Sudan, they even show us pictures, but when we would go to check, there would be no bridge,” she said.

The bidders conference that run under the theme; “Breaking down Barriers that inhibit enterprises participation in Public Procurement” was organised by the Private Sector Foundation Uganda (PSFU) under the Competitiveness and Enterprise Development Project (CEDP) and the Public Procurement and Disposal of Public Assets Authority (PPDA) with funds from World Bank.

The purpose of the conference was mainly to share information and create awareness with the business community on the reforms in the public procurement process and the PPDA Act that has been geared towards promoting local bidders participation, best practices and key requirements for participation in public procurements.

Speaking at the same conference, Mr. Gideon Badagawa, the Executive Director of PSFU urged Government to speed up the payment processes to contractors and suppliers who take part in public procurement.

He noted that delays in making payments to local contractors and suppliers breeds corruption tendencies among bidders who inflate costs as a mark-up for delays. “Are we paying on time? For as long as we delay payments, people tend to be corrupt because they know that the money will come after six months or one year,” Mr. Badagawa said.

He also urged Small and Medium Enterprises (SMEs) to do more if they want to take part in public procurement activities, which takes the biggest chunk of the government budget.



Promoting Local Bidders: A local Bidder (Centre) engages PPDA Executive Director Ms. Cornelia K.Sabiiti (right) and procurement specialists (Left) on the quality of local products during a bidders forum .PPDA is currently promoting local bidders participation in public procurements.



PPDA Ag. Director Training & Capacity building Mr. John Saturday (Left) Consults with The ED PSFU Mr. Gideon Badagawa during the Bidders Conference PSFU and PPDA organised the event



Procurement is our Priority: The PPDA ED (Left) with the other Accounting Officers (centre) ED UNBS Dr. Ben Manyindo and Dr. Andrew Segguya ED UWA (Right) following the discussions during the Bidders conference

# PPDA Benchmarks Procurement Agency of Georgia



*Ms. Cornelia K. Sabiiti, Executive Director, PPDA(3rd Left), Mr. Edwin Muhumuza, Manager Compliance Monitoring, PPDA(2nd left), Mr. Patrick Kakembo, Manager Information Technology, PPDA(2nd right) and other world bank procurement specialists during the study tour to Georgia in September.*

By Edwin Muhumuza

**A**s part of its ongoing support to the Government of Uganda towards the development of an Electronic Government (eGP) procurement system, the World Bank Uganda Country office supported a team to travel to Tbilisi Georgia from September 21st to September 25th 2015 to study the experience of the Georgian Government in the implementation of e-procurement reforms. The team had representation from the

Public Procurement and Disposal of Public Assets Authority and World Bank country offices in Uganda and Ethiopia was hosted by the State Procurement Agency of Georgia which is the regulator of public procurement in that country.

The SPA technical team headed by the Deputy Chairman of the State Procurement Agency, Prof Dr. Kakha Demetrashvili, made presentations to the study team.

The study team also visited the

World Bank Country Office in Georgia and had a meeting with the team of two officials, Mr. Tato Urjumelashvili and Mr. David Marghania, who were part of the design team for the development of the e-procurement system in Georgia and Ukraine

## Objective of the study tour

The main objective of the benchmarking study was to share experiences and challenges in the implementation of the

e-Procurement system in Georgia as well as to get a practical appreciation of the e-Procurement business processes.

### The specific objectives were to:

1. To study the Georgian Public Procurement Reform, including the mission, structure and functions of the State Procurement Agency in relation to e-procurement.
2. To understand the functionality of the Georgian Public Procurement Electronic System – e-procurement.
3. To learn how the dispute resolution system in Georgia works under an e-procurement system.
4. To learn how consolidated tenders are managed on an e-procurement system.
5. To study the training function and how it is managed within an e-procurement system.
6. To study how the planning function is managed under an e-procurement system and in particular the use of the Common Procurement Vocabulary (CPV) in relation to budget codes.

### Lessons learned

The Georgian e-procurement reforms resulted in the entire overhaul of the public procurement sector was achieved within the span of two years, with limited financial resources and using local expertise.

This success was mainly due to the following factors:

- i. High level political support is important to drive a successful e-procurement reform.
- ii. IT coverage and advancement: The IT usage in Georgia is very high with over 90% of the population having access

to the internet and transact on an e-platform of one form or another regularly. This made the change management process much easier.

- iii. Simplified and streamlined procurement processes must be done thoroughly well through the business re-engineering of the manual processes before the automation commences.
- iv. Effective inter-Agency coordination. A successful e-procurement reform process requires the key Government agencies to work closely to effect these reforms
- v. Capacity building on the use of the e-GP system for entities and providers procurers, is crucial, to enhance their procurement skills and knowledge.
- vi. Integration of e-gp with other systems is possible even without the use of ERP systems as demonstrated by the Georgia e-GP system which has been interfaced with their e-treasury IFMS and other systems even though they were developed separately.

### Recommendations

From the lessons learned during the benchmarking, the following recommendations are made to guide the implementation process for e-GP in Uganda:

1. There should be focus on demonstrable benefits of the e-procurement system in order to attract the political support of the Government. These should focus on cost savings and efficiency measures. The use of framework agreements for common user items similar to the Consolidated tenders in Georgia should therefore be prioritized under the e-GP system implementation.
2. The policy of "Everyone sees Everything" should be implemented by the mandatory publication of procurement plans on the Government Procurement Portal. The PPDA

is to enlist the support of the PS-ST to ensure that Accounting Officers comply with this.

3. There is need to have a strong in-house Project Management team with a variety of technical skills and expertise for the successful implementation of e-GP.

This will result in less reliance on the external developer and also allow for sustainability and flexibility in the design and implementation of the system especially where modifications may need to be made to the e-GP system in line with the needs and circumstances in the country.

4. There is therefore need for a strong inter-agency coordination mechanism as well as involvement of non-state actors such as civil society and the business community as they would play a crucial role in supporting the implementation of the reforms.
5. There is need to develop an online complaints handling mechanism at PPDA and the Appeals Tribunal to ensure that all complaints and the decisions on them are fully accessible to the public.

