



PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS AUTHORITY

APPLICATION NO: 14 OF 2019/2020

DECISION OF THE AUTHORITY ON THE APPLICATION FOR ADMINISTRATIVE REVIEW IN RESPECT TO THE DISPOSAL PROCESS FOR SOFT WOOD TREE PLANTATIONS AT SUAM WITHIN MT. ELGON CONSERVATION AREA-PROCUREMENT REF: UWA/DISPOSAL/2018-19/00003

ENTITY: UGANDA WILDLIFE AUTHORITY

APPLICANT: COEF LIMITED

SEPTEMBER 2019

DECISION OF THE AUTHORITY

1.0 BACKGROUND

1. On 22nd March 2019, the Uganda Wildlife Authority initiated the disposal of softwood plantations in Suam at an estimated value of UGX 1,408,500,000.
2. On 4th April 2019, the Contracts Committee approved the use of the public bidding disposal method, the bidding document and Evaluation Committee for the disposal of softwood at Suam within Mt. Elgon Conservation Area (MECA).
3. On 2nd May 2019, the bid notice was published in the New Vision newspaper with a submission deadline of 30th May 2019 at 11:00 a.m.
4. On 14th May 2019, a pre-bid meeting was held at as indicated in the advert.
5. The bidding document was issued to fifty-six bidders who submitted bids which were opened and prices read out as indicated in Table 1.

Table 1: Record of Bid Opening

Lot No.	Name of Bidder	Bid Price (UGX)
Lot 1: Cyprus & Grevillia (Planted 1999, 2001 & 2002)	KACH-AP Global	210,000,000
	BATM Enterprises Ltd	209,979,375
	Ijuka Enterprises Ltd	188,680,000
	Sebei Timber International Ltd	145,750,000
	Teryet Woods Co.	145,750,000
	Jik Far General	148,980,000
	Kongasis Tech Services Ltd	250,000,000
	TV Watty Agro Trading Company Ltd	211,660,800
	Ajeri Swomu Co. Ltd	201,600,000
	Rabewo General Stores	221,760,000
Lot 2: Cyprus SPPS (planted 2002 & 2004)	BATM Enterprises Ltd	301,725,000
	Deira Hotel Ltd	266,820,000
	CK Mills Ltd	352,683,000
	Jik Far General	231,724,800
	Kortek General Agencies	144,828,000
	Sebei Overall Gen. Eng	221,265,000
	Kongasis General Traders Ltd	360,460,800
	Sky Extra Ltd	290,550,000
	TV Watty Agro Trading Company Ltd	228,864,000
Kasam Agencies	171,648,000	

Lot No.	Name of Bidder	Bid Price (UGX)
	Kapchunai Enterprises	144,828,000
	Judith Bagooka	499,670,000
	Tebanacle Association	312,900,000
Lot 3: Cyprus SPSS (planted 2001 & 2002)	Eagle Sites Ltd	218,880,000
	Akeem International Ltd	182,325,000
	Alex Tucacungura Co. Ltd	280,896,000
	Ijuka Enterprises Ltd	281,200,000
	Elgon Timber Exports & Imports	352,040,000
	Bukwo BM General Enterprises	207,000,000
	Chesower Construction Ltd	94,848,000
	Crane Investment Limited	223,990,000
	Crane Investment Limited	176,020,000
	Soy Properties Ltd	94,780,000
	Mansem Co. Ltd	211,224,000
	MMK Buildings & Electricals Ltd	176,020,000
	Sebei Green Resource	341,208,000
	Sabiny Trust (U) Ltd	153,216,000
Lot 4: Cyprus SPSS (planted 2002, 2004 & 2005)	NEL Lines International Ltd	173,500,000
	Sky Extra Ltd	184,500,000
	Kongasi and Agro Stores Ltd	65,205,000
	Bakasuku Agencies Ltd	90,160,000
Lot 5: Cyprus SPSS (planted 2003 & 2004)	Finish & Furnish (U) Ltd	91,656,000
	KACH-AP Global	91,656,000
	NEL Lines International Ltd	105,500,000
	Bugoma Supplies & Construction	59,400,000
	Alex Tucacungura Co. Ltd	110,640,000
	Kutung Investment Ltd	69,680,000
	Kongasis General Traders Ltd	93,312,000
	Kasam Agencies	47,520,000
	Lakwar General Services & Prdt Ltd	85,760,000
	Sabiny Trust (U) Ltd	60,480,000
Lot 6: Cyprus SPSS (planted 2003 & 2005)	Y.M Chemonges	129,200,000
	Finish & Furnish (U) Ltd	119,340,000
	Cynometra Africa Ltd	185,640,000
	CK Mills Ltd	140,144,000
	Sebei Overall Gen. Eng	84,816,000

