



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

**REPORT ON THE COMPLIANCE AUDIT OF THE
NATIONAL POPULATION COUNCIL FOR FINANCIAL
YEAR 2022/2023**

FEBRUARY 2024

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ACRONYMS

AO	Accounting Officer
BEB	Best Evaluated Bidder
FY	Financial Year
LTD	Limited
NCONS	Non-Consultancy Services
PDE	Procuring and Disposing Entity
PPDA	Public Procurement and Disposal of Public Assets Authority
SUPLS	Supplies
NPC	National Population Council
UGX	Uganda Shillings

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a compliance audit of your Entity that covered eleven (11) sampled procurement transactions under the Financial Year 2022/2023 (Annex A).

The overall objective of the compliance audit was to assess and establish the degree of compliance of National Population Council procurement system, process and disposal process with the provisions of the PPDA Act, 2003 and the PPDA Regulations, 2014 and assess the level of procurement performance over the audit period.

The following key exceptions were noted:

1. Failure by the Internal Audit Unit to conduct an audit of the procurement function of the Entity contrary to Regulation 32 (1) of the PPDA (Procuring and Disposing Entities) Regulations, 2014 which indicates weak internal controls that result into poor performance in the procurement and disposal function;
2. Signing contracts above estimated prices with a variance between the estimated amount and the final contract sum in four procurements worth UGX 327,810,000 without carrying out market re-assessment contrary to Regulation 5(3) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2014 hence leading to domestic arrears;
3. Issuing inadequate bidding documents in two procurements worth UGX 152,360,000, whose statement of requirements, evaluation criteria or contract terms were incomplete exposing potential bidders to prepare unresponsive bids;
4. Use of Direct procurement method without proper justification in the procurement for Events management at the launch of SUPRE 2022 worth UGX 33,150,000, contrary to Regulation 8 (2) of the PPDA (Rules and Methods for Procurement of Works, Supplies and Non-Consultancy Services) Regulations, 2014. This denies the Entity the opportunity to get competitive prices, and therefore did not get value for money;
5. Failure to dispose off assets estimated at UGX 76,500,000 despite being provided for in the disposal plan contrary to the PPDA (Disposal of Public Assets) Regulations, 2014 making assets to continue depreciating and lose value while in the possession of the Entity;
6. Failure to prepare contract implementation plans in two sampled procurement transactions worth UGX 170,395,000, there were no contract implementation plans prepared or maintained on the procurement action files as well as performance/progress reports contrary to Regulation of the PPDA (Contracts) Regulations 2014. This hinders effective monitoring of contract execution/performance thus affecting service delivery.

The Authority recommends that:

1. The Internal Audit Unit should audit the Entity's procurement procedures and payments in accordance with Regulation 32 (1) of the PPDA (Procuring and Disposing Entities) Regulations, 2014;
2. The Accounting Officer should conduct a re-assessment of market prices before contract signature where prices recommended for contract award are higher than those earlier planned or estimated in accordance with Regulation 5 (3) of the PPDA (Rules and Methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2014;
3. The Procurement and Disposal Unit should when preparing bidding documents, state the requirements in a manner that leaves no doubt or assumption to a bidder in accordance with Regulation 32(a) of the PPDA (Rules and Methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2014;
4. The Head Procurement and Disposal Unit should always make the choice of the appropriate procurement method basing on the provisions set out under Regulation (6) of the PPDA (Rules and Methods for Procurement of Works, Supplies and Non-Consultancy Services) Regulations, 2014;
5. The Accounting Officer should task the Procurement and Disposal Unit to maintain complete disposal action files for each disposal requirement and for the responsible User Departments to handle the disposal process in accordance with the PPDA (Disposal of Public Assets) Regulations, 2014;
6. The Accounting Officer should prevail over contract supervisors to prepare contract implementation plans in accordance Regulation of the PPDA (Contracts) Regulations 2014.

CHAPTER ONE: INTRODUCTION

1.1 Structure of the Entity

The National Population Council is a semi-autonomous institution under the Ministry of Finance Planning and Economic Development mandated to coordinate the implementation of the National Population Policy and Programme, advocate for integration of population factors in development planning in accordance with the agreed framework under the National Development Plan.

