



Public Procurement and Disposal of Public Assets Authority

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Our Ref:..... PPDA/M14/B12/000

Your Ref:.....

14th January, 2014

To all Accounting Officers
Central Government

RE: CIRCULAR TO PROCURING AND DISPOSING ENTITIES ON THE BULK PROCUREMENT BY NITA-U OF INTERNET BANDWIDTH AND DELIVERY THROUGH THE NATIONAL DATA TRANSMISSION BACKBONE INFRASTRUCTURE (NBI) – CIRCULAR NO.1 OF 2014

Reference is made to the Cabinet approval of the IT Rationalization Strategy in Ministries, Departments and Agencies (MDAs) contained in cabinet minute 261-CT 2012. One of the pillars under the strategy is to use the NBI/EGI infrastructure as the primary vehicle for all Government data, internet and voice services.

In order to implement the IT Rationalization Strategy, NITA-U using open international competitive bidding, procured a service provider; M/s Bandwidth and Cloud Services Group Ltd to provide bulk internet bandwidth to all Entities.

The Permanent Secretary/ Secretary to Treasury in a letter dated 28th October 2013 that was copied to all Accounting Officers informed all MDAs to work with NITA-U to implement the IT rationalisation strategy and advised all Accounting Officers not to renew contracts for internet bandwidth after 31st December, 2013. A copy of the letter of PS/ST is attached hereto as **Annex I**.

The Public Procurement and Disposal of Public Assets Authority (PPDA) held discussions with NITA-U to ensure the smooth implementation of the Strategy within the scope of the PPDA Act and Regulations. The current legal framework (Section 7 (n) of the PPDA Act and PPDA Regulations 102 &103) allows for this arrangement where one Entity undertakes the lead role for commonly procured items on behalf of other Entities.

PPDA has noted the following immediate benefits that will accrue from the use of the NBI infrastructure under NITA-U for the provision of bulk internet bandwidth to Entities-

- i. Efficiency gains by reduction in procurement lead times since the Entities will not be required to procure internet bandwidth but will enter into MOUs and service

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level agreements that will state the amount of internet bandwidth required by each Entity;

- ii. Economy gains due to reduction in the cost of the internet bandwidth services as a result of the bulk procurement from one service provider by NITA-U;
- iii. Harmonization of the unit costs of internet bandwidth across Entities;
- iv. Standardization of the service level agreements and the quality of services for all Entities; and
- v. Performance tracking and measurement of the service provider by NITA-U.

The purpose of this circular therefore, is to advise all Entities that the implementation of the provision of internet bandwidth by NITA-U will be phased in accordance with the Entities that are connected to the National Backbone Infrastructure as follows-

1. With effect from **15th January 2014**, the Entities listed under **Category A in Annex II** that are currently connected to the NBI will be required to enter into MOUs and service level agreements with NITA-U for provision of internet bandwidth.
2. With effect from **1st July 2014**, the Entities listed under **Category B in Annex II** who are scheduled to be connected to the NBI by **30th June 2014**; will be required to enter into MOUs and service level agreements with NITA-U for provision of internet bandwidth.
3. With effect from **1st July 2015**, the Entities listed under **Category C in Annex II** who are scheduled to be connected to the NBI by **30th June 2015**; will be required to enter into MOUs and service level agreements with NITA-U for provision of internet bandwidth.

NITA-U will in the subsequent years update all Entities on when they shall be connected to the NBI and all such Entities will be required to enter into similar arrangements with NITA-U.

The Entities listed under the different Categories in **Annex II** are advised to review their existing contracts with internet service providers and where necessary legally terminate the contracts in consultation with the Solicitor General.

Please note that once the Ministry of Finance and Economic Planning has implemented the transfer of the funds for internet bandwidth from the respective Entities to NITA-U, the services by NITA-U will not be deemed as procurement contracts. However, NITA-U will submit periodic reports to PPDA on the performance of the MOUs and the service level agreements.