Lot No.	Name of Bidder	Bid Price (UGX)
	Kawusara General Hardware	159,120,000
	Kawusara General Hardware LOT 6B	488,400,000
	MMK Buildings & Electricals Ltd	79,560,000
	Ngujjo Investment Ltd	200,226,000
	Judith Bagooka	192,270,000
	Basrasha Investment Ltd	152,000,000
	Matayos Contr. Ltd	105,792,000
Lot 7: Cyprus SPSS (planted 2003)	HM & Son Co. Ltd	200,000,000
	Desciple Investments Ltd	20,160,000
	EDSOKABU Enterprises	119,520,000
	Lakwar General Services & Prdt Ltd	59,013,000
	Matayos Contr. Ltd	28,080,000
	Bakasuku Agencies Ltd	47,250,000
Lot 8A: Cyprus SPSS (planted 2000, 2001 & 2002)	Guru NCK International Ltd	790,448,000
	Bugoma Supplies & Construction	138,600,000
	Deira Hotel Ltd	217,000,000
	COEF Ltd	249,577,000
	Kortek General Agencies	141,120,000
	Kamba Elgon Traders	497,880,000
	Desciple Investments Ltd	93,600,000
	Kapchunai Enterprises	141,120,000
	Ajeri Swomu Co. Ltd	248,940,000
	Basrasha Investment Ltd	182,400,000
Lot 8B: Cyprus SPSS (planted 2003)	COEF Ltd	249,577,000
	Jil Insight Ltd	233,250,000
	Kongasi and Agro Stores Ltd	113,400,000
Lot 8C:	Riwo Timber Dealers Ltd	148,960,000
	Akeem International Ltd	170,170,000
	Saph Investments Ltd	98,784,000
	HM & Son Co. Ltd	350,000,000
	Chesower Construction Ltd	94,080,000
	Tebanacle Association	233,250,000
N/A	Avion Engineering	N/A
N/A	Munda Farmers	N/A

6. The Evaluation Committee report dated 30th July 2019 indicated that out of the fifty-six (56) firms that participated for the ten lots, only twenty-five bidders were found compliant at the preliminary stage. Thirty-one bidders were eliminated for not submitting the documents indicated in Table 2 below:

