



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

**INVESTIGATION REPORT INTO ALLEGED IRREGULARITIES IN
CONTRACT AWARD FOR RENOVATION OF TWO BLOCKS OF
FOUR CLASSROOMS AT YORO PRIMARY SCHOOL
(PROCUREMENT REFERENCE NO. ADJU504/WRKS/2017-2018/0003)**

ENTITY : ADJUMANI DISTRICT LOCAL GOVERNMENT

COMPLAINANT: TINDO INVESTMENTS LIMITED

JUNE 2018

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ACRONYMS

BOQ	Bill of Quantities
ITB	Instruction to bidders
PPDA	Public Procurement and Disposal of Public Assets Authority
UGX	Uganda Shillings

1.0 SUMMARY OF FACTS

1. On 14th July 2017, the Procurement of renovation of two blocks of four classrooms at Yoro Primary School was initiated by the District Education Officer and approved by the Accounting Officer estimated at UGX 229,305,300.
2. On 10th August 2017, Adjumani District Local Government published a bid notice in the Newvision Newspaper with a deadline of bid submission of 30th August 2017.
3. Two (2) firms were issued bidding documents, submitted their bids and opened as indicated in Table 1 below.

Table 1: Record of bid opening

No.	Name	Bid Price (UGX)
1.	Marlib Entreprises	227,997,720
2.	Tindo Investments	225,129,150

4. The evaluation report dated 13th September 2017, recommended award of the contract for renovation of two blocks of four classrooms at Yoro Primary School to Marlib Entreprises at UGX 227,997,720.
5. On 18th September 2017, the Contracts Committee approved the evaluation report and awarded the contract for renovation of two blocks of four classrooms at Yoro Primary School to Marlib Entreprises at UGX 227,997,720.
6. On 2nd October 2017, the Notice of the Best Evaluated Bidder was displayed and copies sent by email to all bidders on 4th October 2017.
7. On 20th November 2017, a contract was signed between Adjumani District Local Government and Marlib Entreprises for renovation of two blocks of four classrooms at Yoro Primary School to M/s Marlib Entreprises at UGX 227,997,720.

2.0 OBJECTIVE OF THE INVESTIGATION

The Objectives of the investigation were to establish whether:

- i. Tindo Investments Limited was issued a copy of the solicitation document.
- ii. The Entity communicated to Tindo investments Limited the wrong bid validity period.
- iii. The Notice of the Best Evaluated Bidder was displayed and issued to all bidders.

3.0 LAW APPLICABLE

- i. The Public Procurement and Disposal of Public Assets Act No. 1 of 2003
- ii. The Local Governments (PPDA) Regulations, 2006

4.0 METHODOLOGY

4.1 Review of the following documentation:

- i. Requisition form;
- ii. Bid notice;
- iii. Solicitation document issued to bidders;
- iv. Record of issue, receipt and opening of bids;
- v. Bids submitted;
- vi. Contracts Committee minutes;
- vii. The evaluation report;
- viii. Notice of the Best Evaluated Bidder;
- ix. Contract document;
- x. Correspondences between the Entity and the bidder; and
- xi. The complaint submitted by Tindo Investments Limited.

4.2 The Authority met the following officials:

Table 2: Officials Met

No.	Name	Entity	Designation
1.	Mr. Deogratiuous Leku Maiko	Adjumani District Local Government	Senior Procurement Officer
2.	Mr. Elemu Joel	Tindo Investments Limited	Managing Director

5.0 FINDINGS BY THE AUTHORITY

5.1 Whether Tindo Investments Limited was issued a copy of the solicitation document.

- i. The complainant alleged that despite making payments for the bidding documents it was never issued with a hard copy of the same except for BOQs that were emailed a week later on 28th August 2017.
- ii. The Authority reviewed the record of issue of the solicitation document and payment records and noted that Tindo Investments Limited paid for the solicitation document on 25th August 2017 and was issued the document on the same date.
- iii. The Authority was unable to confirm the allegations that the firm was issued the solicitation document by email on Saturday 28th August 2017 and the complainant failed to provide evidence of the same.
- iv. The Authority further noted that the bidder indicated in the Bid Submission Sheet that the bidding document issued to them was examined and had no reservations to it.
- v. The Authority found that Tindo Investments Limited paid for the solicitation document on 25th August 2017 and was issued the document on the same date.

5.2 Whether the Entity communicated to Tindo Investments Limited the wrong bid validity period.

- i. The complainant alleged that on enquiring about the bid validity period, the Procurement Officer indicated that a bid validity period of 90 days should be quoted contrary to the requirement in the issued bidding document.
- ii. ITB 17.1 of the bidding document issued required bidders to have their bids valid for 120 working days.
- iii. During the meeting with the Procurement Officer, he confirmed that the required bid validity period was 120 working days which was clearly indicated in the solicitation document and denied communicating a period of 90 working days to Tindo Investments Limited.
- iv. In a separate meeting with Tindo Investments Limited an audio recording of the 90 days bid validity period that was communicated to the firm as alleged by the complainant was never produced to substantiate the allegation.
- v. The Authority found no evidence to the effect that the Entity communicated to Tindo Investments Limited the wrong bid validity period since the ITB 17.1 of the solicitation document required bidders to have their bids valid for 120 working days.

5.3 Whether the Notice of the Best Evaluated Bidder was displayed and issued to all bidders.

- i. The complainant alleged that the Entity did not display the Notice of the Best Evaluated Bidder for the mandatory ten (10) working days as required by Regulation 85 (4) (a) of the Local Governments (PPDA) Regulations, 2006 and went ahead to handover the site to a contractor.
- ii. The Notice of the Best Evaluated Bidder was displayed on 2nd October 2017, a copy was sent to all bidders who participated in the procurement on 4th October 2017 in accordance with Regulation 85 (5) of the Local Governments (PPDA) Regulations, 2006.
- iii. The Authority noted that the Entity issued to all bidders, including the complainant, a copy of the Notice of the Best Evaluated Bidder through their emails indicated in their bids on 4th October 2017. The same was confirmed by the Procurement Officer during the interviews.
- iv. The Authority found that the Notice of the Best Evaluated Bidder was displayed on 2nd October 2017 and a copy was sent on 4th October 2017 to all bidders who participated in the procurement process.

6.0 RECOMMENDATIONS

In accordance with the Section 9 of the PPDA Act, 2003, the Authority recommends that the Entity continues with the implementation of the contract according to the terms thereof.

