



PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS AUTHORITY

**INVESTIGATION REPORT INTO ALLEGATIONS IN THE PROCUREMENT OF
PRINTING AND SUPPLY OF BALLOT PAPERS FOR THE 2021 GENERAL
ELECTIONS**

ENTITY : ELECTORAL COMMISSION

COMPLAINANT: UGANDA PRINTERS AND PACKAGING ASSOCIATION

OCTOBER 2020

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LIST OF ACRONYMS AND ABBREVIATIONS

CIF	:	Cost Insurance and Freight
DDP	:	Delivered Duty Paid
DRF	:	Declaration of Results Forms
EC	:	Electoral Commission
JV	:	Joint Venture
PPDA	:	Public Procurement and Disposal of Public Assets Authority
PPDA Act	:	Public Procurement and Disposal of Public Assets Authority Act 2003
UGX	:	Uganda Shillings

1.0 BACKGROUND

On 30th September 2020, the Authority received a complaint from Uganda Printers and Packaging Association alleging the following irregularities in the procurement for printing and supply of ballot papers for the 2021 general elections by the Electoral Commission:

1. The evaluation was not properly conducted in the instances below:
 - i. Local firms such as Graphic Systems (U) Ltd, Picfare Industries Ltd, Inline Print Services, Multiplex Ltd and Wave Media Ltd were unfairly eliminated for lack of evidence of successful completion of three contracts of similar nature and complexity yet copies of local purchase orders for printing and supply of ballot papers and other relevant assignments were attached.
 - ii. New Vision - Hi-tech Graphic Limited JV was eliminated for failure to state a delivery schedule in its bid to which the Entity could have sought a clarification.
2. The bid prices of local printers (providers) were cheaper than those of the foreign bidders.
3. The bid prices at bid opening differed from the awarded prices indicated in the Notice of Best Evaluated Bidder.
4. All the contracts were awarded to foreign firms despite the presence of verified local printing capacity and in breach of the BUBU Policy and the PPDA Reservation Guidelines of 2018.

2.0 SUMMARY OF FACTS

1. On 19th March 2020, the Electoral Commission (hereinafter referred to as the entity) initiated the procurement for printing and supply of ballot papers and Declaration of Results Forms (DRF) for the general elections for 2021 (Presidential, Parliamentary and Local Council elections) at an estimated cost of UGX 77,611,089,200 divided into the following nine lots:

Lot No.	Description of Lot
1.	Presidential and Directly Elected Members of Parliament
2.	District Women Representatives to Parliament and District/City Women Councillors
3.	District/City Chairpersons and District Directly Elected Councillors
4.	Municipality/City Division Chairpersons, Women Councilors Forming One Third of Councils and Directly Elected Councilors
5.	Municipality/City Division Directly Elected Councillors
6.	Ballot Papers for Sub-county/Town/Municipal Division Chairpersons (SCCP)
7.	Ballot Papers for Sub-County/Town/Municipal Division Directly Elected Councillors (SCDEC)
8.	Ballot Papers for Sub-county/Town/Municipal Division Women Councillors (SCWC)
9.	Ballot Papers for Councilors Representing Special Interest Groups (Youth,

Lot No.	Description of Lot
	PWDs, Older Persons and Workers) at Districts/City Local Governments and SIGs (Youth, PWDs and Older Persons) at Municipality/City Divisions and Sub-County/Town/ Municipal Divisions

2. On 28th May 2020, the Contracts Committee approved the bidding document, and the open International bidding procurement method and Evaluation Committee.
3. On 29th May 2020, the Entity advertised the bid notice for printing services for the Ballot Papers and Declaration of Results Forms for the General elections 2021 in the New Vision Newspaper with the deadline for bid submission on 13th July 2020.
4. On 5th June 2020, the Entity held a pre-bid meeting via teleconferencing and issued the minutes to the bidders of 1st July 2020.
5. On 13th July 2020, the Entity received and opened bids from 22 bidders. There were ten local bidders¹ which submitted bid as single entities or joint ventures for lots indicated in Table 1 below:

Table1: Lots Submitted by Local Printers

No.	Name of Bidder	Number of Lots Bided	Lot No.s
1.	In-line Print Services Ltd	1	4
2.	Multiplex Ltd	2	5, 9
3.	Wave Media Ltd	3	6, 4, 5
4.	Graphics Systems (U) Ltd	3	1, 4, 6
5.	Picfare Industries Ltd	4	3, 6, 7, 8
6.	B.N Enterprises Ltd	2	6, 7
7.	New Vision and High-tech Graphic JV	4	3, 4, 5, 6
8.	Marianum Press Ltd	2	4, 5
9.	In-line Print Services and Hitech General Trading LLC JV	3	3, 7, 8
10.	Media World Productions Ltd and Abulhoul Printing Press Ltd (Joint Venture)	2	5, 9
11.	Oriental Security Printing Solutions	5	1, 2, 3, 4, 5, 6
12.	United Printing and Publishing	9	1 – 9
13.	Al Ghurair Printing and Publishing L.L.C	9	1 - 9
14.	Sintel Security Print Solutions Ltd	9	1 – 9
15.	Group Joos NV	4	1, 6, 7, 8

¹ From No. 1 – 10 of Table 2

No.	Name of Bidder	Number of Lots Bided	Lot No.s
16.	Ellams Products Ltd	4	2, 6, 7, 8
17.	Aero Vote Security Printing Ghana Ltd	2	2, 6
18.	Uniprint	9	1 – 9
19.	Tall Security Print Ltd	9	1 – 9
20.	Modern Lithographic (K) Ltd	2	3, 7
21.	Baltijas Banknote SIA	2	4, 5
22.	Adare SEC Ltd	6	4, 5, 6, 7, 8, 9

6. On 11th September 2020, the Contracts Committee approved the revised composition of the Evaluation Committee which is indicated in Table 2:

Table 2: Evaluation Committee

No.	Name	Designation
1.	Mr. Richard Baabo Kamugisha	Head Field Operations
2.	Mr. Charles Lwanga	Senior Election Officer/Statistics
3.	Mr. Charles Mashate	Head Voter Education & Training
4.	Mr. Paul Tamale	Senior Election Officer /Printery
5.	Mr. Robert Borekwa	Head Procurement & Disposal Unit

7. The Evaluation Report dated 17th September 2020, indicated that the following 16 bidders were eliminated at the various stages indicated in Table 3:

Table 3: Reasons for Elimination of Bidders

No.	Name of bidder	Stage and Reasons for Elimination
Preliminary Examination Stage		
1.	Group Joos NV	<ul style="list-style-type: none"> i. The bidder's Certificate of Incorporation or its equivalent was not enclosed. ii. Evidence for fulfillment to pay taxes was not enclosed. iii. No Bid Security was submitted.
2.	Media World Productions Ltd & Abulhoul Printing Press Ltd (Joint Venture)	<ul style="list-style-type: none"> i. The trading license for Abulhoul Printing Press Ltd was not included in the bid document. ii. The Certificate of Registration for Abulhoul Printing Press Ltd was not included in the bid document. iii. Evidence of fulfillment of obligations to pay taxes by Abulhoul Printing Press Ltd was not included in the bid document. iv. The Power of Attorney submitted was given to a company/firm and not to individuals.
3.	B.N. Enterprises Ltd	The Bid Submission Sheet was not included in the bid.

No.	Name of bidder	Stage and Reasons for Elimination
4.	In-line Print Services & Hi-tech General Trading LLC	No certified Joint Venture agreement was enclosed in the bid.
5.	Marianum Press Ltd	Invalid Bid Security. Bidder enclosed a commitment letter from SWICO as a bid security.
Administrative Compliance		
6.	Oriental Security Printing Solutions	Evidence of successful completion of three contracts of similar nature and complexity not enclosed in the bid.
7.	Modern Lithographic (K) Ltd	Evidence of successful completion of three contracts of similar nature and complexity not enclosed in the bid.
8.	Baltjas Banknote SIA	Evidence of successful completion of three contracts of similar nature and complexity not enclosed in the bid.
9.	Multiplex Ltd	Evidence of successful completion of three contracts of similar nature and complexity not enclosed in the bid.
10.	Wave Media Ltd	Evidence of successful completion of three contracts of similar nature and complexity not enclosed in the bid.
11.	In-line Print Services Ltd	Evidence of successful completion of three contracts of similar nature and complexity not enclosed in the bid.
12.	Graphics Systems (U) Ltd	Evidence of successful completion of three contracts of similar nature and complexity not enclosed in the bid.
13.	Picfare Industries Ltd	Evidence of successful completion of three contracts of similar nature and complexity not enclosed in the bid.
Detailed Commercial Evaluation		
14.	Ellams Products Ltd	Prices in the Price Schedule quoted in US Dollars contrary to the Entity's requirement in ITB 15 (b) of the solicitation document which required that for suppliers originating outside of Uganda, the currency of the bid shall be Uganda Shillings.
15.	New Vision - Hightech Graphics	The bidder did not state the delivery schedule in the bid.

No.	Name of bidder	Stage and Reasons for Elimination
Detailed Technical Evaluation		
16.	Sintel Security Print Solutions Ltd	The Bidder did not indicate compliance to the technical specification in the Solicitation Document.

8. The Evaluation Committee ranked bidders at financial comparison on the basis of the average total price for the four options of ballot sizes for the respective lots.
9. Since the bidding document provided that each bidder could only be awarded a maximum of two lots, the Evaluation Committee used decision trees to determine the combination of bids for all lots with the total lowest cost to the Entity as indicated in Table 4 below:

Table 4: Combinations for Lots Used in Determination of the Award

Lot No.	COMBINATION 1		COMBINATION 2	
	Bidder	Evaluated Price (UGX) DDP	Bidder	Evaluated Price (UGX) DDP
1.	United Printing and Publishing	13,325,149,008.00	Al Ghurair Printing and Publishing L.L.C	11,577,312,000.00
2.	Al Ghurair Printing and Publishing L.L.C	12,793,824,000.00	Al Ghurair Printing and Publishing L.L.C	12,793,824,000.00
3.	Uniprint	15,893,829,085.68	Uniprint	15,893,829,085.68
4.	Uniprint	4,030,024,808.88	Uniprint	4,030,024,808.88
5.	Tall Security Print Ltd.	2,282,305,680.00	Adare Sec	5,522,457,600.00
6.	Adare Sec	5,522,457,600.00	Adare Sec	8,053,257,600.00
7.	Adare Sec	8,053,257,600.00	Tall Security Print Ltd	2,282,305,680.00
8.	Al Ghurair Printing and Publishing L.L.C	10,963,584,000.00	Tall Security Print Ltd	13,419,153,072.00
9.	Tall Security Print Ltd.	1,930,713,788.88	United Printing and Publishing	11,578,110,621.48
TOTAL		74,795,145,571.44		85,150,274,468.04
COMBINATION 3			COMBINATION 4	
1.	United Printing and Publishing	13,325,149,008	Al Ghurair Printing and Publishing L.L.C	11,577,312,000
2.	Al Ghurair Printing and Publishing L.L.C	12,793,824,000	United Printing and Publishing	15,065,450,208
3.	Al Ghurair Printing and	13,532,544,000	Al Ghurair Printing and	13,532,544,000