6. The requirements for the e-GP system should take into account the nature of the public procurement system that has a high number of low value transactions provided by a large number of SMEs.
7. The e-GP system should have an inbuilt risk based monitoring system based on pre-identified risk triggers to strengthen the compliance monitoring by the Regulator.
8. Successful implementation of e-gp substantially transforms the nature of operations of the regulatory authority and calls for PPDA to build the skills of its staff in ICT across board as well as improving analytical skills as future standards setting and performance monitoring will be done electronically.

# PPDA trains Contracts Committee Members from selected MDAs on the PPDA procurement process



*Group Photo of the participants and PPDA Staff at the PPDA Capacity Building Training in Mukono.*

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a two days induction for contracts committee members from central government entities on the procurement processes at Ridah Hotel in Mukono District. Entities included; office of the President, Uganda Police force, Uganda Development Bank Ltd, Ministry of Finance, Planning and Economic Development, Uganda Prisons, Butabika School of Nursing, National Coffee Research Institute Kituza, Atomic Energy Council and Ministry of Energy and Mineral Development among others. The main objective of the training was to train and promote good public procurement and disposal practices for all stakeholders

to improve their capacity so as to ensure application of fair, competitive, transparent, and non-discriminatory and value for money procurement and disposal standards and practices in all public procurement activities.

**Training covered topics on the roles and responsibilities of key stakeholders in the procurement process, Amendments to the PPDA Act 2003, Procedures for conducting Contract Committee meetings, key Contracts committee approval requirements in the procurement and disposal process....**

Training covered topics on the roles and responsibilities of key stakeholders in the procurement process, Amendments to the PPDA Act 2003, Procedures for conducting Contract Committee meetings, key Contracts committee approval requirements in the procurement and disposal process, key issues to consider by contracts committees in Bidding Documents, and contracts management.

The PPDA Training team was led by the Ag.DTCB Mr. John Saturday, MLAS Ms. Sophia N.Masagazi and SOTCB Mr. Dan Atuhaire.

# Rwanda Tips PPDA on eGP



*A Rwandese Electronic -Government Procurement System experts giving a demonstration to PPDA staff on how Rwanda is implementing Egp.PPDA is currently working on the roll out of eGP in Uganda. The team was in Uganda to demonstrate to the PPDA Team how Rwanda is implementing eGP. Speaking during the demonstration at PPDA offices in Nakasero, PPDA Executive Director Ms. Cornelia K.Sabiiti thanked the Rwandese team for the gesture and noted that PPDA is on course to ensure a successful implementation of eGP in Uganda.*

A delegation of experts overseeing the implementation of Rwanda's Electronic -Government Procurement System (eGP) were in Uganda to give a demonstration to PPDA staff on how to success implement eGP. PPDA is currently working on the roll out of eGP in Uganda with many central government entities present on the Government Procurement Portal (GPP).

Anyone interested in taking part in government projects can get details online; [www.gpp.ppda.go.ug](http://www.gpp.ppda.go.ug).

Speaking during the demonstration at PPDA offices in Nakasero, PPDA Executive Director Ms Cornelia K.Sabiiti thanked the Rwandese team for the effort and noted that PPDA is on course to ensure a successful implementation of eGP in Uganda.



*PPDA Manager ICT Mr Patrick Kakembo speaks to the Rwandese eGP expert shortly after the Training.*

# PPDA to Contract Individual Consultants to Conduct Procurement Training for stakeholders

The Public Procurement and Disposal of Public Assets Authority (PPDA) is to Prequalify Individual Consultants to Conduct Procurement Training for stakeholders in Procuring and Disposing Entities of Central and Local Government in Procuring and Disposing Entities of Central and Local Government.

This is in accordance with Section 6 (e) of the Public Procurement and Disposal of Public Assets Act, 2003 that specifies one of the five objectives of the Authority as 'to build procurement and disposal capacity in Uganda'. PPDA carries out this function by either using full time staff or outsourcing to third parties, whichever is applicable.

Section 7 (0) of PPDA 2003, the Authority, in carrying out its capacity building function is required to establish and maintain institutional linkages with entities with professional and related interest in public procurement and disposal. Further, under Regulation 16 (0), of PPDA Regulations, 2014, the Authority is required to display on its notice board (or website) a list of training institutions from which accredited training is available.

In this regard, in 2010, the Capacity Building Strategy of the Authority was revised and one of the identified stakeholders in the effective implementation of the Capacity Building Strategy was Institutions of Higher Learning and Individual Consultants.

The training entities can carry out this function by conducting specific skills-based training and issuing of recognised certificates. The individual consultants can sensitize stakeholders on behalf of the Authority.

It is against this background that the PPDA wishes to identify potential Individual Consultants and accredited

institutions of higher learning to offer procurement capacity building support as and when need arises.

## Purpose of the Consultants:

To put in place a prequalified list of individual consultants who will carry out capacity building in public procurement and disposal alongside Authority staff.

To ensure that PPDA acquires reputable capacity building consultants who have demonstrated experience and capacity to conduct a set of capacity building activities. Capacity building shall be delivered To organizations and individuals in the public sector, Private sector and Civil Society to equip them with procurement and disposal skills and knowledge in various aspects of the procurement and disposal processes in order to address capacity challenges that constrain the process of delivering on their respective mandates.

## Specific Assignments;

Individual Consultants will:

- Carry out Capacity Needs Assessment for stakeholders
- Design training materials, with case studies, for the different courses, based on practical scenarios
- Carry out sensitization and training of different categories of stakeholders in public procurement and disposal, on behalf of PPDA, as and when need arises.
- Prepare and submit activity report in both hard and soft copy

## Required Qualifications

- Individual Consultants must have:
- i. Master in Procurement, Business Administration, Law, Economics, Accounting, Engineering, Education and Finance from a recognized University.
  - ii. Bachelor's Degree in Procurement, Law, Economics, Finance, Public administration, or related field from

a recognized University.

