



**PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS AUTHORITY**

**INVESTIGATION REPORT INTO ALLEGED IRREGULAR EVALUATION OF THE  
PROCUREMENT FOR REHABILITATION OF BUDDO (4KM) AND NABINGO  
(1.5KM) ACCESS ROADS**

**ENTITY: UGANDA NATIONAL ROADS AUTHORITY**

**COMPLAINANT: CRIMINAL INVESTIGATIONS DEPARTMENT**

**MARCH 2021**

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## **ACRONYMS**

|          |   |  |
|----------|---|--|
| CV       | - | Curriculum Vitae   |
| BSc      | - | Bachelor of Science  |
| BOQ      | - | Bill of Quantities   |
| HP       | - | Horsepower   |
| KM       | - | Kilometers   |
| KVA      | - | Kilovolt-Ampere  |
| PPDA     | - | Public Procurement and Disposal of Public Assets Authority         |
| PPDA Act | - | Public Procurement and Disposal of Public Assets Act No. 1 of 2003 |
| UGX      | - | Uganda Shillings   |

## 1.0 SUMMARY OF FACTS

1. On 5<sup>th</sup> March 2019, the Entity initiated the procurement for rehabilitation of Buddo (4km) and Nabbingo (1.5km) Access Roads at an estimated cost of UGX 19,003,332,425.
2. The scope of works consist of upgrading to a class II standard paved road, with a 50mm asphalt concrete carriageway of 7.0m width, throughout and 2m raised walkway on the right hand side for Buddo Access Road (4km). Nabbingo Access Road (1.5km) holds the same cross section except for the Town Section (CH. 0+000-0+600) which possess a covered U-Concrete drain covered with side slabs for use as a walkway.
3. On 21<sup>st</sup> August 2019, the Contracts Committee approved the bidding document, open domestic bidding (Reserved for resident and national providers) and Evaluation Committee below:

**Table 1: Evaluation Committee**

| No | Name              | Designation                  |
|----|-------------------|------------------------------|
| 1. | Mr. Edward Bogere | Manager, Road Rehabilitation |
| 2. | Mr. Dan Iga       | Engineer Road Development    |
| 3. | Mr. Clive Kamisho | Senior Procurement Officer   |

4. On 3<sup>rd</sup> September 2019, the Entity published a bid notice for the procurement in the New vision Newspaper with a bid closing deadline of 8<sup>th</sup> October 2019.
5. On 21<sup>st</sup> September 2019, 11 firms were issued with bidding documents.
6. On 8<sup>th</sup> October 2019, the Entity received and opened four bids from the following firms:

**Table 2: Record of Bid Opening**

| No | Bidder   | Price Read Out (UGX) |
|----|--|----------------------|
| 1. | Abubaker Technical Services and General Supplies Ltd | 12,007,107,200       |
| 2. | IBB International Ltd                                | 15,898,931,808       |
| 3. | King Albert Construction Ltd                         | 16,856,792,900       |
| 4. | Stars Group Ltd                                      | 15,562,599,800       |

7. On 31<sup>st</sup> October 2019, the Evaluation Committee recommended award of tender for rehabilitation of Buddo (4km) and Nabbingo (1.5km) Access Roads to King Albert Construction Ltd at UGX 16,856,792,900.
8. The Evaluation Report further indicated that Stars Group Ltd failed at Preliminary Evaluation for having shareholders who were not resident or national providers though it is registered in Uganda. Two bidders failed technical evaluation for the following reasons:

**Table 3: Reasons for Elimination of Bidders**

| No | Bidder   | Reason for Failure  |
|----|--|---|
| 1. | Abubaker Technical Services and General Supplies Ltd | <ul style="list-style-type: none"> <li>i. The bidder did not attach / provide a CV for the proposed Land Surveyor.</li> <li>ii. The proposed Social Manager had 4 years general experience contrary to the requirement of 7 years. The CV did not demonstrate any experience in similar works contrary to the requirement of 5 years.</li> <li>iii. Did not attach/ provide CV for the proposed Health and Safety Manager.</li> <li>iv. The bidder did not provide any details of the required compressor.</li> <li>v. Did not attach details for the mechanical broom</li> <li>vi. The bidder provided (1) 300kv generator instead of two 250 KV generator.</li> </ul> |
| 2. | IBB International Ltd                                | <ul style="list-style-type: none"> <li>i. Did not attach any details on the low loader contrary to the requirement to the bidding document</li> <li>ii. The bidder did not attach lease agreements of the second excavator</li> <li>iii. The bidder did not attach details of the wheel excavator and loader</li> <li>iv. Did not provide any technical details of the second motor grader</li> <li>v. Did not provide details of the compressor.</li> </ul>  |