According to Section 26 of the PPDA Act, 2003, the Accounting Officer has the overall responsibility for the successful execution of procurement, disposal and contract management in a Procuring and Disposing Entity. The Accounting Officer of the National Population Council for the Financial year 2022/23 is Dr Jotham Musinguzi.

The PS/ST of Ministry of Finance, Planning and Economic Development approved members of the Contracts Committee listed in Table 1 below who also acted during the period under review:

Table 1: Contracts Committee members

No.	Name	Position on Contracts Committee	Date of effective Appointment
1.	Edith Kangabe	Chairperson	21 st September 2020
2.	Henry Ziridamu Lubega	Secretary	4 th May 2021
3.	Henry Obbo Okumu	Member	21 st September 2020
4.	Jane Mania	Member	21 st September 2020
5.	Charles Musana	Member	2 st September 2020

According to Section 31 (a) of the PPDA Act, 2003 all procurement or disposal activities of the Procuring and Disposal Entity except adjudication and award of contract are to be managed by the Procurement and Disposal Unit. The Procurement and Disposal Unit during the period under review was headed by Katushabe Hadijjah.

1.2 Background

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a compliance audit of National Population Council. The exercise covered a sample of 11 procurement transactions carried out during Financial Year 2022/2023. The exercise involved a review of the Entity's structure, procurement system, procurement processes following the PPDA Act, 2003 and the PPDA Regulations, 2014.

1.3 Objective of the Compliance Audit

The overall objective of the procurement and disposal audit was to assess and establish the degree of compliance of the Uganda National Population Council's procurement system and processes with the provisions of the PPDA Act, 2003 and Regulations, 2014 and assess the level of procurement performance over the audit period.

The specific objectives were to establish:

1. To establish the level of compliance by the Entity with the general provisions of the PPDA Act, 2003 and Regulations 2014 with regard to the performance of the procurement structures and conduct of procurement and disposal processes.
2. To assess the degree of compliance of the Entity' disposal process with the provisions of the PPDA Act, 2003 and Regulations 2014.
3. To assess the level of efficiency and effectiveness in contract implementation including the application of Environmental, Social, Health and Safety (ESHS) Requirements in the procurement process.

1.4 Scope of the Compliance Audit

The audit covered the period from July 2022 to June 2023. It involved a review of 10 procurement transactions conducted during the FY 2022/2023, review of procurement structures and procurement plan performance. The list of sampled transactions is contained in **Annex A**.

1.5 Audit Methodology

A sample of 11 procurement transactions was selected based on stratified random sampling using the Contracts Committee minutes, the contracts register, and the monthly procurement and disposal reports.

Staff of the Authority carried out the exercise under the supervision of the Manager Performance Monitoring. During the exercise, the team examined records and documents for each of the sampled procurement transactions. The team also reviewed the procurement plan, Contracts Committee minutes for FY 2022/2023 and monthly procurement and disposal reports for FY 2022/23.

On completion of document review, the team met with various stakeholders such as the Accounting Officer, Contracts Committee members and Procurement and Disposal Unit staff to discuss and get clarifications on some of the preliminary findings.

A debrief meeting to clear all pending issues that arose during the audit was held with the Entity management and staff on 7th November, 2023 before the audit team could embark on preparation of the management letter. The team prepared the management letter, which was sent to the Entity on 7th December, 2023 with a request to submit a management response by 15th December, 2023 and these were submitted on the 19th January 2024.

CHAPTER TWO: FINDINGS OF THE AUTHORITY

1. Level of compliance by the Entity with the general provisions of the PPDA Act, 2003 and Regulations 2014 with regard to the performance of the procurement structures and conduct of procurement and disposal processes

1.1 Procurement Implementation Rate

The Authority reviewed National Population Council Secretariat monthly procurement reports against the procurement and disposal plan for the FY 2022/2023 and found that only 41.61% of the planned procurements were reported as implemented. The table 2 below details the procurement implementation rate:

Table 2: Procurement plan implementation rate

Total procurement plan (UGX)	5,846,004,000
Total value of awarded contracts in monthly proc. reports (UGX)	2,432,920,880
Procurement plan implementation rate (%)	41.61
Procurement Budget Variance (UGX)	3,413,083,120

Risk Implication

In FY 2022-23, the Entity did not implement procurements worth UGX 3,413,083,120 which is an indication of ineffective service delivery.