- iii. Full Procurement Professional qualifications like CIPS, NEVI or CILT.
- iv. Experience in public procurement practice or training for 5 years.
- v. Knowledge of the PPDA Act 2003
- vi. Position of a TOT certificate is an added advantage
- vii. Membership of the Institute of Procurement Professionals of Uganda (IPPU)

## Suspension from the lists

PPDA may suspend from the list if, after an inspection of the individual consultants, it is established that the status of the information, which led to the prequalification, has changed. Contractual obligations of individual consultants

PPDA or PDEs will engage individual consultants on such terms and conditions agreeable to both parties. The consultancy fees and reimburseables will be paid by the PDEs or PPDA.

The remuneration to each Individual consultant will be an established standard rate per day of training.

Moreover, depending upon whether the training is held in Kampala City or outside, the Authority or any other party using the consultants will provide transport. The remuneration will be as follows:

- A rate of UGX500, 000 per day of training
- Mileage rates for activities within Kampala city will be UGX 50,000 per day
- Fuel refund and wear and tear will be based on the actual mileage travelled as per the public service standing orders.

FOR MORE DETAILS, LOG ON TO:  
[www.ppda.go.ug](http://www.ppda.go.ug)

# The Public Procurement And Disposal of Public Assets

## Guidelines on Administrative Review fees

**Guidelines issued by the Public Procurement and Disposal of Public Assets Authority under section 97 of the Public Procurement and Disposal of Public Assets Act 2003, Act No. 1 of 2003**

**Guideline Details:**

**Guideline Reference: 1/2016**

**Guideline Subject: Guidance on Administrative Review fees**

**Date of commencement: 14th January 2016**

- Guidelines are distributed to all Accounting Officers who are responsible for distributing copies of this Guideline the Contracts Committee and members of the Procurement and Disposal Unit of the Procuring and Disposing Entity
- Guideline Subject:**  
Guidance on Payment of Administrative Review fees
- Section 90 (1a) (a) of the Public Procurement and Disposal of Public Assets Act, 2003 requires a complaint for administrative review to be in writing with the prescribed fee. Regulation 11 of the Public Procurement and Disposal of Public Assets (Administrative Review) Regulations, 2014 provides that the fees in the Schedule shall be paid to the Procuring and Disposing Entity with the application for Administrative Review.
1. Value of the procurement or disposal to determine the Administrative Review fees payable.
- a) The Accounting Officer shall provide guidance to a bidder seeking Administrative Review on the value on procurement or disposal using the estimate indicated on the initiation form. The bidder shall use this value to pay the applicable Administrative Review fees as provided in the Schedule to the Public Procurement and Disposal of Public Assets (Administrative Review) Regulations, 2014.
- b) Where there is no pre-determined value of the procurement or disposal, for instance under general pre-qualification or Expressions of Interest, the Accounting Officer shall guide the bidder to pay the minimum fees in the Schedule to the Public Procurement and Disposal of Public Assets (Administrative Review) Regulations, 2014 of UGX. 500,000.
- c) Where the procurement is divided in lots, the Accounting Officer shall provide guidance to the bidder using the estimate of the individual lot complained against. The bidder shall use this as a basis for payment of the applicable Administrative Review fees for the lot (s).
2. Method of Payment of the Administrative Review Fees
- A bidder may pay the Administrative Review fees using:
- i. The Uganda Revenue Authority e-Payment System; or
- ii. A banker's cheque payable to the Procuring and Disposing Entity;
- iii. Electronic Funds Transfer; or
- iv. Any other method as provided in the bidding document.
3. Payment of the Administrative Review Fees by agents of the bidder  
Where a bidder is unable to directly pay the Administrative Review fees, the bidder may authorize an agent in writing to pay the Administrative Review fees on behalf of the bidder in the form provided in paragraph 2.

business & tenders

# Contractors: Benefits of formal registration

Tom B. Angurini writes about the gains of registering as a contractor.

Registered contractors have higher chances of winning tenders in Uganda compared to their unregistered counterparts. Registration is a plus because it means they are doing business formally.

Mr Robert Mugabe, the manager business registration Uganda Registration Services Bureau says during competitive bidding, contractors cannot bid unless they have registered their businesses.

"When competing to supply stationery, they will ask for your registration certificate," he says.

According to Mugabe, being registered comes with many other benefits. "When a contractor wants a bank loan or *bomma bagagawale* from government, the bank will ask whether your company is registered. So if you are registered you stand high chances of getting a loan or government support."

A registered contractor can easily be included on the Public Procurement of Public Assets Authority

(PPDA) pre-qualification list.

Mr Mugabe points out that for a contractor to get an investment licence from the Uganda Investment Authority, they need a certificate of registration.

Ms Suzan Naisanga, a procure-

ment officer with Monitor Publications Limited, says if a company is registered with URBS or PPDA, it gets the assurance from the public that they are operating within the law.

Mr Hamza Mwonge, a business expert and founder of Uganda National Institute of Records Management, says registration for a contractor creates a good public image about the firm.

## APPLY TO BE REGISTERED AS A MEMBER

- 1) Obtain a membership application form from Institute of Procurement Professionals of Uganda (IPPU) office or print a form from IPPU Web site. 2) Attach all appropriate documents required for the category of membership one wishes to be admitted.
- 3) Each fully completed application form should be returned either in person to the IPPU offices, Plot 39 Nakasero Road, or by post to the Executive Secretary IPPU, P.O. Box 34424
- 4) Each completed application form should be accompanied with proof of payment of Uganda Shs20,000 as non-refundable application fee.
- 5) All payments should be made out to: Institute of Procurement Professionals of Uganda (IPPU), Account Number 6000563534 Barclays Bank Kampala Road. A receipt will be issued for the payment received.
- 6) Applicants will receive a reply within a 4-6 weeks upon receipt of a fully completed application form and payment of the application fee, informing them of the status of their application and if the application is successful the category of membership to which they qualify to be admitted.
- 7) Successful applicants will upon receipt of this reply have to make full payment of all fees for the category to finally be admitted as members of IPPU.

news >  
Contracts

## Grab that abrupt, juicy contract

Contractors and bidders are advised to be prepared to accept sudden market openings if they are to succeed in business.