Table 2: Firms that Failed the Preliminary Evaluation Stage

No.	Name of Bidder	Documents Not Submitted
1.	Y.M Chemonges	Tax Clearance Certificate, certificate of site visit and contract harvest period within six months.
2.	Riwo Timber Dealers Ltd	Tax Clearance Certificate and contract harvest period within six months.
3.	Guru NCK International Ltd	Copy of Certificate of Incorporation, valid Trading Licence, Tax Clearance Certificate, receipt for payment of non-refundable fee, certificate of site visit and contract harvest period within six months.
4.	NEL Lines International Ltd	Certificate of site visit.
5.	Bugoma Supplies & Construction	Tax Clearance Certificate and contract harvest period within six months.
6.	Deira Hotel Ltd	Valid Trading Licence and Tax Clearance Certificate.
7.	Alex Tucacungura Co. Ltd	Tax Clearance Certificate and contract harvest period within six months.
8.	Elgon Timber Exports & Imports	Tax Clearance Certificate and contract harvest period within six months.
9.	CK Mills Ltd	Contract harvest period within six months.
10.	Sebei Timber International Ltd	Tax Clearance Certificate.
11.	Teryet Woods Co.	Tax Clearance Certificate, receipt for payment of non-refundable fee, certificate of site visit and contract harvest period within six months.
12.	Munda Farmers	Copy of Certificate of Incorporation, valid Trading Licence, Tax Clearance Certificate, receipt for payment of non-refundable fee, certificate of site visit and contract harvest period within six months.
13.	Kutung Investment Ltd	Contract harvest period within six months.
14.	Saph Investments Ltd	Valid Trading Licence.
15.	Bukwo BM General Enterprises	Tax Clearance Certificate.
16.	Kamba Elgon Traders	Valid Trading Licence, Tax Clearance Certificate and contract harvest period within six months.
17.	Crane Investment Limited	Tax Clearance Certificate.
18.	Kongasis Techno Serv Ltd	Tax Clearance Certificate.
19.	Soy Properties Ltd	Tax Clearance Certificate.
20.	Kawusara General Hardware	Tax Clearance Certificate.
21.	Mansem Co. Ltd	Tax clearance certificate.
22.	EDSOKABU Enterprises	Tax clearance certificate, receipt for payment of non-refundable fee, certificate of site visit and contract

No.	Name of Bidder	Documents Not Submitted
		harvest period within six months.
23.	Sebei Green Resource	Tax clearance certificate.
24.	AVION Engineering (U) Ltd	Copy of Certificate of Incorporation, valid Trading Licence, Tax Clearance Certificate, receipt for payment of non-refundable fee, certificate of site visit and contract harvest period within six months.
25.	Lakwar General Services & Prdt Ltd	Contract harvest period within six months.
26.	Kapchunai Enterprises	Tax Clearance Certificate.
27.	Ngujjo Investment Ltd	Tax Clearance Certificate and contract harvest period within six months.
28.	Rabewo General Stores	Contract harvest period within six months.
29.	Jil Insight Ltd	Certificate of site visit and contract harvest period within six months.
30.	Tebanacle Association	Contract harvest period within six months.
31.	Basrasha Investment Ltd	Tax Clearance Certificate and contract harvest period within six months.

7. Of the twenty-five bidders that passed the preliminary evaluation stage, twelve were eliminated at the detailed technical evaluation stage for failure to attain the 60% pass mark as indicated in Table 3:

Table 3: Firms that were Eliminated at the Technical Evaluation Stage

No.	Name of Bidder	Score attained (%)
1.	Finish & Furniture (U) Ltd	55
2.	Eagle Sites Ltd	55
3.	JIK Far General	44.5
4.	Sebei Overall General Eng.	46
5.	HM & Son Co. Ltd	47.5
6.	Kongasis General Traders Ltd	24
7.	Chesower Construction Ltd	45.5
8.	Disciple Investments Ltd	52
9.	Kasam Agencies	55
10.	MMK Buildings & Electricals Ltd	46
11.	Ajeri Swomu Co. Ltd	35.5
12.	Matayos Contr. Ltd	41

8. The thirteen bidders that were technically responsive were evaluated up to the financial stage and ranked as indicated in table 4.

Table 4: Financial ranking of firms per Lot

Lot No.	Name of bidder	Evaluated price (UGX)	Rank	Remark
Lot 1	TV Watty Agro Trading Company Limited	211,660,800	1 st	