Cornelia K. Sabiiti
EXECUTIVE DIRECTOR

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c.c: The Permanent Secretary/ Secretary to Treasury
Ministry of Finance, Planning and Economic Development

c.c: The Solicitor General
Ministry of Justice and Constitutional Affairs

c.c: The Executive Director
NITA-U

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D/S
DFA

28th October, 2013

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

**REQUEST FOR FUNDING FOR THE BULK PROCUREMENT OF INTERNET
BANDWIDTH TO MINISTRIES, DEPARTMENTS AND AGENCIES (MDAs)
THROUGH THE NATIONAL BACKBONE INFRASTRUCTURE (NBI)**

Reference is made to your letter ref. NITA/ADM/09.013 dated 23rd September, 2013 on the
above subject.

We appreciate your plans aimed at enabling NITA-U actualize the implementation of the
rationalization and harmonization of ICT services across the MDAs through the proposed
harmonized bulk procurement of internet band width to various MDAs.

We have no objection to your request since harmonized bulk procurement will save
Government money. Consequently, we advise that:

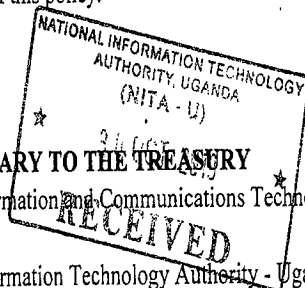
- I. All MDAs should have their contracts not renewed by end December 2013; with perhaps
the exception of Ministry of Agriculture, Animal Industry and Fisheries (MAAIF)
which has an already paid for contract up to 30th June 2014,
- II. Consequently, you should ensure that the bulk purchase is effective by 1st January 2014;
- III. Since funds for this financial year are already appropriated under the various MDAs,
NITA-U should then enter into MoU's with these MDAs for purposes of payments,
- IV. However, in the next FY 2014/15, all funds under these MDAs will be transferred to
your Vote to enable smooth harmonized bulk procurement.

By copy of this letter, all Accounting Officers are informed and requested to work with
NITA-U to fast track the implementation of this policy.


Keith Muhakanizi

PERMANENT SECRETARY/SECRETARY TO THE TREASURY

- c.c. The Hon. Minister of State for Information and Communications Technology,
c.c. All Accounting Officers,
c.c. The Chairman Board, National Information Technology Authority - Uganda.



Mission

*"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to
achieve the most rapid and sustainable economic growth and development"*

ANNEX II

CATEGORY A - Currently connected to the NBI

1. Accountant General
2. Auditor General
3. Directorate of Ethics and Integrity (DEI)
4. Ministry of Agriculture, Animal Industry and Fisheries (MAAIF)
5. Ministry of Defence
6. Ministry of East African Community Affairs (MEACA)
7. Ministry of Education and Sports
8. Ministry of Energy and Minerals
9. Ministry of Finance, Planning and Economic Development (MoFPED)
10. Ministry of Foreign Affairs
11. Ministry of Gender Labour and Social Development (MoGLSD)
12. Ministry of Health
13. Ministry of Information and Communications Technology
14. Ministry of Internal Affairs
15. Ministry of Justice and Constitutional Affairs (MoJCA)
16. Ministry of Lands, Housing and Urban Development (MoLHUD)
17. Ministry of Local Government (MoLG)
18. Ministry of Public Service (MoPS)
19. Ministry of Tourism, Wildlife and Heritage
20. Ministry of Trade, Industry and Cooperatives
21. Ministry of Water and Environment
22. Ministry of Works and Transport
23. National Information Technology Authority (NITA-U)
24. Office of the President
25. Parliament of Uganda
26. State House - Okello House
27. State House - Entebbe

CATEGORY B - Scheduled to be connected to the NBI by 30th June 2014

1. Bank of Uganda (BoU)
2. Civil Aviation Authority (CAA)
3. Commercial Court
4. Court of Appeal
5. Education Service Commission
6. Electoral Commission (EC)
7. Inspectorate of Government (IGG)
8. Insurance Regulatory Authority of Uganda
9. Judicial Service commission