Recommendation

The Accounting Officer should always monitor procurement plan implementation and ensure that all planned procurements are implemented.

Management Response:

The total budget was UGX 13,734,061,660/=, Actual release from treasurer was UGX 10,129,650,784/= procurement plan had a total budget of UGX 5,846,004,000/= actual procurement plan had a total of UGX 4,170,990,073/=, 28% of the total budget was not released

Given the gaps identified in the reporting above, all the money released was spent 100% as there was no funds that was returned to the treasurer for that financial year

Refer to Appendix 4

1.2 Failure by Internal Audit Unit to conduct an audit of the procurement function of the Entity.

The Authority noted that Internal Audit did not conduct regular audit of the procurement function of the Entity during FY 2022/2023. It was also noted that it was not involved at the time of delivery of supplies, payment of the supplies, works and services as there was no evidence of his verification at delivery of supplies prior to payment of suppliers or contractors contrary to Regulation 32 of the PPDA (Procuring and Disposing Entities) Regulations, 2014

Risk Implication

Weak internal controls can result into poor performance in the procurement and disposal function.

Recommendation

The Internal Audit Unit should audit the Entity's procurement procedures and payments in accordance with Regulation 32 (1) of the PPDA (Procuring and Disposing Entities) Regulations, 2014

Management Response

This is noted.

1.3 Failure to report awarded contracts in the procurement monthly reports.

The Entity did not report in the monthly procurement reports some awarded procurements. According to the Contracts Committee minutes of 18th May 2023 the contract for Supply and delivery of one station wagon worth UGX 337,746,178 however, it was not included in the monthly report contrary to Regulation 20 of the PPDA (Procuring and Disposing Entities) Regulations, 2014.

Risk Implication

This undermines the principles of transparency and accountability; and in breach of the law may attract punitive action in accordance with Section 95 of the PPDA Act 2003.

Recommendation

The Accounting Officer should task the Procurement and Disposal Unit to, each month; submit to the Authority a report on all procurement activities under taken in accordance with Regulation 20 of the PPDA (Procuring and Disposing Entities) Regulations, 2014.

Management Response:

It has been noted

1.4 Splitting of procurements

The Authority noted that the Entity split similar procurements which could have been conducted as one procurement contrary to Regulation 6(1) of the PPDA (Procuring and Disposing Entities) Regulations 2014 in Table 3 below;

Table 3: Split Procurements

No	Procurement Details	Estimated Cost (UGX)
1	Printing of round neck T- shirts for Jinja & Kitgum – Kwera Ltd	4,130,000
2	Printing of round neck T- shirts for women's day celebrations – Kwera Ltd	3,894,000
3	Printing of round neck T- shirts for Ibanda & Katakwi – Kwera Ltd	4,130,000
Total		12,154,000

Risk Implication

There is likelihood that the Entity did not attain competition which limits achieving of value for money.

Recommendation

The Accounting Officer should consider aggregating the procurements listed above in accordance with Regulation 6(1) of the PPDA (Procuring and Disposing Entities) Regulations 2014 in order to reduce procurements and obtain value for money.

Management Response

The requests came in from different user department and on different dates. i.e. 28th February 2023 were t-shirt for women's day celebrations from Finance and Administration department, T-shirts for PHE were requested on 15th February 2023 by monitoring and evaluation department and they were all required at different time. Refer to Appendix 5

1.5 Wrong codes used during Referencing of procurement requirements

The Authority noted that the Entity used the wrong reference codes i.e. NPC/SVCS is used for supplies and non-consultancy services instead of NPC/NCONS or NPC/CONS contrary to Regulation 3 (3) PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2014

Risk Implication

This makes it difficult to track and classify procurement and disposal needs.

Recommendation

The Head Procuring and Disposing Unit should adopt the correct reference codes when referencing procurement and disposal transactions in accordance with Regulation 3 (3) PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2014.

Management Response

It has been noted.