Lot No.	Name of bidder	Evaluated price (UGX)	Rank	Remark
	KACH-AP Global Forwarders Limited	210,000,000	2 nd	
	BATM Enterprises Limited	209,979,375	3 rd	
	Aijuka Enterprises Limited	188,680,000	4 th	Below reserve price
Lot 2	Judith Bagooka Limited	499,670,000	1 st	
	BATM Enterprises Limited	301,725,000	2 nd	Below reserve price
	TV Watty Agro Trading Company Limited	228,864,000	3 rd	Below reserve price
	Kortek General Agencies Limited	144,828,000	4 th	Below reserve price
	Sky Extra Limited Uganda	174,330,000	5 th	Below reserve price
Lot 3	Aijuka Enterprises Limited	281,200,000	1 st	Below reserve price
	Akeem International Limited	182,325,000	2 nd	Below reserve price
	Sabiny Trust Uganda Limited	153,216,000	3 rd	Below reserve price
Lot 4	Sky Extra Limited Uganda	110,700,000	1 st	Below reserve price
	Bakasuku Agencies Limited	90,160,000	2 nd	Below reserve price
	Kongasis Agro Stores Limited	65,205,000	3 rd	Below reserve price
Lot 5	KACH-AP Global Forwarders Limited	91,656,000	1 st	Below reserve price
	Sabiny Trust Uganda Limited	60,480,000	2 nd	Below reserve price
Lot 6	Judith Bagooka Limited	192,270,000	1 st	
	Cynometra Africa Limited	185,640,000	2 nd	
	MMK Building and Electricals Limited	79,560,000	3 rd	Below reserve price
Lot 7	Bakasuku Agencies Limited	47,250,000	1 st	Below reserve price
Lot 8A	COEF Limited	249,577,000	1 st	Below reserve price
Lot 8B	COEF Limited	249,577,000	1 st	Below reserve price
	Kongasis Agro Stores Limited	113,400,000	2 nd	Below reserve price

Lot No.	Name of bidder	Evaluated price (UGX)	Rank	Remark
Lot 8C	Akeem International Limited	170,170,000	1 st	Below reserve price

9. The Evaluation Committee made the following recommendations indicated in table 5:

Table 5: Evaluation Committee Recommendations per Lot

Lot No.	Recommendation
Lot 1	Contract be awarded to TV Watty Agro Trading Company Limited at UGX 211,660,800. The reserve price was UGX 201,600,000.
Lot 2	Contract be awarded to Judith Bagooka Limited at UGX 499,670,000. The reserve price was UGX 430,750,000.
Lot 3	The best evaluated bidder, Aijuka Enterprises Limited be invited for negotiations to revise the firm's bidding price of UGX 281,200,000 to the reserve prices of UGX 338,500,000. If the BEB declines, then Akeem International Limited be offered the lot on condition that the firm agrees to adjust its bidding price of UGX 182,325,000 to the reserve price. If this fails, then the lot should be re-advertised.
Lot 4	The best evaluated bidder, Sky Extra Limited Uganda be invited for negotiations to revise the firm's bidding price of UGX 110,700,000 to the reserve prices of UGX 166,000,000. If the BEB declines, then Bakasuku Agencies Limited be offered the lot on condition that the firm agrees to adjust its bidding price of UGX 90,160,000 to the reserve price. If this fails, then the lot should be re-advertised.
Lot 5	The best evaluated bidder, KACH-AP Global Forwarders Limited be invited for negotiations to revise the firm's bidding price of UGX 91,656,000 to the reserve prices of UGX 134,000,000. If the BEB declines, then Sabiny Trust Uganda Limited be offered the lot on condition that the firm agrees to adjust its bidding price of UGX 60,480,000 to the reserve price. If this fails, then the lot should be re-advertised.
Lot 6	Contract be awarded to Judith Bagooka Limited at UGX 192,270,000. The reserve price was UGX 165,750,000.
Lot 7	The best evaluated bidder, Bakasuku Agencies Limited be invited for negotiations to revise the firm's bidding price of UGX 47,250,000 to the reserve prices of UGX 88,875,000. If the firm declines, then the lot should be re-advertised since there was no second best evaluated bidder.
Lot 8A	The best evaluated bidder, COEF Limited be invited for negotiations to revise the firm's bidding price of UGX 249,577,000 to the reserve prices of UGX 483,088,246. If the firm declines, then the lot should be re-advertised since there was no second best evaluated bidder
Lot 8B	The best evaluated bidder, COEF Limited be invited for negotiations to revise the firm's bidding price of UGX 249,577,000 to the reserve prices of UGX 483,088,246. If the best evaluated bidder declines, then Kongasis Agro Stores Limited be offered the lot on condition that the firm agrees to adjust its bidding price of UGX 113,400,000 to the reserve price. If this fails, then the lot should be re-advertised.