Lot No.	COMBINATION 1		COMBINATION 2	
	Bidder	Evaluated Price (UGX) DDP	Bidder	Evaluated Price (UGX) DDP
	Publishing L.L.C		Publishing L.L.C	
4.	Uniprint	4,030,024,809	Adare Sec	2,832,814,080
5.	Adare Sec	5,522,457,600	Adare Sec	1,449,835,200
6.	Adare Sec	8,053,257,600	Uniprint	7,865,850,334
7.	Tall Security Print Ltd.	2,282,305,680	Uniprint	13,473,512,590
8.	Tall Security Print Ltd.	13,419,153,072.00	Tall Security Print Ltd.	13,419,153,072
9.	United Printing and Publishing	11,578,110,621.48	Tall Security Print Ltd.	1,931,073,789
TOTAL		84,536,826,390		81,147,545,273

10. On 23rd September 2020, the Contracts Committee approved the evaluation report and awarded the contracts for the nine lots to the following provider indicated in Table 5:

Table 5: Best Evaluated Bidders for the Different Lots

Lot No.	Best Evaluated Bidder	Option Dimensions	Award Price (UGX) CIF Entebbe
1	United Printing and Publishing	135 x 135mm	6,018,257,600
		347 x 135mm	8,173,716,400
		496 x 135mm	10,474,008,400
		580 x 135mm	12,348,320,400
2	Al Ghurair Printing and Publishing L.L.C	135 x 135mm	7,953,600,000
		347 x 135mm	8,713,600,000
		496 x 135mm	9,169,600,000
		580 x 135mm	9,701,600,000
3	Uniprint	135 x 135mm	7,533,326,797
		347 x 135mm	10,282,376,097
		496 x 135mm	2,376,574,847
		580 x 135mm	3,957,244,497
4	Uniprint	135 x 135mm	1,892,215,577
		347 x 135mm	2,592,585,877
		496 x 135mm	3,150,277,627
		580 x 135mm	3,559,434,277
5	Tall Security Print Ltd	135 x 135mm	1,218,252,000
		347 x 135mm	1,436,817,000
		496 x 135mm	1,739,892,000
		580 x 135mm	1,944,777,000
6	Adare Sec Ltd	135 x 135mm	2,600,040,000
		347 x 135mm	3,892,040,000

Lot No.	Best Evaluated Bidder	Option Dimensions	Award Price (UGX) CIF Entebbe
		496 x 135mm	4,405,040,000
		580 x 135mm	4,443,040,000
7	Adare Sec Ltd	135 x 135mm	4,899,040,000
		347 x 135mm	5,298,040,000
		496 x 135mm	5,982,040,000
		580 x 135mm	6,191,040,000
8	Al Ghurair Printing and Publishing L.L.C	135 x 135mm	7,157,600,000
		347 x 135mm	7,537,600,000
		496 x 135mm	7,765,600,000
		580 x 135mm	7,993,600,000
9	Tall Security Print Ltd	135 x 135mm	1,022,677,522
		347 x 135mm	1,274,151,442
		496 x 135mm	1,505,972,768
		580 x 135mm	1,561,292,126

11. On 25th September 2020, the Entity displayed the best evaluated bidder Notice with the removal date of 8th October 2020.
12. On 30th September 2020, the Authority received the complaint from Uganda Printers and Packaging Association in respect of the procurement.

3.0 OBJECTIVES OF THE INVESTIGATION

The objectives of the investigation were to establish whether:

1. The evaluation was properly undertaken on the bids of local bidders with respect to the requirements of submission of evidence of successful completion of three contracts of similar nature and complexity and submission of a delivery schedule.
2. The bid prices of local bidders were lower than the evaluated prices of the foreign bidders.
3. There were variances between prices at read out at bid opening and those indicated in the Notice of Best Evaluated Bidder.
4. The Reservation Guideline No. 1 of 2018 was applicable to the procurement of printing and supply of ballot papers and Declaration Result Forms.

4.0 LAW APPLICABLE

1. The Public Procurement and Disposal of Public Assets Act, 2003.
2. The Public Procurement and Disposal of Public Assets Regulations, 2014.
3. The Public Procurement and Disposal of Public Assets Guideline on Reservation to Promote Local Content, No.1 of 2018.
4. The bidding document issued.

5.0 METHODOLOGY

The Authority adopted the following methodology:

1. Reviewed the following documentation:
 - i. The procurement requisition;
 - ii. The bid notice;
 - iii. The bidding document issued;
 - iv. Clarification to bidders;
 - v. Pre bid minutes;
 - vi. Records of bid receipt and opening;
 - vii. The Evaluation Report; and
 - viii. The minutes of Contracts Committee meetings.
2. On 5th and 8th October 2020, the Authority held meetings with officials from the Entity and the representatives from the Uganda Printers and Packaging Association respectively indicated in Table 6 to provide clarifications on the allegations:

Table 6: Persons Met by the Authority

No.	Name	Designation/Role
Officials from Electoral Commission		
1.	Mr. Leonard Mulekwah	Ag. Secretary
2.	Mr. James Niwamanya	Chairperson Contracts Committee
3.	Mr. Richard Kamugisha	Chairperson Evaluation Committee
4.	Mr. Cyprian Ogwal	Secretary Contracts Committee
5.	Mr. Eric Sabiti	Senior Election Officer, Legal
6.	Mr. Paul Tamale	Senior Election Officer, Printery
7.	Mr. Robert Borekwa	Principal Election Officer, Procurement
8.	Mr. Charles Lwanga	Acting Principal Election Officer, Elections Management
Officials from Uganda Printers and Packaging Association		
9.	Mr. Archy Kiwanuka	Chairperson, Uganda Printing &Packaging Association
10.	Mr. Fred Kanya	Board Member, Uganda Printing &Packaging Association & Director, Elite Graphics Printers Ltd
11.	Mr. Rajesh Chaplot	General Manager, Graphic Systems (U) Ltd
12.	Mr. Manesh Kaski	Finance Manager, Graphic Systems (U) Ltd
13.	Mr. Gervase Ndyanabo	Deputy Managing Director, Vision Group for Vision Group/Hitech Graphic Ltd JV
14.	Mr. Dave Dhiren	Head sales, Picfare Industries Ltd
15.	Mr. Rejsy Srinivasa	Director representing Vision Group/ Hitech Graphic Ltd JV
16.	Mr. Jamir Hasina Ssemmanda	Managing Director, Wave Media Graphics

5.0 FINDINGS OF THE AUTHORITY

5.1 Whether the evaluation of local bidders was properly undertaken with respect to the requirements of submission of evidence of successful completion of three contracts of similar nature and complexity and submission of a delivery schedule

Successful completion of three contracts of similar nature and complexity

1. Uganda Printing and Packaging Association, the complainant alleged that the following local firms were unfairly eliminated for lack of evidence of successful completion of three contracts of similar nature and complexity yet they had submitted the same:
 - i. Graphic Systems (U) Ltd;
 - ii. Picfare Industries Ltd;
 - iii. Inline Print Services;
 - iv. Multiplex Ltd; and
 - v. Wave Media Ltd.