According to Mr Salm Lalani, the managing director of Stone Crushing Uganda Ltd, a company that was selected to construct the more than 4,000 seater-pavilion at the Uganda Martyrs' Shrine in Namugongo, it took them three months of hard work and commitment to ensure that the project is completed on time.

Taking advantage of an immediate opportunity that presents itself is what gave their company an edge over the rest.

"Many companies were not ready to undertake this project because the tender was advertised at short notice. But we decided to take it up so that it is complete before Pope Francis comes to Uganda," Mr Lalani says.

Mr Lalani advises contractors to ensure they have all the required resources

and manpower in place to undertake such immediate contracts.

He says the contractor should have well-trained, motivated and equipped human resource that can go an extra mile to ensure customer satisfaction despite being contracted at short notice. He, however, emphasised the need for quality despite having limited time to undertake the project.

"We made sure that all the materials we used are up to the required standards so that we are able to construct a long-lasting structure that will serve the people even after the Pope has left the country," he adds.

Mr Mark Koehler, the Roko Construction managing director, the main contractor for the construction of the Namugongo shrines, also advises contractors and bidders to avoid using the excuse of limited time as a hindrance to undertaking juicy contracts. [Joseph Bahingwire]



business & tenders

bids & tenders  
winning tips

Here are some tips and tools you will need to rate your suppliers, track their performance, and increase your company's overall productivity.

Set performance indicators

Create specific performance criteria for tracking and evaluating your suppliers on a regular basis - monthly, quarterly, and/or annually. Considerations include size of the company, number of certifications, quality management systems, complaint history, and financial stability.

Categorise multiple suppliers

Separate suppliers into levels (1, 2, and 3) based on how critical they are. Evaluate suppliers according to the effect they have on your product or service in order of importance.

Develop an evaluation method

Consider any of these: evaluation forms, surveys, system metrics, and software applications. Do an audit periodically where you generate measurements or reports at the onset of the purchase.

Maintain good relationships

Treat your suppliers as part of your team. Communicate often and openly. Avoid supplier and vendor conflicts by paying on time or at least addressing late payment issues and talking with your supplier about it.

Appreciate good work

Decide when to praise them and when to issue a red flag. Show appreciation for a job well done; for instance, give a supplier additional business for good work done.

## Why you should review suppliers' work often

To get the most out of your suppliers, you ought to audit their performance as Ruth Nakibuule writes.

Working with suppliers who can ably fulfill their responsibilities if the objectives of the contract are to be achieved is important.

To achieve this, Mr Emma Mugaru, a procurement officer in Kampala, said the procuring entities should also review themselves before they decide to terminate the contract in case they are to blame for the suppliers' failure to perform.

"Such cases include one's failure to pay suppliers on time which hinders them to deliver high-quality suppliers when required," he says.

There are many reasons for terminating a contract with a supplier. Some of these include failure to supply services or goods that meet the procuring entities requirements or when you find a cheaper or more reliable supplier elsewhere.

An illustration of a supplier rushing to deliver products. Companies are encouraged to develop an instrument to monitor their suppliers' performance.



However, one must make sure there are no penalties for terminating the contract to avoid incurring unnecessary costs.

"As well as financial barriers to changing suppliers, one can also face operational costs. There may be disruption to your business when you

switch to a new supplier with different processes or systems," Mr Mugaru added.

Make sure that your existing supplier gives you all the information you need to make the transition smoother. If possible, negotiate so that your new supplier takes respon-

sibility for handling the changeover process.

"To avoid such problems, you should think about the possible dangers of ending a contract early at the contract negotiation stage.

One can also seek legal advice when drawing up important contracts.

"It is also a good idea to have guidelines in place for dealing with ending a supplier's contract. These can help you to avoid removing a supplier you may need at a later date," he explained.

This can be done by explaining to the supplier why you are ending the contract. They may be able to offer you a better deal and save you disruptions.

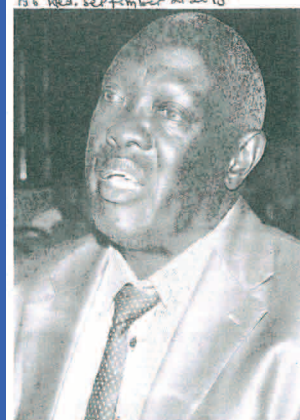
Another Kampala-based procurement officer Abiah Atuhaire, said "Any procuring entity should always review their suppliers' performance at regular intervals. This can help one assess the level of supplier's performance."

This, however, can be effective if the parties signed a service level agreement during the signing of the contract. This agreement defines the terms and level of service you receive from your supplier.

"The performance review process is important because it prevents existing suppliers becoming complacent," she revealed.

During the review the procuring entity should ensure that they are getting the best value for money.

## UNRA probe: Govt lost Shs2b in procurement of W. Nile ferry



Mr Peteret Muya, former mechanical manager at Uganda National Roads Authority (UNRA), appears before the UNRA commission of inquiry at Imperial Royale Hotel in Kampala yesterday. PHOTO BY MICHAEL KAMUKAMA

that procurement of the ferry was marred with fraud.

Mr Muya faulted the contracts committee and the procurement and disposal unit of UNRA at the time for usurping the powers of the Evaluation Committee to acquire the supplier of the ferry.

He explained that Evaluation Committee had recommended Dutch Med Int, as the best bidder to supply the ferry at 14 million Euros but instead the Contracts Committee decided to go for an expensive one from Damen Shipyard, which cost 2.13 million Euros for the same

specifications. This ferry was meant for Lake Kyoga but top management decided to change it to Obongi, which cost another 18,000 Euros (about Shs3.8 million)," he said.

Mr Herbert Mutyaba, the acting manager in charge of Mechanical section was also quizzed over the procurement of the ferries.

Last week, a senior manager at UNRA, Mr Justin Ongom, testified that a ferry which connects Malwogo in Entebbe and Kalangala Island is not insured, which exposes people and their property to risk.

Mr Ongom told the commission that earth moving equipment for road maintenance and construction and motor vehicles are also not insured.

The commission is investigating the procurement and contract management processes by which UNRA awarded contracts and the financial management systems of UNRA.

