



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

*"Procurement That Delivers"*

**PPDA/NITA/126**

5<sup>th</sup> March 2024

The Executive Director  
National Information Technology Authority Uganda  
P.O. Box 33151  
**KAMPALA**

**BID PREPARATORY AUDIT EXERCISE FOR THE PROVISION OF CONSULTANCY SERVICES FOR DATA CENTRE MARKET STUDY FOR ESTABLISHMENT OF THE 3<sup>RD</sup> (THIRD) DATA CENTRE (NITA-U/UDAP/CONS/2023-2024/00019)**

Reference is made to the above subject.

On 29<sup>th</sup> February 2024, the Public Procurement and Disposal of Public Assets Authority (PPDA) in accordance with Section 7 (j) (i) of the PPDA Act 2003 conducted a bid preparatory audit for the provision of consultancy services for data centre market study for establishment of the 3<sup>rd</sup> (third) data centre (NITA-U/UDAP/CONS/2023-2024/00019).

The objectives of the audit were to:

1. Establish whether the public procurement planning and requisitioning processes were conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act 2003, PPDA Regulations 2023 and PPDA Guidelines; and
2. Establish whether the solicitation document issued to the bidders was prepared in accordance with the provisions of the PPDA Act 2003, PPDA Regulations 2023 and PPDA Guidelines.

The scope of the bid preparatory audit entailed a review of the procurement requisition form, solicitation document and bid notice as well as approvals of the Contracts Committee of the procurement method, Evaluation Committee and solicitation document. The areas of the solicitation document analyzed were - Instructions to Bidders, Bid Data Sheet, Evaluation Methodology and Criteria, Bidding Forms and the Special and General Conditions of Contract.

The Authority identified the following exceptions with regard to the procurement planning and requisition processes, and the solicitation document for the attention of management:

Page 1 of 3

**Head Office**  
PPDA - URF Towers, Plot 39  
Nakasero Road  
P.O.Box 3925, Kampala Uganda  
Tel: +256-414-311100  
Email: info@ppda.go.ug

**Western Regional Office**  
RDC's Building , Bishop Stretcher Road,  
Opposite BOU Currency Centre, Mbarara-Kabale Road  
P.O. Box 1353, Mbarara, Uganda.  
Tel: +256-417-733800  
Email: mbararaoffice@ppda.go.ug

**Northern Regional Office**  
Plot 1, Lower Churchill Drive  
P.O. Box 999, Gulu, Uganda  
Tel: +256-417-432010  
Email: guluoffice@ppda.go.ug

**Eastern Regional Office**  
Oval Plaza, Plot 1, Court Road  
P.O. Box 2173, Mbale, Uganda  
Tel: +256-417-890100  
Email: mbaleoffice@ppda.go.ug

**1.0. To establish whether the public procurement planning and requisitioning processes were conducted in a manner which promotes transparency, accountability and fairness in accordance with the Public Procurement and Disposal of Public Assets Act 2003, the PPDA Regulations 2023 and relevant guidelines**

**1.1. Delayed initiation of the procurement exercise**

The Entity stated in the procurement plan that the start date for this procurement would be 7<sup>th</sup> July 2023; however, it was initiated on 24<sup>th</sup> January 2024.

Inefficiency in the procurement process leads to delays in service delivery.

The Authority recommends that the Head, Procurement and Disposal Unit should monitor the procurement plan and ensure that User Departments initiate and forward their requirements to the Unit in a timely manner in accordance with Section 34 of the PPDA Act 2003.

**1.2. Retrospective initiation by the Procurement and Disposal Unit**

Section 59 (2) of the PPDA Act, 2003 states that "*Procurement or disposal shall only be initiated or continued on the confirmation that funding, in the full amount over the required period, is available or will be made available at the time the contract commitment is made.*"

The audit noted that the Contracts Committee approved the procurement method (National Competitive Bidding), Terms of Reference, Expression of Interest and the Evaluation Committee on 21<sup>st</sup> November 2023, however the procurement was initiated on 24<sup>th</sup> January 2024 and confirmation of availability of funds was completed on 8<sup>th</sup> February 2024.

This implies that procurement structures are not being followed by the Entity.

The Authority recommends that the Procurement and Disposal Unit should desist from initiating procurements retrospectively.

**1.3. Delay in confirmation of availability of funds**

The Accounting Officer delayed to confirm the availability of funds by two weeks.

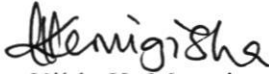
Delays in the procurement process create a lengthy lead time which consequently impedes timely service delivery.

The Accounting Officer should ensure that all procurements are conducted in a manner which promotes economy, efficiency and value for money in accordance with Section 48 of the PPDA Act, 2003.

**2.0. To establish whether the solicitation document issued to bidders was prepared in accordance with the provisions of the Public Procurement and Disposal of Public Assets Act, 2003, the PPDA Regulations 2023 and relevant guidelines**

There were no exceptions noted.

The purpose of this letter is to forward the findings of the bid preparatory audit exercise. In order to administer and enforce compliance with the provisions of the PPDA Act 2003, Regulations and Guidelines, the Entity is required to implement the recommendations of the Authority contained in this letter.



Hilda K. Mwesigwa

**For: EXECUTIVE DIRECTOR**

cc: Chairperson, Contracts Committee  
cc: Head, Procurement and Disposal Unit