1.6 Signing contracts above estimated prices.

The Authority noted that there was a variance between the estimated amount and the final contract sum of certain procurements. It was further noted that there was no evidence on file of a re-assessment of market prices in any of the procurements or commitment of additional funding to cater for the shortfalls contrary to Regulation 5(3) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2014 as seen in Table 4 below;

Table 4: Procurements with variances between the estimated value and the contract value

No.	Subject of Procurement	Estimated Amount (UGX)	Contract Amount (UGX)	Management Response
1.	Supply of laptops, desktops and USB hubs	65,950,000	99,450,000	The prices used at planning were for computers and laptops for the previous procurement with different specifications where it was hard for PDU to know the difference until at the point of evaluation (for item No.1)
2.	Consultancy services developing district IPCI plans for 5 districts	16,278,600	75,310,000	Consultancy services developing district FPCIPs plans for 5 districts; The market price 81,393,000/= the unit cost was estimated at 16,278,600/= and the contract price was UGX 75,310,000/= as indicated on the BEB attached
3.	Consultancy services to conduct a PHE approach evaluation	100,000,000	119,900,000	Consultancy services to conduct a PHE approach evaluation. This is noted! During market survey a few districts were considered
4.	Events management at the launch of SUPRE 2022	30,000,000	33,150,000	Events management at the launch of SUPRE 2022. Taxes were not considered during the market survey. That is what caused the variance, this is noted going forward
	TOTAL	212,228,600	327,810,000	

Risk Implication

Contracting at higher prices creates domestic arrears.

Recommendation

The Accounting Officer should conduct a re-assessment of market prices before contract signature where prices recommended for award of contracts are higher than those earlier planned or estimated in accordance with Regulation 5(3) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2014

1.7 Issuance of inadequate bidding documents

In two procurements worth UGX 152,360,000, the Entity issued bidding documents whose statement of requirements, evaluation criteria or contract terms were not complete, detailed or specific and would leave room for assumptions. These are given in Table 5 below:

Table 5: Procurements with inadequate bidding documents

N	Procurement subject	Observation	Management Response
1.	Consultancy services for the “subnational analysis of the Population Policy and Programming on Population and Development worth UGX 32,460,000	a) The bid invitation notice was generic that is to say not addressed to any specific provider. b) Request for Quotation bidding document was not customized, save for the addition of a few dated, bidding, and closing, and bid validity. c) The evaluation criteria were generic and did not state the assessment indicators i.e. the evaluation methodology was not stated in the bidding document, points allocated to each technical criterion were not specified.	This is noted
2.	Consultancy services to conduct a Public Health Emergencies approach evaluation worth UGX 119,900,000	a) The evaluation methodology was not stated in the bidding document. b) The points allocated to each technical criterion, and not specified. c) The bid invitation notice was generic, it was not addressed to any specific provider d) Request for Proposal bidding document was not	This is noted

N	Procurement subject	Observation	Management Response
		<p>customized, save for the addition of a few dated, bidding, and closing, and bid validity</p> <p>e) The evaluation criteria were generic and did not state the assessment indicators i.e. the evaluation methodology was not stated in the bidding document, points allocated to each technical criterion were not specified</p>	

Risk Implication

This leaves doubt and assumptions to the bidder on the requirements of the Entity and exposes potential contractors to the risk of preparing non-responsive bids.

Recommendations

- The Contracts Committee should only approve bidding documents whose evaluation criteria are appropriate and applicable to the procurement, and contract terms that are clear and appropriate in accordance with Regulation 12 of the PPDA (Procuring and Disposing Entities) Regulations 2014.
- The Procurement and Disposal Unit should when preparing bidding documents, state the requirements in a manner that leaves no doubt or assumption to a bidder in accordance with Regulation 32(a) of the PPDA (Rules and Methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2014.

1.8 Use of brand names

In the procurement of supply of laptops, desktops and USB hubs worth UGX 11,185,428, the bidding documents made references to brand names under specifications like HP Elite book 840 G8 Notebook PC. This was contrary to Regulation 28 (1) of the PPDA (Rules and Methods for Supplies, Works and Non-Consultancy Services) Regulations, 2014.

Risk Implication

Referring to a specific brand name in the solicitation documents inhibits competition and fairness in the procurement process.