Meanwhile, the commission has extended hearings of testimonies to September 3 and summoned officials of fuel companies and their dealers in stipulated allegations of over-invoicing and payments made for fuel, which was never supplied.

A former UNRA director of Finance and Administration, Mr Joe Ssemugoma, and two managers, have since been quizzed for allegedly procuring fuel without following proper procurement procedures.

Former manager in charge of administration Patrick Muhumuzza and former transport manager John Ssejamba were separately questioned over alleged misappropriation of fuel and fuel funds, a practice that cost government billions of shillings.

# Procurement body names 50 poor performing entities

By Joyce Namukubi

The National Social Security Fund (NSSF) and Uganda Road Fund have been named among the 50 poor performing procuring and disposing entities in the country.

Fifty out of 118 procuring and disposing entities in both the central and local governments have been rated poor performers by the Public Procurement and Disposal of Public Assets Authority (PPDA).

This is according to the recent Annual Procurement and Disposal Audit Report for the year 2014.

"The authority conducted procurement and disposal audits in 118 (42.3%) Procuring and Disposing Entities in both the central and local government entities for the financial year 2013/2014. Out of these, 50 entities were rated unsatisfactory and highly unsatisfactory."

Entities rated highly unsatisfactory include the Uganda National Examinations Board (UNEBC), Makerere University Business School (MUBS), Gulu University and district local governments of Arua, Kibungo, Kaberamaale, Kapchorwa, and Katakwi, among others.

*For an entity to be rated highly satisfactory, it should be following laid down procurement procedures and guidelines.*

of inappropriate evaluation methodologies/failure to conduct evaluation, missing procurement files/key records, falsification of documents and payment for shoddy work or work not delivered.

The PPDA Act 2003 mandates the Authority to institute procurement or disposal audits during the bid

**western**

**Daily Monitor**  
MONDAY  
NOVEMBER 2, 2015  
www.monitor.co.ug

**Ntare School crowned debating champion.** Ntare School has been crowned the south-western region debating champions after defeating eight other schools in a debating session last Friday. Mr Odo Arigye, the Ntungamo District education officer, who presided over the function, advised students to take the debates as a tool for conflict resolution. [Perez Rumanzi, Monitor]

## business & tenders

### bids & tenders winning tips

**C**ould you be wondering how to go about winning bids and tenders? Here are a few tips to help you secure your dream contracts with ease.

**Be thorough**  
Answer every question in the bid document – missing out a couple of vital questions can lose you the entire bid.

**Know your marketplace**  
Spend time researching your competitors and understand their pricing prior to the bid writing process.

**Appeal to your reader**  
Offer persuasive, benefit-led responses and think about the customer – what's important to them? What are they looking for in their supplier? Don't simply provide a list of features – if you want to win tenders, take your responses one step further and state the benefits.

**Outdo yourself**  
Don't leave your tender until the last minute – make sure that you have dedicated ample time and resources to produce the best possible result. If you can't submit your best effort for this bid, you are submitting at all?

**Decisive**  
Make a conscious decision to bid – if you are tendering 'just because', this is not the recipe for a winning bid.

**Discriminate**  
Can you deliver this tender? Do you want to win this bid? If you win, what will happen to your other contracts?

# Why bidding teams must be topnotch

It takes two to win a tender and not going it alone as **Tom Brian Angurini** shows.

**A** good bidding team portrays a perfect picture in the eyes of the public. All stakeholders, including the procurement unit user department, contracts committee and suppliers can be satisfied with the process, especially when there is effective communication.

According to Ms Ikka Nanteza, a procurement officer based in Kampala, a good bidding team leads to value for money since delays that could be costly to businesses are reduced.

Mr Matthew Wacha, a business expert at Andiro enterprises, says it is bad practice if you are going to panic to complete a tender on the day before it is due because you are likely to submit a substan-



Bidding in teams gives you a better chance of winning. ILLUSTRATION BY COSMOS APINATWE

dard version of what you ought to. He advises that for anyone to make a successful bidding, they should invest in a good bidding team.

"Most start-up entrepreneurs would find it easier to complete this process with a good bidding team because bidding has to do with qualifi-

cation, strategy, benefits and unique selling points," he says.

Mr Wacha says successful bidding needs a sales person who will find new business and secure it. Small businesses without the financial resources could use brokers who are paid on commission basis. The sales person should be able to follow up on any leads by keeping a tender calendar.

The bidding firm should also have a bid manager as the head of the team to assess the tenders coming from the sales team, and if deemed viable, the bid manager should build their team to pursue the tender.

Mr Ronald Andama, a business consultant based in Kampala, says a good bidding team improves on the image of the company.

He adds the company gets publicity when it has a good bidding team since they will appear on a prequalified list and many companies and people will not doubt the firm's reputation.

### ABOUT TENDERS

The Public Procurement Disposable Asset's tenders portal allows bidders to know which tenders are available and which contracts have been awarded.

**Joseph Bahingwire's** article shows that transparent procurement professionals give realistic market prices, among other benefits.

# Work with professionals to get value for money

Procuring entities are advised to employ procurement professional to streamline their procurement process.

Amelia Namatovu, an administrator at the Institute of Procurement Professional of Uganda, describes a procurement professional as someone with an academic qualification in procurement and at the same time practising it.

She says people with procurement qualifications usually have a deeper understanding of the systems which enables them do a better job even with little resources.

"Because of the academic background, a professional can easily demand for quality products from the supplier and he or she is able to negotiate for low prices but will not compromise on the quality," she says.

Namatovu adds that in a situation where someone lacks procurement knowledge especially the ethics and code of conduct, they end up making mistakes that affect the company's performance.

Such mistakes include corruption and other fraudulent practices that lead the business into losses



Conelia Kakooza Sabiiti, the executive director Public Procurement and Disposal of Assets (PPDA) addresses procurement professionals in Kampala recently. PHOTO BY MICHAEL KAKUMIRIZI

and court cases, in case of breach of contracts.

She, thus, advises all practicing procurement officers to acquire on job procurement training and studies to be on the same footing with

others.