2. The notice of best evaluated bidder displayed by the Entity indicated that eight bidders below were eliminated at administrative compliance for not enclosing evidence of successful completion of three contracts of similar nature and complexity:
 - i. Oriental Security Printing Solutions;
 - ii. Modern Lithographic (K) Ltd;
 - iii. Baltjas Banknote;
 - iv. Multiplex Ltd;
 - v. Wave Media Ltd;
 - vi. In-Line Print Services Ltd;
 - vii. Graphics Systems (U) Ltd; and
 - viii. Picfare Industries Ltd

3. The Administrative Compliance criteria in the bidding document under Section 3: Evaluation Methodology and criteria on page 33 under paragraph (4) required:

“(g) successful completion of 3 contracts of similar nature and complexity in Africa. The bidder is required to provide detailed addressees of the clients and contact person who could be approached in case of a need to confirm the information given in this respect.

(h) Bidder must have printed at least 15 Million ballot papers for a similar complexity election”

4. The Authority reviewed the specifications of the ballot papers and DRFs on the nature and complexity parameters and noted that the Entity required ballot papers with the following features:
 - i. Printed information in different colors;

- ii. Perforation of a given size (i.e. 21mm);
 - iii. Weight and type of paper;
 - iv. Inclusion of security mark; ultra-violet ink, “COPY SHOW” feature, water marked feature;
 - v. Tapered serial numbers;
 - vi. Binding: Stitched in booklets of 50 leaves.
5. The representatives of the different printers informed the Authority that some providers had printed and supplied the Electoral Commission with ballot papers and the security printing is undertaken on security paper onto which the information provided by the Entity is printed.
6. The Authority reviewed the bids by the five local bidders eliminated for lack of evidence of successful completion of three contracts of similar nature and complexity. The bid by Picfare Industries submitted the following information in Table 7 in response to the requirement:

Table 7: Response by Picfare Industries to the Requirement of Successful Completion of Contracts

No.	Particulars of Contract	Document Submitted for Successful Completion	Authority’s Finding
1.	Printing and supply of ballot papers for Municipality/City Division elections and Local Government Councillors representing Special Groups – Electoral Commission Date: 27 – 11 – 2015 Value: UGX. 3,002,325,800	Letter from Secretary Electoral Commission dated 29 th September 2017	Requirement was not properly evaluated
2.	Printing of ballot papers for youth elections – Electoral Commission Date: 03– 05– 2011 Value: UGX. 5,160,000,000	Letter from Secretary Electoral Commission dated 26 th April 2011 indicating that the bidder printed 36 Million ballot papers.	Requirement was not properly evaluated
3.	Printing of 78,300,000 ballot papers – National Resistance Movement Date: 03– 10– 2005 Value: UGX. 138,591,000	Letter from Deputy National Treasurer National Resistance Movement dated 21 st July 2010 indicating that the bidder printed and supplied 78.3 Million ballot papers	Requirement was not properly evaluated
4.	Printing of ballot papers for lower	Letter from Chairman	Requirement was not

No.	Particulars of Contract	Document Submitted for Successful Completion	Authority's Finding
	elections – Electoral Commission Date: 07– 02– 2006 Value: UGX. 3,185,000,000	Electoral Commission dated 17 th March 2006 appreciating the bidder for outstanding performance.	properly evaluated
5.	Printing of voters' cards – United Nations Development Programme (UNDP) - Burundi Date: 31– 03– 2010 Value: USD. 897,500	Letter from Deputy Country Director/Operations, UNDP dated 30 th June 2010 indicating satisfactory performance.	Contract not similar to ballot papers. Did not meet the requirement

7. The Authority found that the three contracts submitted by Picfare Industries Ltd for printing of ballot papers were of similar nature and complexity in terms of the printing activity and were not properly evaluated by the Evaluation Committee.
8. The bid by Multiplex submitted the following information in Table 8 in response to the requirement of successful completion of three contracts of similar nature and complexity:

Table 8: Response by Multiplex Ltd to the Requirement of Successful Completion of Contracts

No.	Particulars of Contract	Document Submitted for Successful Completion
1.	Printing of 2,000 booklets of tickets@ with 25 leaflets of 5 tickets	Delivery Note Serial No. 010 dated 7-08-2013
2.	Printing of 10,000 booklets of tickets with a value of UGX 1,000 @ with 25 leaflets of 5 tickets and 2,000 booklets of tickets with a value of UGX 800 @ with 25 leaflets of 5 tickets	Delivery Note Serial No. 008 dated 3-10-2012
3.	Printing of 13,000 booklets of tickets in UGX 1,000 and 3,000 booklets of tickets in UGX 800	Delivery Note Serial No. 016 dated 21-12-2018
4.	Printing of 13,000 booklets of tickets with a value of UGX 1,000 @ with 25 leaflets of 5 tickets and 3,000 booklets of tickets with a value of UGX 800 @ with 25 leaflets of 5 tickets	Delivery Note Serial No. 020 dated 30-04-2019
5.	Printing of 13,500 booklets of tickets with a value of UGX 1,000 @ with 25 leaflets of 5 tickets and 5,400 booklets of tickets with a value of UGX 800 @ with 25 leaflets of 5 tickets	Delivery Note Serial No. 023 dated 1-05-2019