9. On 21<sup>st</sup> November 2019, the Contracts Committee approved the award of contract for rehabilitation of Buddo (4km) and Nabingo (1.5km) Access Roads to King Albert Ltd at a contract sum of UGX 16,856,792,900 VAT inclusive.
10. On 2<sup>nd</sup> December 2019, the notice of best evaluated bidder was displayed and removed on 16<sup>th</sup> December 2019.
11. On 6<sup>th</sup> January 2020, the Solicitor General approved the contract for rehabilitation of Buddo (4km) and Nabingo (1.5km) Access Roads.
12. On 3<sup>rd</sup> February 2020, the Entity signed a contract for rehabilitation of Buddo (4km) and Nabingo (1.5km) Access Roads with King Albert Construction Ltd at UGX 16,856,792,900.

13. On 7<sup>th</sup> February 2020, Engineer Tony Ocet (Manager Road Rehabilitation) was appointed as a contract Manager.

## 2.0 LAW APPLICABLE

- i. The Public Procurement and Disposal of Public Assets Act 2003;
- ii. The Public Procurement and Disposal of Public Assets Regulations, 2014;
- iii. The Public Procurement and Disposal of Public Assets Guideline on Reservation to Promote Local Content, No.1 of 2018;
- iv. The PPDA (Evaluation) Regulation, 2014; and
- v. The bidding document issued.

## 3.0 OBJECTIVE OF THE INVESTIGATION

The objective of the investigation was to establish whether the Evaluation Committee properly evaluated bids in the procurement for rehabilitation of Buddo (4km) and Nabingo (1.5km) access roads.

## 4.0 METHODOLOGY

The Authority adopted the following methodology:

1. Review of the following documents:
  - i. Procurement requisition;
  - ii. The invitation to bid;
  - iii. Solicitation documents issued;
  - iv. Bids received;
  - v. Record of bid closing and bid opening;
  - vi. Evaluation Report;
  - vii. Award letters;
  - viii. Notice of Best Evaluated Bidder;
  - ix. Contracts Committee decision for this procurement; and
  - x. Signed copy of the contract.
2. The Authority held a meeting with the following persons on 1<sup>st</sup> March 2021 as shown in Table 4:

**Table 4: Persons Met**

| No. | NAME              | DESIGNATION                |
|-----|-------------------|----------------------------|
| 1.  | Mr. Dan Iga       | Engineer Road Development  |
| 2.  | Mr. Clive Kamisho | Senior Procurement Officer |

## 5.0 FINDINGS OF THE AUTHORITY

### 5.1 Whether the Evaluation Committee properly evaluated bids in procurement for rehabilitation of Buddo (4km) and Nabingo (1.5km) Access Roads

1. The complainant alleged the evaluation process in the procurement for rehabilitation of Buddo (4km) and Nabingo (1.5km) Access Roads was marred with irregularities. He further added that some bidders were rated as non compliant on requirements that they complied.
2. Regulation 7(i) of the PPDA (Evaluation) Regulation, 2014 states that *“the evaluation of a bid shall be conducted in accordance with the evaluation criteria in the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services)Regulations, 2014 and in the bidding document.*
3. Section 3: Evaluation Methodology and Criteria in the solicitation document, bidders were required to submit the following details:

**Table 5: Evaluation Criteria Stated in the Solicitation Document**

| S/n | Evaluation Stage                   | Evaluation Criteria  |
|-----|------------------------------------|--|
| 1.  | Preliminary Examination Criteria   | <ol style="list-style-type: none"> <li>i. Certificate of Registration issued by PPDA for bidders currently registered with the Authority ; or copy of the bidders trading licence valid for 2019 and the bidders Certificate of Incorporation ;</li> <li>ii. A copy of Form indicating the names of the Shareholders and the Directors of the Company showing the shareholding amount of each shareholder ; If there no shareholders, the bidder shall declare ownership of the firm as a sole proprietorship</li> <li>iii. Bid Submission Sheet indicating: <ul style="list-style-type: none"> <li>• The bidder meets eligibility criteria stated in ITB 4.1;</li> <li>• The nationality of the bidder;</li> <li>• The bidder is not under suspension by the PPDA</li> </ul> </li> <li>iv. A statement in the Bid Submission Sheet that the bidder has no conflict of interest;</li> <li>v. A Tax clearance Certificate issued by the Tax Authority (URA) for 2018.</li> <li>vi. Certificate of contribution to social security (NSSF) for 2018.</li> </ol> |
| 2.  | Administrative Compliance Criteria | <ol style="list-style-type: none"> <li>i. Submission of a signed bid submission sheet in the format provided in the bidding document signed by one person with Powers of Attorney and validity expiring 2nd December 2019.</li> </ol>  |

| S/n | Evaluation Stage    | Evaluation Criteria  |
|-----|---------------------|--|
|     |                     | <ul style="list-style-type: none"> <li>ii. Submission of a legally enforceable Powers of Attorney and / or Joint Venture agreement.</li> <li>iii. Submission of dully completed bidding forms.</li> <li>iv. Submission of Audited books of accounts for the most recent 3 years.</li> <li>v. Signed ethical code of conduct.</li> <li>vi. Priced BOQs.</li> </ul>  |
| 3.  | Commercial Criteria | <ul style="list-style-type: none"> <li>i. Acceptable completion schedule</li> <li>ii. Signed schedule of rates for the priced BOQ</li> <li>iii. Bid Security in the amount of UGX. 200 Million. The expiry date is 30<sup>th</sup> December 2019.</li> <li>iv. Acceptability of the proposed program (work method and schedule) indicating relevant drawings and charts.</li> </ul>  |
| 4.  | Technical Criteria  | <p><b>6.1.1 Personnel</b></p> <ul style="list-style-type: none"> <li>i. Project Manager - with a minimum qualification of a BSc. Degree in Civil Engineering or equivalent with 10 years total experience and 5 years similar works experience.</li> <li>ii. Site Agent – with a minimum qualification of BSc. Degree in Civil Engineering or equivalent with 10 years total experience and 5 years similar works experience.</li> <li>iii. Land Surveyor- with a minimum of a BSc. Degree in Land Surveying or equivalent with 8 years total experience and 5 years similar works experience.</li> <li>iv. Quantity Surveyor- BSc. Degree in Quantity Surveying/ Civil Engineering or equivalent with 8 years total experience and 5 years similar works experience.</li> <li>v. Materials Engineer - Civil Engineering or equivalent with 8 years total experience and 5 years similar works experience.</li> <li>vi. Environmental Manager - BSc. Degree in Environmental Management or equivalent with 7 years total experience and 5 years similar works experience.</li> <li>vii. Social Manager- BSc. Degree in Social Sciences or equivalent with 7 years total experience and 5 years similar works experience.</li> <li>viii. Health and Safety Manager- Diploma in Occupational Health and Safety or equivalent.</li> </ul> |

| S/n | Evaluation Stage | Evaluation Criteria   |
|-----|------------------|---|
|     |                  | <p><b>NB:</b> Bidders were required to attach academic and educational qualifications, and CVs detailing the individual work experience showing positions held, duties and responsibilities executed under the mentioned projects. The bidders were to provide details of proposed personnel and their experience records in the relevant forms included in Section IV, bidding Forms.</p> <p><b>6.1.2 Equipment</b></p> <p>The bidder was required to demonstrate that it has the access to key equipment listed hereunder (either by ownership, lease, hire); owned equipment shall be evidenced by copies of the registration log books. Leased equipment shall be evidenced by lease agreement detailing the terms and conditions for availing the equipment; with number plates and supported by log books in the names of the Lesser or Hirer. <b>(Details of equipment are indicated in Table 6 below)</b></p> |
|     | Financial        | i. Cost comparison  |