Lot No.	Recommendation
Lot 8C	The best evaluated bidder, Akeem International Limited be invited for negotiations to revise the firm's bidding price of UGX 170,170,000 to the reserve prices of UGX 483,088,246. If the firm declines, then the lot should be re-advertised since there was no second best evaluated bidder

10. On 1st August 2019, the Contracts Committee recommended that the Accounting Officer invites new bids for all Lots where the recommended best evaluated bidder offer was below the reserve price. For Lots 1,2 and 6, the Contracts Committee gave conditional contract award approvals subject to fulfillment of all pending contractual and/ other obligations/ issues regarding the Kapkwata soft wood plantation harvest (if any) before signing the contracts.
11. On 14th August 2019, the Notice of Best Evaluated Bidder was displayed with a removal date of 28th August 2019.

2.0 ADMINISTRATIVE REVIEW AT THE ENTITY LEVEL

1. On 20th August 2019, COEF Ltd filed for an Administrative Review to the Accounting Officer and paid the Administrative Review fees. The Applicant raised the following grounds:
 - i. *Non- disclosure of the reserve price to prospective bidders yet Item No. 2 under the Administrative Compliance Evaluation Criteria required the bid value to be above the reserve price per Vol/ha. This breached the principles of transparency, accountability and fairness.*
 - ii. *The bid validity period requirement in the bidding document of 60 days from the time and date of the bid submission deadline on 30th May 2019 was insufficient to cover the entire procurement process. This resulted into the Entity's failure to conclude the disposal process within the 60 days since the Notice of Best Evaluated Bidder was set to lapse on 28th August 2019 after expiry of the bids on 23rd August 2019. That corrective action be taken by the Entity to urgently request bidders to extend their bid validity periods and to conduct a re-evaluation of all the bids in strict compliance with the provisions of Regulation 5 of the PPDA (Disposal) Regulations, 2014.*
2. On 20th August 2019, the Entity requested all bidders that participated in the procurement to extend their bid validity period to 31st October 2019.
3. On 21st August 2019, COEF Ltd extended its bid validity up to and including 31st October 2019.
4. On 21st August 2019, COEF Ltd requested the Entity to discard the administrative review filed on 17th August 2019 that was signed by their unauthorized staff and consider the one filed on 21st August 2019 signed by the firm's authorized Attorney.

5. On 23rd August 2019, the Accounting Officer dismissed the application on grounds that the Entity did not find merit in the application.

3.0 APPLICATION FOR REVIEW BY THE AUTHORITY

1. On 29th August 2019, COEF Ltd filed for administrative review to the Authority and raised the following grounds:
 - i. *The Entity breached Section 45 of the PPDA Act, 2003 on transparency, accountability and fairness as follows:*
 - a) *Transparency: the Accounting Officer unfairly rejected the bid for COEFF Ltd among others that were ranked for financial comparison based on non-existent reserve prices.*
 - b) *Accountability: the Accounting Officer should be answerable to the Applicant for the Entity's omissions and breaches.*
 - c) *Fairness: the Evaluation Committee unfairly recommended award of contracts on undisclosed reserve prices that were different from the estimated or sale price indicated on Form 28.*
 - ii. *The Entity breached Section 89 of the PPDA Act, 2003 by displaying the Notice of Best Evaluated Bidder from 14th August 2019 to 28th August 2019 yet bids were set to expire on 23rd August 2019 before the lapse of the Notice of Best Evaluated Bidder.*
2. The ground on expiry of the bids before the lapse of the Notice of Best Evaluated Bidder was however dropped by the Applicant at the hearing since on 21st August 2019, the Entity requested bidders to extend their bid validities and hence, the ground was overtaken by events.

4.0 DISPOSAL OF APPLICATION

1. In investigating the application for Administrative Review, the Authority analysed the following documents:
 - i) Bidding document;
 - ii) Record of bid opening;
 - iii) Bids submitted by the bidders;
 - iv) The evaluation report and minutes;
 - v) Minutes of the Contracts Committee;
 - vi) Notice of Best Evaluated Bidder;
 - vii) Application for Administrative Review by COEF Ltd; and
 - viii) Correspondences with respect to the Administrative Review.