No.	Particulars of Contract	Document Submitted for Successful Completion
6.	Printing of 8,000 booklets of tickets with a value of UGX 1,000 @ with 25 leaflets of 5 tickets and 3,200 booklets of tickets with a value of UGX 800 @ with 25 leaflets of 5 tickets	Delivery Note Serial No. 025 dated 11-10-2019
7.	Printing of 4,200 stickers	Delivery Note Serial No. 026 dated 13-11-2019
8.	Printing of 15,000 booklets of tickets with a value of UGX 1,000 @ with 25 leaflets of 5 tickets and 6,000 booklets of tickets with a value of UGX 800 @ with 25 leaflets of 5 tickets	Delivery Note Serial No. 018 dated 26-02-2020

9. The Authority found that the eight delivery notes submitted by Multiplex Ltd for printing of parking tickets were not of similar nature and complexity in terms of the printing activity for the ballot papers. The Evaluation Committee therefore properly evaluated the bid of Multiplex Ltd to the requirement.
10. The bid by In-line Print Services Ltd submitted the following information in Table 9 in response to the requirement of successful completion of three contracts of similar nature and complexity:

Table 9: Response by In-line Print Services Ltd to the Requirement of Successful Completion of Contracts

No.	Particulars of Contract	Document Submitted for Successful Completion	Authority's Finding
1.	Printing and delivery of ballot papers for Sub County/ Municipal Division Special Groups – Electoral Commission Date: 21 – 06 – 2018 Value: UGX. 10,788,026	Local Purchase Order dated 21 st June 2018	Requirement was not properly evaluated
2.	Printing and delivery of ballot papers for Sub County/ Town/ Municipal Division Women Councillors – Electoral Commission Date: 21 – 06 – 2018 Value: UGX. 59,369,336	Local Purchase Order dated 21 st June 2018	Requirement was not properly evaluated
3.	Printing and delivery of 295,176 copies of primary four early grade reading learners primers and teachers guides – Ministry of Education and Sports	Contract dated 8 th July 2019	Not similar in nature and complexity with ballot papers required

No.	Particulars of Contract	Document Submitted for Successful Completion	Authority's Finding
	Date: 08 – 07 – 2019 Value: UGX. 1,511,607,296.94		
4.	Framework contract for supply and printing of immigration documents - Directorate of Citizenship and Immigration Control Date: 11 – 01 – 2019 Value: UGX. 841,188,960	Contract dated 11 th January 2019	Not similar in nature and complexity with ballot papers required
5.	Framework contract for supply and printing of passport application forms and citizenship - Directorate of Citizenship and Immigration Control Date: 11 – 01 – 2019 Value: UGX. 113,315,400	Contract dated 11 th January 2019	Not similar in nature and complexity with ballot papers required
6.	Printing of HMIS Tools – Makerere University College of Health Sciences Date: 20– 06 – 2017 Value: UGX. 2,338,105,843.98	Contract dated 20 th June 2017	Not similar in nature and complexity with ballot papers required
7.	Printing of the National Framework for Operation and Maintenance of Rural Water Supplies in Uganda - Ministry of Water and Environment Date: 19– 06 – 2015 Value: UGX. 119,652,000	Contract dated 19 th June 2015	Not similar in nature and complexity with ballot papers required
8.	Printing of the Rural Water Supply and Sanitation Handbooks - Ministry of Water and Environment Date: 1– 12 – 2017 Value: UGX. 132,001,290	Contract dated 1 st December 2017	Not similar in nature and complexity with ballot papers required
9.	Printing of 2000 copies of the Sector Performance Report 2017 - Ministry of Water and Environment Date: 14– 09 – 2017 Value: UGX. 179,714,000	Contract dated 1 st December 2017	Not similar in nature and complexity with ballot papers required
10	Supply and last mile delivery of Health Management Information System (HMIS) Tools – The Aids Support Organisation (TASO) Date: 20– 04 – 2020 Value: UGX. 2,366,826,215	Contract dated 20 th April 2020	Not similar in nature and complexity with ballot papers required

11. The Authority found that only two contracts met the requirement of Electoral Commission. The other contracts submitted by In-line Print Services Ltd were not of similar nature and complexity in terms of the printing activity for the ballot papers. The Evaluation Committee therefore properly evaluated the bid of In-line Print Services Ltd to the requirement.
12. The bid by Media Wave Ltd submitted the following information in Table 10 in response to the requirement of successful completion of three contracts of similar nature and complexity:

Table 10: Response by Media Wave Ltd to the Requirement of Successful Completion of Contracts

No.	Particulars of Contract	Document Submitted for Successful Completion	Authority's Finding
1.	Printing of RMNCAH Standards and Protocols – Ministry of Health Date: 22/6/2020 Value: UGX. 556,261,350	Goods Received Report 26006	Not similar in nature and complexity with ballot papers required
2.	Spiral Binding of Display Registers for the Year 2021 - Electoral Commission Date: 01/7/2019 Value: UGX. 82,487,900	Local Purchase Order dated 22 nd June 2020	Not similar in nature and complexity with ballot papers required
3.	Spiral Binding of NVR Register - Electoral Commission Date: 22/9/2020 - Value: UGX. 179,973,600	Local Purchase Order dated 21 st June 2018	Not similar in nature and complexity with ballot papers required
4.	Supply and Delivery of Promotional Materials for Uganda Tourism Board - Private Sector Foundation Date: 12/01/2018 Value: UGX. 1,021,045,150	Contract dated 12 th January 2018	Not similar in nature and complexity with ballot papers required
5.	Printing of Factory Record Books - Uganda Coffee Development Authority Date: 13/05/2020 Value: UGX. 11,587,600	Contract dated 13 th May 2020	Not similar in nature and complexity with ballot papers required
6.	Printing of UCDA Annual Report - Uganda Coffee Development Authority Date: 15/04/2020 Value: UGX. 4,625,600	Contract dated 15 th April 2020	Not similar in nature and complexity with ballot papers required
7.	Printing of Factory Record Books - Uganda Coffee Development Authority	Contract dated 16 th April 2020	Not similar in nature and complexity with ballot papers required