4. The bidding document required the equipment indicated in Table 6:

**Table 6: Equipment Required**

| No. | Equipment Type and characteristics     | Minimum No. Required | Source       |
|-----|--|----------------------|--------------|
| 1.  | Crawler Dozer +Ripper D8, 285HP        | 1                    | Own or Lease |
| 2.  | Crawler Dozer +Ripper D6, 165HP        | 1                    | Own or Lease |
| 3.  | Low Loader                             | 1                    | Own or Lease |
| 4.  | Wheel Front End Loader 170 HP          | 2                    | Own or Lease |
| 5.  | Excavator 1.0 cu.m 140HP               | 2                    | Own or Lease |
| 6.  | Wheel Excavator and Loader             | 1                    | Own or Lease |
| 7.  | Dump Truck (Tipper Truck) 20 Tonne     | 10                   | Own or Lease |
| 8.  | Water Tanker 10,000 Litres             | 2                    | Own or Lease |
| 9.  | Fuel Tanker 10,000 Litres              | 1                    | Own or Lease |
| 10. | Motor Grader 150 HP                    | 2                    | Own or Lease |
| 11. | Smooth wheeled Roller 10-20 Tonnes     | 2                    | Own or Lease |
| 12. | Vibrating Roller 12-14 Tonnes          | 2                    | Own or Lease |
| 13. | Sheep Foot Compactor                   | 1                    | Own or Lease |
| 14. | Pneumatic Tyred Roller up to 14 Tonnes | 1                    | Own or Lease |
| 15. | Pedestrian Roller                      | 1                    | Own or Lease |
| 16. | Mechanical Broom                       | 1                    | Own or Lease |
| 17. | Compressor                             | 1                    | Own or Lease |
| 18. | Concrete Mixer                         | 1                    | Own or Lease |

| No. | Equipment Type and characteristics                                      | Minimum No. Required | Source       |
|-----|---|----------------------|--------------|
| 19. | Water Pump  | 1                    | Own or Lease |
| 20. | Bitumen Sprayer   | 1                    | Own or Lease |
| 21. | Bitumen Distributor   | 1                    | Own or Lease |
| 22. | Paver for Crushed stone base  | 1                    | Own or Lease |
| 23. | Asphalt Paver fitted with electronic sensor for automatic level control | 1                    | Own or Lease |
| 24. | Generators 250 KVA  | 2                    | Own or Lease |

5. The Authority reviewed the solicitation document, evaluation report and noted that the following firms were eliminated due to the following reasons:

**Table 6: Reasons for Disqualification of Bidders**

| S/n               | Firm   | Reasons for Disqualification  |
|-------------------|--|---|
| Preliminary stage |  |   |
| 1.                | Stars Group Ltd                                      | The bidder was not incorporated in Uganda contrary to the requirement in the bidding document that this procurement is reserved for National and resident providers in accordance with the guidelines on reservation scheme to promote local content in public procurement.   |
| Technical stage   |  |   |
| 2.                | Abubaker Technical Services and General Supplies Ltd | <ul style="list-style-type: none"> <li>i. The bidder did not attach / provide a CV for the proposed Land Surveyor contrary to the technical requirements in the bidding document.</li> <li>ii. The bidder's proposed Social Manager (Ms. Martha Nakazzi) had 4 years' general experience contrary to the requirement of 7 years. The CV did not demonstrate any experience in similar works contrary to the requirement of 5 years' experience.</li> <li>iii. Did not attach/ provide CV for the proposed Health and Safety Manager contrary to the technical requirements in the bidding document.</li> <li>iv. The bidder did not provide any details of the required compressor.</li> <li>v. Did not attach details for the Mechanical Broom contrary to the technical requirements in the bidding document.</li> <li>vi. The bidder provided (1) 300kw generator instead of (2) generators required in the bidding document.</li> </ul> |

| S/n | Firm                  | Reasons for Disqualification   |
|-----|-----------------------|--|
| 3.  | IBB International Ltd | <ul style="list-style-type: none"> <li>i. The bidder did not attach any details on the Low loader contrary to the requirement to the bidding document</li> <li>ii. The bidder did not attach lease agreements of the second excavator 1.0 cum 140 HP.</li> <li>iii. The bidder did not attach details of the wheel excavator and Loader</li> <li>iv. The bidder did not provide any technical details of the second Motor Grader 150 HP</li> <li>v. The bidder did not provide details of the Compressor.</li> </ul> |