Recommendation

The Head Procurement and Disposal Unit should ensure that specifications for all procurements have no reference to a particular trademark, brand name, patent, design, type, specific origin, producer, manufacturer, catalogue or numbered item in accordance with Regulation 28 (1) of the PPDA (Rules and Methods for Supplies, Works and Non-Consultancy Services) Regulations, 2014

Management Response

It has been noted.

1.9 Unjustified use of the direct procurement method

In the procurement for Events management at the launch of SUPRE 2022 worth UGX 33,150,000, the Entity used the direct procurement method without proper justification contrary to Regulation 8 (2) of the PPDA (Rules and Methods for Procurement of Works, Supplies and Non-Consultancy Services) Regulations, 2014. The reason given was National Population Council benchmarked from the launch of World Population Report hosted by United Nations Fund for Population Activities (UNFPA) at Sheraton Hotels this year and their work was colorful, which effectively meant the situation was foreseeable and therefore, there should have been proper planning.

Implication

This denies the Entity the opportunity to get competitive prices, and therefore did not get value for money.

Recommendations

- The Contracts Committee should not approve the direct procurement without proper justification, or when the emergency situation was caused by dilatory conduct.
- The Head Procurement and Disposal Unit should always make the choice of the appropriate procurement method in basing on the provisions set out under Regulation 6 of the PPDA (Rules and Methods for Procurement of Works, Supplies and Non-Consultancy Services) Regulations, 2014.

Management Response

It has been noted

1.10 Displaying the Notice of Best Evaluated Bidder for less than ten working days

The Authority noted that in five sampled procurements worth UGX 93,971,150, the Procuring Disposal Unit displayed the Notice of Best Evaluated Bidder for less than the recommended ten (10) working days contrary to Regulation 4(5) of the PPDA (Contracts) Regulations, 2014 .This resulted in to the Entity signing contracts during the period when no further action should be taken denying bidders opportunity to

seek clarifications in case of any complaints. These procurements are listed in Table 6 below.

Table 6: Notice of Best Evaluated Bidder displayed for less than ten working days

No.	Subject of procurement	Contract Value (UGX)	Date of Display	Date of Removal	Period of Display in Working Days
1.	Supply of laptops, and USB hubs	99,450,000	23 rd November 2022	29 th November 2022	7
2.	Consultancy services to conduct a Public Health Emergencies approach evaluation	119,900,000	19 th April 2023	26 th April 2023	7
3.	Consultancy services for technical support in Demographic Dividend integration	70,945,000	30 th May 2022	6 th June 2022	7
4.	Consultancy services for developing district IPCI plans for 5 districts	75,310,000	19 th January 2023	25 th January 2023	7
5.	Supply of a station wagon	377,746,178	18 th May 2023	25 th May 2023	7
Total		93,971,150			

Risk Implication

This denies bidders the opportunity to challenge the evaluation process and in case of administrative review requests, the Entity faces the risk of being directed to cancel the procurement process.

Recommendation

The Accounting Officer should ensure that the Notice of the Best Evaluated Bidder is displayed for the recommended days in accordance with Regulation 5 (1) of the PPDA (Contracts) Regulations, 2014.

Management Response

It has been noted, going forward 10 working days will be observed

1.11 Evaluation irregularities.

The Evaluation Committees irregularly evaluated bids in the Consultancy services for the “subnational analysis of the Population Policy and Programming On Population and Development worth UGX 32,460,000. The anomalies are listed in the Table 7 below: This is attributed to capacity gaps in conducting evaluation.

Table 7: Irregularities noted at evaluation

No.	Procurement subject	Observation	Management Response
1.	Consultancy services for the “Subnational Analysis of The Population Policy and Programming On Population and Development worth UGX 32,460,000	According to the evaluation report; <ul style="list-style-type: none">• proposals were opened on 1st November 2021 in room 2.1 which was an earlier than the date.• Alinga was eliminated at the technical stage for failing to get the minimum qualifying points (37%) due to lack of experience which puts into question the market knowledge used• the Quality and Cost Based Evaluation Methodology was used but the technical and financial bids were opened at the same time i.e. 31st March 2023• Not clear how points were allocated since this was not provided for the proposal document• Financial evaluation involved comparing of prices i.e. Rukundo 32,400,000 & CBR 186,990,000, this was	Noted