No.	Particulars of Contract	Document Submitted for Successful Completion	Authority's Finding
	Date: 16/05/2020 Value: UGX. 6,962,000		
8.	Design, print and supply of wall and desktop calendars for 2019 - National Water and Sewerage Corporation Date: 22/11/2018 Value: UGX. 82,246,000	Contract dated 22 nd November 2018	Not similar in nature and complexity with ballot papers required
9.	Design and Print Calendars, Christmass cards and Gift Bags - Letshego Date: 4/12/2017 Value: UGX. 163,450,000	Local Purchase Order	Not similar in nature and complexity with ballot papers required
10.	Brochures in 13 languages – FHI 360 Uganda Country Office Date: 2/03/2016 Value: UGX. 319,800,000	Local Purchase Order	Not similar in nature and complexity with ballot papers required
11.	Diaries (7000pcs) - Date: 18/03/2015 Value: UGX. 437,500,000	Local Purchase Order	Not similar in nature and complexity with ballot papers required
12.	Branding of 10 Vehicles for SHRH Project - IntraHealth Date: 18/03/2015 Value: UGX. 282,601,070	Local Purchase Order	Not similar in nature and complexity with ballot papers required
13.	Printing Fact Sheets - Malaria Consortium Date: 31/3/17 Value: UGX. 54,747,000	Local Purchase Order	Not similar in nature and complexity with ballot papers required
14.	Design and Printing of OPD forms, Staff Attendance Log Sheet, Stock cards, Internal Requisition Forms and referral forms - Health Link (South Sudan) Date: 7/2/2017 Value: UGX. 985,500,000	Local Purchase Order	Not similar in nature and complexity with ballot papers required

13. The Authority found that none of the contracts submitted by Wave Media Graphics Ltd were of similar nature and complexity in terms of the printing activity for the ballot papers. The Evaluation Committee therefore properly evaluated the bid of Wave Media Graphics Ltd to the requirement.

14. The bid by Graphic Systems Ltd submitted the following information in Table 11 in response to the requirement of successful completion of three contracts of similar nature and complexity:

Table 11: Response by Graphic Systems Ltd to the Requirement of Successful Completion of Contracts

No.	Particulars of Contract	Document Submitted for Successful Completion	Authority's Finding
1.	Printing of 300 Million ballot papers for NRM village, parish, sub-county and district elections in 2015 - Electoral Commission Date: 13/7/2015 Value: UGX. 3,048,000,000	Local Purchase Order dated 13 th July 2015 and a letter dated 9 th July 2020 from the NRM Electoral Commission confirming satisfactory supply of ballots papers for the 2015-2016 primaries	Requirement was not properly evaluated
2.	Printing of DR forms for PWD elections - Electoral Commission Date: 28/4/2020 Value: UGX. 148,247,632	Local Purchase Order dated 28 th April 2020	Requirement was not properly evaluated
3.	Printing of 959,100 ballot papers for the IEC - Electoral Commission Date: 21/6/2018 Value: UGX. 229,224,900	Local Purchase Order dated 21 st June 2018	Requirement was not properly evaluated
4.	Printing of ballot papers (281,900) for the IEC - Electoral Commission Date: 21/6/2018 Value: UGX. 67,858,968	Local Purchase Order dated 21 st June 2018	Requirement was not properly evaluated
5.	Printing of certificates, result slips and transcripts for Grade iii - Date: 27/11/2019 Value: UGX. 174,538,429	Local Purchase Order dated 27 th November 2019	Requirement was not properly evaluated
6.	Printing of transcripts for DSNEE - Kyambogo University Date: 27/10/2019 Value: UGX. 10,162,431	Local Purchase Order dated 17 th October 2019 and a letter dated 7 th July 2020 from Kyambogo University confirming that Graphic Systems (U) Ltd has supplied it	Requirement was not properly evaluated

No.	Particulars of Contract	Document Submitted for Successful Completion	Authority's Finding
		various security printing materials such as transcripts, result slips and certificates for the last two years	

15. The Authority found that the four contracts submitted by Graphic Systems Ltd for printing of ballot papers were of similar nature and complexity in terms of the printing activity and were not properly evaluated by the Entity.
16. In light of the above, the evaluation of the requirement of successful completion of three contracts of similar nature and complexity was properly evaluated on the bids by the three local providers i.e. In-line Print Services, Multiplex Ltd and Wave Media Ltd. The evaluation was not properly undertaken on the bids by Picfare Industries Ltd and Graphic Systems (U) Ltd.

Submission of delivery schedule

1. The complainant alleged that New Vision - Hi-Tech Graphic Limited was unfairly eliminated for failure to state a delivery schedule yet the Entity could have sought clarification on the schedule.
2. The evaluation report and the notice of best evaluated bidder indicated that the bid by New Vision - Hi-Tech Graphic Limited was eliminated at detailed commercial stage for not stating the delivery schedule in the bid.
3. The commercial criteria in the bidding document under Section 3: Evaluation Methodology and criteria on page 34 under paragraph (5) (c) indicated that:
*“The commercial responsiveness of bids shall be evaluated in accordance with ITB 33. The criteria shall be:
(c) acceptable delivery schedule”*
4. The Special Conditions of Contract (SCC) under the General Conditions of Contract (GCC) 12 provided that *“Date of delivery shall be: Within six weeks upon signing of the contract”*.
5. The Authority reviewed the bid by New Vision - Hi-Tech Graphic Limited and established that there was no delivery schedule enclosed therein.