"A well-functioning public procurement system must seek out value-for-money and meeting the needs of the procuring entity for goods and services," she says.

## TRANSPARENCY IN PROCUREMENT

Transparency determines the effectiveness of public procurement systems, and in case of public procurement, transparency refers to the ability of all interested participants to know and understand the actual means and processes by which contracts are awarded and managed. It is, thus, a central characteristic of a transparent public procurement system. An effective transparent procurement system creates realistic market price structures, and a better control of public expenditures and resources.

Beatrice Namuga, a Kampala-based procurement professional, adds that an effective public procurement system allows suppliers to provide quality services and prices in time.

## How performance security promotes work efficiency

**Ruth Nakibuule** speaks to experts who explain why the parties involved in a contract should ensure that it is discussed before a contract is signed.

Insisting on performance security is one of the ways the tenderer can be sure that the contractor will strive to ensure that his or her contractual obligations are meant.

George Kalyango, a construction and real estate dealer said, "having a performance security included in the contractual agreement is important to make the contractor adhere to the terms of the agreement which will lead to efficiency and mutual relationship during execution of a given project."

He added when an individual or company knows that they pledged some money at the beginning of the project as security they will make sure that they work according to the set terms.

Performance security, Kalyango said, refers to the amount that the supplier or contractor pledges to the procuring entity

upon winning the contract as the money that will be attached in case he or she fails to perform as agreed during the signing of the contract.

Kalyango further explained that the proceeds of the performance security is paid to the

### WHAT THE LAW SAYS

The law. According to the PPDA Act general conditions of contract for framework contracts, the supplier or contractor is expected to provide a performance security for the performance of the contract in amount and currency specified within twenty eight days of notification of the award of the contract. This should not be later than 28 days following the date of completion of the contractor's performance obligations under the contract. Such obligations include; warranty, time frame and the quality of the project or supplies.

procuring and disposing entity as compensation for any loss resulting from the provider's failure to complete its obligation under the contract.

He, however, added that upon completion of the project according to the contractual terms, the procuring entity is obliged to give back the security to the contractor or supplier in the agreed time frame.

James Kyalimpa, a procurement officer at Koko Tour and Travel Limited, said a performance contract leads to peaceful coexistence between the parties involved in a contract up to the completion of the project.

He explains that, "This is because the tenderer is assured not to lose in case the bidder fails to perform according to the terms of the contract while the contractor ensures efficiency. Their bid security is recovered at the end of the contract."

He also advised that the parties should have a clause to protect both of them in case the project is affected by factors that are beyond their control such as climatic conditions.

## INVOLVE WORKERS IN SUB-CONTRACTS

Contractors or bidders should involve their employers before hiring other companies to do work on their behalf. Andrew Tizoomu, a procurement officer, says this avoids future controversies.

"Before hiring a sub-contractor to do any work, the main contractor should ensure that the client or employer is involved or else risk being sued for breach of contract when the subcontractor fails to perform according to the terms of agreement," Tizoomu says.

He suggests that the company or person to sub-contract should be aware of the initial terms of agreement between the main contractor and the client or employer.

"When bidding, there is always a provision for showing that you will hire subcontractors who must follow the agreed terms. In case there is no provision, the main contractor should put it in his or her agreement with the subcontractor," he explains.

Francis Mutambuka, a procurement professional, describes subcontracting as the practice of assigning part of the obligations and tasks under a contract to another person or company. [Joseph Bahingwire]

# Residents block road over non-compensation

**Not to blame.** The site engineer says the company is not to blame because they were told that residents were compensated.

BY PEREZ RUMANZI  
editorial@ug.nationmedia.com

**NTUNGAMO.** Residents of Mirama cell on the Ntungamo-Mirama hills road last Friday blocked a section of the Kafunjo Mirama hills road for more than three hours demanding compensation for their properties destroyed during the road construction.

The residents used logs and stones to block the road, stopping all vehicles coming in and going out. They also stopped the Zongmei Construction Company employees from carrying out any roadworks.

Mr Santrino Friday, the Kafunjo and Kyarwehunde parishes chairperson, said because of the destruction, heads of household, especially men, are escaping from homes because they do not have the means to provide for their families yet they have been promised money.

"People were promised money as compensation for their destroyed crops and houses. The compensation



Residents demonstrate over non-compensation on the Ntungamo Mirama hills road last Thursday. PHOTO BY PEREZ RUMANZI

has delayed and most of the family heads have escaped from homes. We want government to compensate the locals and at least see how they can cater for their families," Mr Friday told *Daily Monitor*.

Residents carrying placards protested against the uncompensated entry into their land the abusive language used by road contractors, as well as threats, under-evaluation of their properties and unnecessary destruction even on the properties that have not been earmarked for destruction. "I am 84 years old. I am stay-

ing with my grandchildren. Where do these people want me to go without money?" Ms Furumena Kebishari, a resident told *Daily Monitor*.

#### Blame UNRA

The Zongmei site engineer, Mr Jack Chen, says the company should not be blamed for the delayed compensation or stopped from construction, as they had been told that the affected people had been compensated.

He said any delays should be blamed on UNRA, which has been handling compensation issues.

gust 25.

Tuskys' estimated loss of KSh100m per month indicates

accusing the retailer of failing to act on rampant fraud perpetrated by its own employees.

# 'Local road contractors lack expertise in contract bidding'

BY JOSEPH KATO  
jkato@ug.nationmedia.com

**KAMPALA.** Local road contractors miss out on contracts due to lack of bidding expertise, a ministry of Education official has said.

Ms Ethel Kyobe, the director of industrial training, said: "The bidding process is very rigorous yet our local contractors do not know how to prepare bidding documents. It needs technical know how to make an outstanding bid proposal," Ms Kyobe.

She was speaking at a road contractors workshop organised by Uganda National Association for Building and Civil Engineering last week.

Ms Kyobe also said some engineers need to do refresher courses so as to match with the fast evolving technology. She warned that those who will not embrace technology will continue missing out on contracts.

"You must be versatile with the fast improving technology. You need to recruit technical

people who are well equipped with bidding and machinery abilities. This is one of the ways you can win over contracts," she said.