2. On 10th September 2019 the Authority convened an Administrative Review hearing which was attended by the following persons indicated in Table 6 below:

Table 6: Representation at the Administrative Review Hearing

No.		Name
	Uganda Wildlife Authority	
1.	Mr. Ali Luzinda	Legal Counsel
2.	Mr. Mark Opoho	Procurement Manager
	COEF Limited	
1.	Mr. C. Kabwahoora	Company Member
2.	Mr. Moses Ibale	Legal Counsel
3.	Mr. Godfrey Magezi	Procurement Practitioner

5.0 ISSUES

The Applicant submitted one ground at the hearing from which the Authority raised the following issue:

Whether the Accounting Officer unfairly rejected the bid for COEFF Ltd on the basis of a non-existent reserve price.

6.0 SUBMISSIONS BY THE APPLICANT

Issue:

Whether the Accounting Officer unfairly rejected the bid for COEFF Ltd on the basis of a non-existent reserve price

- i. The Applicant contended that it was eliminated on grounds that the bid price was below the reserve price which was not disclosed to bidders. The Applicant approached the Entity after publication of the Notice of Best Evaluated Bidder to establish the reserve price but the Entity stated that the reserve price was confidential.
- ii. The Applicant further alleged that on extracting of the information indicated on Form 28, it established that the reserve price was UGX 5 Million per hectare or UGX 5,010,495 per cubic metre and hence bidders' ranking for financial comparison was based on non-existent reserve prices. The Evaluation Committee therefore unfairly recommended award of contracts in respect of the ten lots based on undisclosed reserve prices that were different from the estimate or sale price indicated on Form 28.

7.0 SUBMISSIONS BY THE ENTITY

Issue:

Whether the Accounting Officer unfairly rejected the bid for COEFF Ltd on the basis of a non-existent reserve price

- i. The Entity stated that the reserve price was not disclosed to bidders because there is no law requiring disclosure of the reserve price. Furthermore, disclosure of the reserve price would amount to breach of the principle of confidentiality enshrined in the PPDA Act, 2003.
- ii. The reserve prices were determined from estimates done by National Forestry Authority.

8.0 RESOLUTION BY THE AUTHORITY

Issue:

Whether the Accounting Officer unfairly rejected the bid for COEFF Ltd on the basis of a non-existent reserve price

1. Item No. 2 under the Administrative Compliance Evaluation Criteria in the bidding document stated that the bid value must be above the reserve price.
2. At the pre-bid meeting held on 14th May 2019, there was a request to disclose the reserve prices but the Entity declined to disclose the information on grounds that it was confidential.
3. The evaluation report dated 30th July 2019 indicated that the Applicant was found compliant at both the preliminary and technical evaluation stages and was evaluated up to the financial stage where the Evaluation Committee recommended that:
 - i. In respect of Lot 8A, the best evaluated bidder, COEF Limited be invited for negotiations to revise the firm's bidding price of UGX 249,577,000 to the reserve prices of UGX 483,088,246. If the firm declines, then the lot should be re-advertised since there was no second best evaluated bidder.
 - ii. In respect of Lot 8B, the best evaluated bidder, COEF Limited be invited for negotiations to revise the firm's bidding price of UGX 249,577,000 to the reserve prices of UGX 483,088,246. If the best evaluated bidder declines, then Kongasis Agro Stores Limited be offered the lot on condition that the firm agrees to adjust its bidding price of UGX 113,400,000 to the reserve price. If this fails, then the lot should be re-advertised.
4. On 1st August 2019, the Contracts Committee resolved that the Accounting Officer should invite new bids for all lots where the recommended best evaluated bidders' offers were below the reserve price.
5. The requisition for disposal (Form 28) of Suam soft wood plantation had a total reserve price of UGX 1,408,500,000. However, according to the memorandum dated 14th March 2019 from the Deputy Director Field Operations to the Head Procurement and Disposal Unit, the average cost per hectare was UGX 5,000,000 or utmost UGX 20,000 per mature tree. Using the average cost per hectare, the projected income for 93.3ha was stated as UGX 466,500,000.