6. Paragraph (b) of the Bid Submission Sheet submitted by New Vision - Hi-Tech Graphic Limited indicated that “*We offer to supply in conformity with the Bidding Document and in accordance with the delivery schedule specified in the Statement of Requirements the following Supplies and Related Services [insert a brief description of the Supplies and Related Services. Amend wording and attach relevant details if an alternative delivery schedule is proposed]*”.
7. The complainant submitted that the Electoral Commission should have sought a clarification from New Vision - Hi-Tech Graphic Limited on submission of the delivery schedule.
8. With respect to whether the omission could be clarified, the PPDA (Evaluation) Regulations, 2014 provide that:

“9(2) An evaluation committee shall only make a request for clarification of information or submission of documentation under sub regulation (1) where—
*(a) there is a nonconformity or an omission in the bid, which is **not a material deviation** as specified in regulation 11 (4); or*
(b) there is an arithmetic error which has to be corrected.
(3) A request for clarification or submission shall not be made with the intention of—
(a) altering or amending the price of the bid except to correct errors in accordance with regulation 14;
(b) changing the substance of the terms and conditions of the bid; or
(c) substantially altering anything which forms a crucial or deciding factor in the evaluation of the bid”.
9. The Authority found that there was no omission in the bid by New Vision /Hi-Tech Graphic Limited JV to which a clarification would be sought. The evaluation criteria or statement of requirements did not require submission of a delivery schedule. The Entity indicated its delivery period as six weeks from signature of the contract and the provider undertook to deliver within the period.
10. The Bid Submission Sheet provided guidance under paragraph (b) i.e “*Amend wording and attach relevant details if an alternative delivery schedule is proposed]*” which implied that only a bidder with an alternative delivery schedule would be required to submit the relevant details of the schedule.
11. The Authority found that New Vision /Hi-Tech Graphic Limited JV met the requirement of the required delivery schedule since it offered to supply the requirements in accordance with the delivery schedule stated statement of requirements in the bidding document.
12. The Authority found that the bid by New Vision- Hi-Tech Graphic Limited JV was not properly evaluated on the requirement of a delivery schedule since it stated under paragraph (b)

in the Bid Submission Sheet that it offered to supply the requirements in accordance with the delivery schedule stated statement of requirements in the bidding document.

5.2 Whether the prices of local bidders were lower than foreign bidders

1. The complainant alleged that prices of local printers (providers) were cheaper/ lower than foreign bidders.
2. The bidding document provided that the incoterms shall be: Cost Insurance and Freight (CIF) Entebbe Airport, Uganda for foreign bidders and Delivered Duty Paid (DDP) Kampala Electoral Offices for local bidders.
3. The Entity received eight bids from local bidders as single entities and two bids of Joint Ventures between local and foreign bidders who quoted prices as DDP. Twelve bids were received from foreign bidders who quoted Cost Insurance and Freight (CIF). The prices read out at bid opening were for different incoterms.
4. At evaluation, the Evaluation Committee used the average of the bid prices for the different ballot paper size dimensions and added 44 % being the cost for VAT (18%), customs (25%) and clearance (1%) to arrive at the DDP prices. The above calculation was used in the determination of the total cost that the Electoral Commission would incur for all the lots before arriving at the decision as to which bidders should be awarded the different lots while ensuring that a maximum of two lots is awarded to a single bidder.
5. From the above findings in issue one, the Authority found that:
 - a) Two local bidders i.e. Picfare Industries Ltd and Graphic Systems Ltd were not properly evaluated by the Electoral Commission on the requirement on successful completion of three contracts of similar nature and complexity; and
 - b) The bid by New Vision - Hightech Graphics JV was not properly evaluated on the requirement of submission of a delivery schedule. The bidder had indicated in the Bid Submission Sheet under paragraph (b) that *“We offer to supply in conformity with the Bidding Document and in accordance with the delivery schedule specified in the Statement of Requirements the following Supplies and Related Services [insert a brief description of the Supplies and Related Services. Amend wording and attach relevant details if an alternative delivery schedule is proposed.*
 - c) The bids by Multplex, In-line Print Services, Wave Media and Mariannum Press Ltd were properly evaluated on the requirement on successful completion of three contracts of similar nature and complexity and would not proceed to the other stages of evaluation.

6. On assumption that the above three bids i.e. Picfare Industries Ltd, Graphic Systems Ltd and New Vision - Hightech Graphics JV would be re-evaluated and found compliant at technical evaluation stage and proceed at financial comparison without arithmetic corrections, an analysis of the DDP prices of the above three local bidders and the best evaluated bidders found that:
- The bid prices of Graphic Systems Ltd for lots 1, 4 and 6 were lower than the best evaluated bidders for the same lots;
 - The bid prices of New Vision - Hightech Graphics JV were lower than the best evaluated bidder for Lot 3; and
 - The bid prices of Picfare Industries Ltd for lots 3, 6, 7 and 8 were higher than the prices of the best evaluated bidders for the same lots.

A copy of the detailed comparison is attached as Annex A.