6. The Authority reviewed the bid submitted by Stars Group Ltd and found that it was properly evaluated and found non responsive at preliminary examination stage since the bidder was incorporated in South Sudan (**Annex 1**) yet the procurement was reserved for national and resident providers in accordance with the Public Procurement and Disposal of Public Assets Guideline on Reservation to Promote Local Content, No.1 of 2018.
7. During technical evaluation, it was noted that Abubaker Technical Services and General Supplies Ltd did not submit documentary evidence in respect to the following items; Compressor, Mechanical Broom and provided (1) 300 KVA generator instead of 2 generators of 250 KVA. The bidder did not also attach / provide CVs for the proposed Land Surveyor and Health and Safety Manager while the proposed Social Manager (Ms. Martha Nakazzi) had only 4 years' general experience instead of 7 years required.
8. The Authority reviewed the bid submitted by Abubaker Technical Services and General Supplies Ltd and noted that all the listed equipment without documentation was listed in the bid as owned by the bidder but lacked evidence of ownership, lease or hire such as registration books and lease agreements or memoranda.
9. The Authority found that the Evaluation Committee properly evaluated the bid by Abubaker Technical Services and General Supplies Ltd and found it non-responsive to the requirement of equipment since it did not submit documentary evidence in respect to the Compressor, Mechanical Broom and provided (1) 300 KVA generator instead of 2 generators of 250 KVA.
10. The Authority further found the bidder was properly evaluated and found non-responsive to the requirement of Personnel since it did not attach / provide CVs for the proposed Land Surveyor (Mr. Mathew Sebwami, the proposed Land Surveyor's CV indicated the position of Quantity Surveyor and his qualification were related to the position and was hence passed as compliant to the requirement of Quantity Surveyor and non-responsive to the requirement of Land Surveyor) and Health and Safety Manager, Mr. Jude Mukhama. The proposed Social Manager (Ms. Martha Nakazzi) had 4 years' general experience instead of 7 years which was less than the required number of years for that position.
11. In a meeting with the Authority, Mr. Dan Iga (Engineer, Road Development) and Mr. Clive Kamisho, (Senior Procurement Officer) who conducted the evaluation of bids stated

that the Evaluation Committee carried the evaluation in accordance with the criteria in the bidding document.

12. During technical evaluation of bids, it was also noted that IBB International did not submit documentary evidence in respect to the following items; Low Loader, Excavator 1.0cum 140HP, Wheel Excavator and Loader, Motor Grader and Compressor.
13. The Authority reviewed the bid submitted by IBB and noted that all the listed equipment without documentation was listed in the bid as owned by the bidder. The bidder did not submit documentary evidence of ownership, lease or hire such as registration books, agreements or memoranda.
14. The Authority found that the Evaluation Committee properly evaluated the bid by IBB International and found it non-responsive to the requirement of equipment since it did not submit documentary evidence in respect to the following items:
  - i. Low Loader- The bidder did not attach any evidence of ownership in terms of a log book or lease agreement.
  - ii. Excavator 1.0cum 140HP-The bidder provided two Excavators i.e. Registration No. UBA 241J owned by the bidder while Registration No. UBB769 R was leased from MANTRAC. However the lease agreement provided did not include the second one in the schedule of equipment to be supplied by Mantrac which meant that the bidder did not provide a lease agreement for the second Excavator 1.0cum 140HP and hence found non-compliant to the requirement.
  - iii. Wheel Excavator and Loader-The bidder provided a Wheel Excavator (Registration No. UBA 414J which was considered as a wheel front end loader instead of the Wheel Excavator and Loader required in the bidding document and hence being non-compliant to the requirement.
  - iv. Motor Grader-The bidder provided one Motor Grader Registration. No UBA 245J instead of two Motor Graders required in the bidding document and hence non-compliant to the requirement.
  - v. Compressor-The bidder did not provide any detail of the Compressor and hence evaluated as non-responsive to the requirement.
15. The Authority found that the Evaluation Committee properly evaluated the bids by Abubaker Technical Services Ltd and General Supplies, Star Group Ltd and IBB International and correctly found them non-responsive to the requirements in the bidding document and hence did not proceed to the next stage of evaluation.

## **6.0 RECOMMENDATION**

In light of the above findings and in accordance with Section 9 of the PPDA Act 2003, the Authority found no merit in the allegations by the complainant and recommends that the Entity proceeds to implement the contract with the provider according to the terms and conditions therein.