Mr Chris Folwell a specialist in capacity building, also member of the Crossroads Secretariat also said training workers helps to minimise site hazards.

"Helping employees become qualified helps reduce expenses on repairing broken tools, saves time, reduces fuel consumption and increases output,"

CHRIS FOLWELL, SPECIALIST

He cautioned construction proprietors against sacking workers lacking formal education saying they can be more useful if they are given opportunities to become qualified. This, he said, improves relations among the workforce and proprietors.



### BID NOTICE UNDER OPEN DOMESTIC BIDDING

- Uganda Revenue Authority was delegated Authority to handle this procurement on behalf of Uganda National Road Authority who has allocated funds to be used for Supply and Delivery of Vehicles: 6 pickups. Procurement Reference Number - UNRA/ Supplies/ 2015-16/ 00006
- Uganda Revenue Authority now invites sealed bids from eligible bidders for the Supply and Delivery of 6 pickups.
- Bidding will be conducted in accordance with the Open Domestic Bidding procedures contained in the Public Procurement and Disposal of Public Assets Act, 2014, and are open to all bidders.
- Interested eligible bidders may obtain further information and inspect the bidding documents at the address given below at 8(a) from 8:00 a.m. to 4:00 p.m. during working days from Mondays to Fridays.
- The Bidding Documents in English may be purchased by interested bidders on the submission of a written application to the address below at 8(a) below stating the specific subject of procurement and their preferred bank. Bidders are advised to collect **Bank Payment Registration Slips** at the address in 8(a) below and make payment of a non-refundable fee of Ugx: 100,000/= (Uganda Shillings One hundred Thousand Only) for the bidding document to any of the 21 banks authorized to receive Non Tax Revenue fees on behalf of URA.
- Bids must be delivered to the address below at 8(a) at or before **10:00am local time on Friday November 27<sup>th</sup>, 2015**. All bids must be accompanied by a bid security of Ugx: 15,000,000/= **Bid security must be valid until 1<sup>st</sup> July 2016**. Late bids shall be rejected. Bids will be opened in the presence of the bidders' representatives who

choose to attend at the address below at 8(b) at **10:30am on Friday November 27<sup>th</sup>, 2015**.

- There shall be a pre-bid meeting at URA Headquarters in IT Board room at 10:00am on the date indicated in the proposed schedule in this notice.
- (a) **The Manager, Procurement & Disposal Unit, Uganda Revenue Authority Headquarters, Plot M193/M194, Nakawa Industrial Area, NIP Building, Room 2.5, P. O. Box 7279 Kampala. Telephone: 256 (0) 417 - 442155/6/7/8/9 Fax: 256 (0) 414 334 253**
- (b) **Uganda Revenue Authority Headquarters, Nakawa Industrial Area, IT Boardroom.**
- The planned procurement schedule (subject to changes) is as follows:

| Activity   | Date   |
|--|--|
| a. Publish bid notice  | Monday 2 <sup>nd</sup> November 2015                               |
| b. Pre-bid meeting where applicable                          | Friday 13 <sup>th</sup> November, 2015                             |
| c. Bid closing date  | Friday 27 <sup>th</sup> November, 2015                             |
| d. Evaluation process  | Between 30 <sup>th</sup> November to 7 <sup>th</sup> December 2015 |
| e. Display and communication of best evaluated bidder notice | Between 14 <sup>th</sup> to 28 <sup>th</sup> December 2015         |
| f. Contract signature  | 15 <sup>th</sup> January, 2016                                     |

ACCOUNTING OFFICER

## Farewell Mr. Howard Centenary



The PPDA Executive Director Ms. Connelia Sabiiti presents an Achievement Award to Howard Centenary in recognition and appreciation of the services and support to Public Procurement reforms in Uganda.



Howard, a Former Senior Procurement Specialist at World Bank Uganda contributed greatly to the Procurement Reforms in Uganda Particularly the Amendments of the PPDA Act 2014 and the design of the Electronic Government Procurement project (eGP). He has since moved to the World Bank office in Washington USA effective December 2015

## PPDA bids Farewell to Michael Ddumba after dedicated service

of the Authority as a Driver with effect from 1st January 2004.

He has therefore worked with the Authority for a period eleven (11) years. He has been a hardworking, dependable and diligent, employee who easily accepts responsibility from his supervisors. In addition he has been a team player whose interpersonal relationships with supervisors and colleagues have been excellent. He joined the Authority from the Ministry of Finance (Reformed Tender Board). He was deployed in the department of Training and Capacity Building and deployed in the departments Legal & Advisory Services and Finance and Administration. In 2011 he was deployed in the Corporate department where he is due to retire from.

In the year 2011/2012, he was voted best employee of the year because of good performance and attitude towards work. He leaves the Authority when he has become so resourceful especially on the prompt and timely distribution of documents to Board members.

Mr. Ddumba has been an anchor in transport and logistics Unit as a Senior Driver for the past 12 years. He was one of the first drivers that the Authority had from the Ministry of Finance – Reformed Central Tender Board. He is a good time keeper, disciplined both on the road and off road. He is honest and candid with all his colleagues and superiors at the Authority.



*Job Well-done: Mr Ddumba poses with his long service award shortly after received it from PPDA.*

On Monday 21st December 2015, the PPDA family held a farewell party in respect of Mr. Michael Ddumba who is retiring from the services of the Authority with effect from 1st January, 2016. He is leaving the

Authority after a dedicated long service. The Authority congratulated him for this achievement because he is leaving the Authority with a clean record and will always walk with his head high. Mr. Ddumba was appointed in the service



*Mr. Ddumba receives a Long service Appreciation Award from Assoc.Prof.Simeon Wanyama the PPDA Board Chairman. Looking on is PPDA Executive Director Ms. Cornelia Sabiti and Director Procurement Audits Mr.Benson Turamyie.*

# PPDA Staff crown the year with a party at the PPDA Home



*PPDA Board Members and Staff cut a cake as they celebrate end of year party*



*PPDA Staff members dancing 2015 away*



*Talented: The Pianist and Choir - PPDA Fellowship team entertain other staff members with Christmas melodies*



*It's time to dine*



*Members sharing light moments*



## NEW STAFF

### Mr. Ronald Tumuhairwe

Ronald Tumuhairwe Joins PPDA as Manager Capacity Building in December 2015.