7. The Authority found that the prices of local providers such as Graphic Systems Ltd and New Vision - Hightech Graphics JV were lower than the foreign bidders that had been awarded the lots as indicated in Table 12 below:

TABLE 12: COMPARISON OF LOCAL PRINTERS' PRICES AND THE BEST EVALUATED BIDDER PRICES (DPP)

Lot No.	Name of Bidder	Option Dimensions	Price DDP (UGX)	Best Evaluate d Bidder (BEB)	BEB DDP (UGX)	REMARK
1	Graphics Systems	135 x 135mm	5,924,496,800	United Printing and Publishing	8,666,290,944.00	Graphics Systems cheaper
		347 x 135mm	7,673,256,800		11,770,151,616.00	
		496 x 135mm	11,170,776,800		15,082,572,096.00	
		580 x 135mm	12,919,536,800		17,781,581,376.00	
3	New Vision Printing and Publishing company Ltd and Hitech Graphics Ltd.	135 x 135mm	10,832,040,100	Uniprint	10,847,990,587.68	New Vision cheaper
		347 x 135mm	14,239,880,100		14,806,621,579.68	
		496 x 135mm	15,203,940,100		3,422,267,779.68	
		580 x 135mm	16,414,620,100		5,698,432,075.68	
4	Graphic Systems	135 x 135mm	2,613,341,280	Uniprint	2,724,790,430.88	Graphic Systems cheaper than BEB
		347 x 135mm	2,878,841,280		3,733,323,662.88	
		496 x 135mm	3,431,081,280		4,536,399,782.88	
		580 x 135mm	3,813,401,280		5,125,585,358.88	
6	Graphic Systems	135 x 135mm	4,650,285,600	Adare SEC	7,054,617,600.00	Graphic Systems cheaper than BEB
		347 x 135mm	5,434,985,600		7,629,177,600.00	
		496 x 135mm	6,376,625,600		8,614,137,600.00	
		580 x 135mm	7,542,465,600		8,915,097,600.00	

5.3 Whether there were variances between prices at award indicated in the Notice of Best Evaluated Bidder and at bid opening

- The complainant alleged that the bid prices at bid opening differed from awarded prices as indicated in the Notice of Best Evaluated Bidder.

2. The bid prices at award differed from those at bid opening in respect of the bid by Uniprint for lot 3 and the bid by Adare SEC Ltd for lot 7. The other prices at award in the best evaluated bidder notice were the same as those at bid opening.
3. The Entity submitted that the difference in price between bid opening and award in respect of the bid by Uniprint for lot 3 was due to understatement of the required quantities stated in the bidding document. Uniprint had an arithmetic error on the quantities on lot 3. The bidder had applied the unit quantities of 19 Million ballot papers of lot 4 to lot 3. The Evaluation Committee made an adjustment by replacing quantities s as indicated in the specifications section of the bid during evaluation.
4. The Authority found that the bid by Uniprint for lot 3 stated lesser quantities compared to those stated in the bidding document. The arithmetic correction was properly corrected by the Evaluation Committee using the unit rate stated by the bidder for the different sizes of the ballot papers as indicated in Table 13:

Table 13: Bid Prices of Uniprint at Bid Opening, Evaluation and Award for Lot 3

Size Dimension (mm)	Price at Opening (UGX)	Evaluated Price (UGX)	Awarded Price CIF (UGX)
135 x 135	1,892,215,577.0	7,533,329,797.0	7,533,326,797
347 x 135	2,592,585,877.0	10,282,376,097.0	10,282,376,097
496 x 135	3,150,277,627.0	12,376,574,847.0	12,376,574,847
580 x 135	3,559,434,277.0	13,957,244,497.	13,957,244,497

5. The read out and evaluated price for Adare Sec for lot 7 were different from the price in the best evaluated bidder notice as indicated in Table 14 below:

Table 14: Bid Prices of Adare Sec at Bid Opening, Evaluation and Award Lot 7

Size Dimension (mm)	Price at Opening (UGX)	Evaluated Price (UGX)	Awarded Price CIF (UGX)	Price Variance (UGX)
135 x 135	2,638,040,000	2,638,040,000	4,899,040,000	2,261,000,000
347 x 135	3,968,040,000	3,968,040,000	5,298,040,000	1,330,000,000
496 x 135	4,481,040,000	4,481,040,000	5,982,040,000	1,501,000,000
580 x 135	4,519,040,000	4,519,040,000	6,191,040,000	1,672,000,000

6. The Entity failed to account for the changes in the prices at award from what was in the evaluation report. The minutes of the Contracts Committee had the prices in the notice of best evaluated bidder for Lot 7 which were different from those at bid opening and evaluation. The submission that it was a clerical error was not a reasonable justification and if the provider is

contracted at the prices indicated in the notice and the error is not rectified, it could lead to a probable financial loss of between UGX. 1.3 Billion – 2.2 Billion depending on the size of the ballot paper finally printed.

7. The Authority found no variances in prices read out at bid opening and prices in the best evaluated bidder notice for Lots 1, 2, 4, 5, 6, 8 and 9. The variance in lot 3 was a justified arithmetic correction. The variance in lot 7 was illegal and should be rectified.

5.4 Whether the Reservation Guidelines No. 1 of 2018 applied to the procurement of ballot papers

1. The complainant alleged that the Electoral Commission awarded all the contracts to foreign firms despite presence of verified local printing capacity in breach of the BUBU Policy and the PPDA Reservation Guidelines of 2018 that require the Entity to source such services locally.
2. Paragraph 1 of the Guideline on reservation scheme 1 of 2018 reserved contracts for procurement of whose estimated cost is UGX 1 Billion and below to national and resident providers.
3. The estimated cost for the procurement for printing and supply of ballot papers was UGX. 77.6 Billion was above the threshold indicated in the Guideline. The Guideline therefore was not applicable to the procurement undertaken by Electoral Commission.
4. The Authority found that the Reservation Guideline was not applicable to the procurement of ballot papers.

7.0 CONCLUSION

The Authority finds merit in the complaint that:

1. The evaluation was not properly undertaken on the bids by Graphic Systems Ltd and Picfare Industries Ltd with respect to the requirement of successful completion of three contracts of similar nature and complexity;
2. The evaluation was not properly undertaken on the bid by New Vision Printing and Publishing company Ltd and Hitech Graphics Ltd JV in respect to submission of a delivery schedule.
3. The read out and evaluated price for Adare Sec for lot 7 were different from the price in the best evaluated bidder notice without any justifiable reason for the variance.

8.0 RECOMMENDATION

In accordance with Section 9(1)(a) of the PPDA Act, 2003 and in light of the findings above, the Authority directs the Entity to re-evaluate the bids taking into the guidance in the Administrative Review decisions.