6. The total area (ha.) for Lot 8 according to the bidding document on file was 93.3ha. The bidding document did not break down Lot 8 into Lots 8A, 8B or 8C. The Authority thus calculated the reserve price for Lot 8 as indicated in Table 7:

Table 7: Calculation of the Reserve Price for Lot 8

Lot No.	Total hectares (Ha)	Unit cost per ha. (UGX)	Total amount (UGX)
Lot 8	93.3	5,000,000	466,500,000

The total amount corresponded to the amount quoted for the 93.3ha in the memo dated 14th March 2019 from the Deputy Director Field Operations to the Head Procurement and Disposal Unit.

7. However, the minutes of the pre-bid meeting held on 14th May 2019 indicated that Lot 8 was comprised of 86 hectares and for purposes of fairness, it was subdivided into three lots namely 8A, 8B and 8C with 28 hectares each as agreed upon anonymously by the members. The minutes further indicated that bidding was to be done in hectares and not volumes.
8. Based on the pre-bid minutes, the Authority recalculated the reserve price for each lot as indicated in Table 8:

Table 8: Re-calculation of Reserve Price on basis of Pre-bid Minutes

Lot No.	Total area (ha)	Unit cost per ha. (UGX)	Reserve amount (UGX)
Lot 8A	28	5,000,000	140,000,000
Lot 8C	28	5,000,000	140,000,000
Lot 8C	28	5,000,000	140,000,000
Total	84		420,000,000

9. The Authority noted that the Applicant considered the 93.3ha in the bidding document to get an average for the three Lots 8A, 8B and 8C as 31.1ha per lot.
10. COEF Ltd's financial offer in the bid was indicated in Table 9:

Table 9: COEF Ltd's Financial Offer

Lot Description	Total hectares (ha)	Unit price (UGX)	Total amount (UGX)
Lot 8A: Cyprus and Grevilia planted 2000, 2001 and 2002	31.10	8,025,000	249,577,000
Lot 8A: Cyprus and Grevilia planted 2000, 2001 and 2002	31.10	8,025,000	249,577,000
Total	62.20		499,154,000

11. The Authority found that whereas the requirement that the bid value should have been above the reserve price formed part of the evaluation criteria, the reserve price was not disclosed to bidders in the bidding document.
12. Item No. 2 of the Administrative Compliance Evaluation Criteria stated that the bid value must be above the reserve price. The Evaluation Report indicated that the Applicant's bid price was below the reserve price, but the Evaluation Committee passed the Applicant at the preliminary and technical evaluation stages and eliminated the Applicant at financial evaluation stage. The Evaluation Committee therefore did not follow the evaluation criteria as stated in the bidding document.
13. The Authority further noted that no documentation was submitted to establish how the Evaluation Committee arrived at the reserve prices of UGX 483,088,246 and UGX 483,088,246 for Lots 8A and 8B respectively upon which it based its recommendations.
14. From the above findings, COEF Ltd was unfairly rejected for Lots 8A and 8B since its total bid price of UGX 499,154,000 for 62.2 ha was above the total projected income of UGX 466,500,000 for 93.3 ha for Lot 8 and the reserve price was not disclosed to the bidders.

Decision of the Authority on the Ground

The Authority finds **merit** in the ground since the reserve price was not disclosed to bidders yet it formed part of the evaluation criteria and there was no documentation provided to the Authority to establish how the reserve prices were arrived at by the Evaluation Committee.

9.0 DECISION OF THE AUTHORITY

In accordance with Section 91 (4) of the PPDA Act, 2003 and in light of the findings in the issue above, the application for Administrative Review is **upheld**. The Entity is directed to re-evaluate the bids in accordance with the evaluation criteria stated in the bidding document and take into consideration the findings of the Authority on the non disclosure of the reserve price.

The Entity is further directed to refund the Administrative Review fees to the Applicant in accordance with Regulation 11(2) of the PPDA (Administrative Review) Regulation, 2014.