Prior, he worked as a procurement and Supply Chain Management lecturer at - Makerere University Business School and as a Procurement - Associate- USAID/NUTI.

He holds a Masters of Science of Procurement and Supply Chain Management (MSc.PSM) - Makerere University CIPS – UK, Bachelors of Procurement and Supply Chain Management (Hons. B.PSM) - Makerere University and a certificate from East African Customs Freight Forwarders Practicing Certificate (EACFFPC).

## FIRMS SUSPENDED BY THE AUTHORITY

| No | Provider                              | Reason for recommendation of suspension   | Status   |
|----|---------------------------------------|---|--|
| 1  | Lira Cyclist Cooperative Limited      | Submission of forged Transaction Clearance Certificate  | Three (3) years effective 22 <sup>nd</sup> December 2015 |
| 2  | Multi Swift Agencies & Co Limited     | Submission of forged Bid Security   | Three (3) years effective 22 <sup>nd</sup> December 2015 |
| 3  | Highland Building Contractors Company | Submission of a forged Bid Guarantee  | Three (3) years effective 22 <sup>nd</sup> December 2015 |
| 4  | Molef Partners (U) Limited            | <ul style="list-style-type: none"> <li>- Abandonment of site without justifiable reason in respect to the tender for construction of 2 units of 2 stance VIP latrines at Otuke Town Council</li> <li>- Execution of sub-standard work; and</li> <li>- Submission of a forged bid security purportedly issued by Centenary Bank</li> </ul> | Three (3) years effective 22 <sup>nd</sup> December 2015 |
| 5  | Arua Timber & Furniture Makers        | <ul style="list-style-type: none"> <li>- Failure to register with Uganda Registration Services Bureau</li> <li>- Unethical conduct in the supply of one desk to Goboro Primary school ie delayed to supply 36 desks to Lukutuwa Primary School Failure to supply 1 desk to Goboro Primary School</li> </ul>                               | Three (3) years effective 22 <sup>nd</sup> December 2015 |
| 6  | Bukusu Contractors Limited            | Abandoning work at Kabukwetsi Primary School, Namboka Sub-county in Manafwa District Local Government   | Three (3) years effective 22 <sup>nd</sup> December 2015 |
| 7  | Waguma Contractors Limited            | Submission of forged bid security   | Three (3) years effective 22 <sup>nd</sup> December 2015 |

## What you need to know about PPDA

The Public Procurement and Disposal of Public Assets Authority (PPDA) is the regulatory body responsible for the monitoring and overseeing public procurement in Uganda. It is also responsible for harmonising existing Government procurement policies and practices by regulating, setting standards and developing the required legal frameworks as well as building professional capacity for public procurement management in Uganda.

### **Vision:-**

The vision of PPDA is to be:  
A centre of excellence for regulation of public procurement and disposal

**Mission:-** The mission of PPDA is: To promote the achievement of value for money in public procurement so as to contribute to national development.

**Goal:-** The overall goal of PPDA is: To ensure that the public procurement and disposal system in Uganda achieves value for money.

### **Core Values:-**

**PPDA's core values are:**

**Reliability:** We are dependable for a good service in public procurement.

**Integrity:** We will convey a zero tolerance to corruption in our dealings and conform to the PPDA Act.

**Professionalism:** Competence and good behaviour can be expected from all our staff.

**Transparency and accountability:** We endeavour to act with fairness, openness and clarity. We acknowledge responsibility and are accountable to stakeholders.

**Commitment and teamwork:** We are highly committed to achieving

team success. Our commitment reinforces our teamwork.

**Partnership:** We cooperate with stakeholders to advance mutual interests.

### **Strategic Objectives:**

PPDA's strategic objectives, as outlined in the Strategic Plan (2014-2019) are:

1. To strengthen transparency and accountability in procurement.
2. To increase competition and hence contribute to domestic industry development.
3. To enhance the efficiency of the public procurement process by reducing procurement lead time.
4. To strengthen contract management and performance.
5. To leverage technology through e-procurement to improve procurement outcomes.
6. To enhance the performance of public procurement beyond compliance.
7. To enhance the effectiveness of capacity building, research and knowledge management.
8. To strengthen internal capacity to deliver performance of public procurement.
9. To leverage and enhance PPDA's partnerships and collaborations.

### **Mandate;**

The mandate of PPDA as reflected in the Authority's statutory functions and objectives (PPDA Act Sections 6 and 7) is: Effective and efficient procurement; Ensure the application of fair, competitive, transparent, non-discriminatory and value for money procurement and disposal standards and practices.

**Advisory:** Advise central government, local governments and statutory bodies on all public procurement and disposal policies, principles and practices; and where necessary on their harmonisation.

### **Monitoring, Audit and Compliance;**

Monitor, audit and ensure compliance of public procurement in order to ensure fairness, transparency, and efficiency.

### **Setting Standards:**

Set, update, enforce, and advise on standards for procurement education and training, competence levels, certification requirements, procurement documents, and guidelines.

### **Building capacity:**

Build capacity in public procurement for both the public sector and the bidding community.

### **Information Management:**

Manage information generated in procurement and disposal process in a meaningful value adding way.

### **What PPDA DOES NOT DO**

1. PPDA does NOT give out any tenders or contracts. Tenders and contracts are awarded by the respective Procuring and Disposing Entities (PDEs).
2. PPDA is NOT involved in the procurement process of any public entity. PPDA only gives an expert opinion when the parties involved request for guidance in accordance with the law.
3. PPDA does NOT and CANNOT influence the outcome of a procurement or disposal process. The different contracts committees at the respective Government PDEs decide on who the winning bidder is based on the procurement process and the PPDA law.
4. PPDA No longer grants waivers, rather the respective PDEs are expected to plan effectively.



## Public Procurement & Disposal of Public Assets Authority

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