10. Judicial Studies Institute
11. Judiciary
12. Kampala Capital City Authority (KCCA)
13. KCCA Central Office
14. Kyambogo University
15. Makerere University Business School
16. Ministry of Works and Transport
17. National Council for Higher Education (NCHE)
18. National Curriculum Development Centre (NCDC)
19. National Drug Authority (NDA)
20. National Medical Stores (NMS)
21. National Planning Authority (NPA)
22. National Social Security Fund (NSSF) - Workers House
23. National Social Security Fund (NSSF) - Nakasero, Plot 5 George Street
24. Posta Uganda
25. Public Procurement and Disposal of Public Assets Authority (PPDA)
26. Uganda Electricity Transmission Company Limited (UETCL)
27. Uganda AIDS Commission (UAC)
28. Uganda Cancer Institute
29. Uganda Heart Institute
30. Uganda Industrial Research Institute (URI)
31. Uganda Institute of Information and Communications Technology (UICT)
32. Uganda Land Commission
33. Uganda Management Institute
34. Uganda National Bureau of Standards (UNBS)
35. Uganda National Council for Science and Technology (UNCST)
36. Uganda National Examinations Board (UNEB)
37. Uganda National Examinations Board (UNEB) Kyambogo
38. Uganda Registration Services Bureau
39. Uganda Revenue Authority (URA)
40. Uganda Virus Research Institute (UVRI)
41. Uganda Wildlife Authority (UWA)
42. Uganda Wildlife Education Centre (UWEC)
43. UNRA Kampala Station

CATEGORY C - Scheduled to be connected to the NBI by 30th June 2015

1. Amnesty Commission
2. Anti corruption court
3. Capital Markets Authority (CMA)
4. Central Mechanical Workshop
5. Centre for Arbitration and Dispute Resolution (CADER)
6. Control of Trypanosomiasis in Uganda (COCTU)
7. Department of Administrator General

8. Dairy Development Authority (DDA)
9. Directorate of Ethics and Integrity (DEI)
10. Directorate of Public Prosecutions (DPP)
11. Electricity Regulatory Authority (ERA)
12. Entebbe Air Port
13. Export Promotion Board (EPB)
14. External Security Organization (ESO)
15. Health Service Commission (HSC)
16. Joint Clinical Research Centre HQ
17. KCCA Office Nakawa division
18. Law Development Centre
19. Local Government Finance Commission
20. Meteorological Department
21. Ministry of Energy and Mineral Development
22. Mulago Hospital Complex
23. National Agricultural Advisory Services (NAADS)
24. National Agriculture Research Organisation (NARO)
25. National Council of Sports
26. National Enterprise Corporation (NEC)
27. National Environment Management Authority (NEMA)
28. National Housing and Construction Company Limited (NHCC)
29. National Social Security Fund (NSSF) - Plot 108 Jinja Road
30. National Social Security Fund (NSSF) - Bugolobi, 1st Floor, Millenium Building
Bugolobi
31. National Social Security Fund (NSSF) - Zzana, Plot 95 Kampala - Entebbe Road
32. National Water and Sewerage Corporation (NWSC)
33. Nkumba University
34. Presidential Initiative on Banana Industrial Development (PIBID)
35. Privatisation and Utility Sector Reform Project (PUSRP)
36. Public Service Commission
37. Registry of Planning
38. Rural Electrification Agency (REA)
39. Supreme Court
40. Tax Appeals Tribunal
41. Transport Licensing Board
42. Uganda Blood Transfusion Services (UBTS)
43. Uganda Broadcasting Corporation (UBC)
44. Uganda Coffee Development Authority (UCDA)
45. Uganda Electricity Distribution Company Limited (UEDCL)
46. Uganda Electricity Generation Company Limited (UEGCL)
47. Uganda Investment Authority (UIA)
48. Uganda Law Reform Commission
49. Uganda Law Society
50. Uganda Media Center

51. Uganda National Chamber of Commerce & Industry (UNCCI)
52. Uganda National Health Research Organization (UNHRO)
53. Uganda Property Holdings Limited (UPHL)
54. Uganda Road Fund
55. Uganda Securities Exchange (USE)
56. Uganda Tourist Board (UTB)
57. Uganda Wildlife Education Centre (UWEC)
58. Ugandan Human Rights Commission (UHRC)