



**PUBLIC PROCUREMENT AND DISPOSAL
OF PUBLIC ASSETS AUTHORITY**
"Procurement That Delivers"

PPDA/KYEG/876

8th October 2024

The Chief Administrative Officer
Kyegegwa District Local Government
P.O Box 99
KYEGEGWA

BID PREPARATORY AUDIT FOR THE CONSTRUCTION OF A THREE CLASSROOM BLOCK WITH FURNITURE AT WEKOMIIRE SECONDARY SCHOOL FOR THE FINANCIAL YEAR 2023/2024

Reference is made to the above subject.

The Public Procurement and Disposal of Public Assets Authority conducted a bid preparatory audit for the construction of a three-classroom block at Wekomiire Secondary School for the financial year 2023/2024 estimated at UGX 218,000,000. The audit exercise involved a review of the procurement planning, requisition/initiation, shortlisting, and solicitation document to be issued to bidders following the Public Procurement and Disposal of Assets Act, Cap.205, the attendant PPDA Regulations 2023 and Guidelines 2024.

The objectives of the audit were to:

1. Ensure that public procurement planning, requisition, and shortlisting were conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, Cap.205, the attendant PPDA Regulations 2023, and Guidelines 2024; and
2. Establish whether the solicitation document issued to bidders was prepared in accordance with the provisions of the PPDA Act Cap.205, the attendant PPDA Regulations 2023, and Guidelines 2024.

The Authority identified a number of exceptions for the attention of Management. The purpose of this letter therefore is to communicate the following findings and recommendations for your attention and action:

1.1. Anomalies in the bidding document

The Entity intends to issue the bidding document for works under Quotations Method. The Authority found the following anomalies:

Table 1: Anomalies in the bidding document

No.	Anomalies found	Recommendations
Bidding Procedures		
1.	The bidding document did not indicate that procurement had been reserved for national providers and did not set criteria to assess the compliance of the bidders to this requirement	The bidding document should clearly indicate that the procurement has been reserved for national providers and require the bidders to provide

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No.	Anomalies found	Recommendations
	under eligibility contrary to Clause 2.1 of the Guideline 12/2024 on Reservation Schemes to Promote the Participation of Local Providers in Public Procurement.	documentation to evidence eligibility like the Company Form of Directors, Memorandum and articles of association, and national identification cards for the owners and directors as required under Clause 2.1 Guideline 12/2024 on Reservation Schemes to Promote the Participation of Local Providers in Public Procurement.
2.	Incomplete eligibility criteria for social security contributions. Clause 4 of the Eligibility Criteria required bidders to have fulfilled their obligations to make social security contributions, The Entity did not however, indicate the document evidencing eligibility (the NSSF Clearance Certificate) among the documents that had be submitted by the bidders.	The Entity should include the NSSF Clearance Certificate among the documents evidencing eligibility to complete the requirements of Clause 4 of the Eligibility Criteria under the Bidding Procedures.
3.	The Entity did not include the requirement of submission of Beneficial Ownership information by the bidders contrary to PPDA Circular No.1 of 2021.	The Procurement and Disposal Unit should include the requirement for beneficial ownership information by inputting the information in the required form in accordance with PPDA Circular no. 1 of 202. Please note that a Beneficial Owner is is defined to mean the natural person who has final ownership or control of a company or a natural person on whose behalf a transaction is conducted in a company, and included a natural person who exercised ultimate control over a company.
4.	Inadequate technical evaluation criteria. The set criteria for similar experience of contracts with a minimum value of UGX 150,000,000 under Section 3 Evaluation Methodology, was not adequate to assess capacity of a bidder to undertake similar works with an estimated cost of UGX 218,000,000 contrary to Regulation 47(3) of the PPDA (Rules and Methods for Procurement of Works, Supplies and Non-Consultancy Services) Regulations, 2023.	The Entity should revise the minimum value of previous similar works done to an equivalent of the estimated cost of the procurement to enable assessment of the technical ability of the bidders to perform the contract.
5.	Failure to indicate the environmental, social, health and safety risks to guide bidders. The Entity did not set out the risks and applicable plans identified by the Entity's environmental and social officers to enable the bidders to prepare responsive	The Entity's Environmental and Social Specialists should undertake project screening to identify risks and applicable plans that should be included under the bidding procedures to guide the bidders to prepare their

No.	Anomalies found	Recommendations
	environmental and social management plans and codes of conduct.	Environmental and Social Management Plans (ESMPs).
Statement of Requirements		
6.	The bills of quantities (statement of requirements) did not include the environmental protection issues and social inclusion issues applicable to the procurement requirement as informed from the project screening contrary to Regulation 44(b)(iii) of the PPDA (Rules and Methods for Procurement of Works, Supplies and Non-Consultancy Services) Regulations, 2023.	The bills of quantities should specify the environmental protection issues and social issues applicable to the requirement that are based on the risks identified from the project screening that are representative of the activities in the ESMPs in accordance with Regulation 44(b)(iii) of the PPDA (Rules and Methods for Procurement of Works, Supplies and Non-Consultancy Services) Regulations, 2023.
7.	Inconsistencies in the scope of works. SCC 1.1(ii) indicated that there is a supply of 54 desks, three tables and three cushioned chairs. However, the bills of quantities indicate a supply of 36 desks, two tables and two chairs.	The Entity should review the requirements and reconcile this inconsistency.

The purpose of this letter is to forward to you the findings from the bid preparatory audit exercise for your implementation. In order to administer and enforce compliance with the provisions of the PPDA Act, Cap. 205, the Accounting Officer should ensure that revisions are made to the bidding document before it is issued to the bidders.



Moses Ojambo

For: EXECUTIVE DIRECTOR

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