No.	Procurement subject	Observation	Management Response
		<p>contrary to the methodology used</p> <ul style="list-style-type: none"> • The technical proposal submitted by Drake Rukundo was addressed to PPDA and dated 30th March 2023 before proposal documents had been issued • According to the CV attached by Rukundo, his highest level of education is a master of art in economics despite the Terms of Reference requiring a PhD • The consultant indicated in his work plan that he will be conducting fact finding missions in Kisoro, Masaka, Gulu and Soroti – it's not clear whether these were within the geographical scope of the study set by the Entity. 	
2.	Consultancy services developing district IPCI plans for 5districts worth UGX 75,310,000	<ul style="list-style-type: none"> • At evaluation is when the minimum technical score was set at 70 points and financial set at 30 points • Opening of the financial at the same time as technical without CC approval of evaluation of the technical • The E.C passed Victoria Benefic Brands as BEB even though it had failed at technical as they scored 66.5% and the minimal score had been set at 70% • The evaluation report stated that 75% was the minimal technical qualifying mark contrary to the 70% set at 	<p>NOTED however Victoria Benefic Brands scored 95%, the 66.5 was out of 70 and that was before computing to percentage. See the evaluation methodology attached Appendix 8</p>

No.	Procurement subject	Observation	Management Response
		evaluation.	

Risk Implication

Irregular evaluation exposes the Entity to the risk of award of contracts to non compliant bidders which compromises contract execution and is unfair to the compliant bidders.

Recommendations

- The Evaluation Committees should follow the set evaluation criteria at evaluation in accordance with Regulation 7 of the PPDA (Evaluation) Regulations, 2014 and waive non-material deviations following the procedure stated under Regulation 11(4) of the PPDA (Evaluation) Regulations, 2014.
- The Accounting Officer should organize a training for members of the Entity to build their competences in areas of bid evaluation.

1.12 Records Management

The Authority noted that in nine of the eleven (11) sampled procurements, there were procurement and contract management records not properly archived and filed on their respective procurement action files contrary to Section 31 (o) of the PPDA Act, 2003. The non-filed procurement and contract management records as indicated in Table 8 below:

Table 8: Procurement and contract management records not filed on their respective procurement action files

No.	Procurement Details	Non-filed Records
1.	<p>Subject: Supply of laptops, desktops and USB hubs</p> <p>Ref No. NPC/SUP/22-23/00095</p> <p>Estimate: UGX 65,950,000</p> <p>Method: RFQ</p> <p>Provider: PCC Prime Computer Center</p> <p>Contract Value: UGX 99,450,000</p>	<ul style="list-style-type: none"> • Contract manager appointment letter • Payment records • Completion report • Inspection report by the internal auditor
2.	<p>Subject: Supply of a station wagon</p> <p>Ref No. NPC/SUP/22-23/00096</p> <p>Estimate: UGX</p>	<ul style="list-style-type: none"> • Contract manager appointment letter • Payment records • Contract management plan on file • Inspection report on file

No.	Procurement Details	Non-filed Records
	250,000,000 Method: RFQ Provider: CFAO Contract Value: 377,746,178	
3.	Subject: Consultancy services for technical support in Demographic Dividend Integration Ref No. NPC/CONS/21-22/00086 Estimate: UGX 70,945,000 Method: Notice of Expression of Interest without publications Provider: Dr. John Ssekamatte Ssebuliba Contract Value: 70,945,000	<ul style="list-style-type: none"> • Contract management plan • Performance report • Receipt and proof of payment • Completion report or certificate
4.	Subject: Consultancy services developing district IPCI plans for 5districts Ref No. NPC/CONS/22-23/00075 Estimate: UGX 16,278,600 Method: Notice of Expression of Interest without publications Provider: Victoria Benefic Brands Contract Value: UGX 75,310,000	<ul style="list-style-type: none"> • Implementation plan • Inception report • Draft report and final FP Costed • Payment records

Implication

This casts doubt on the feasibility of the internal records management system of the Entity ultimately undermining the principles of transparency and accountability in procurement.

Recommendation

The Accounting Officer should task the Procurement and Disposal Units in liaison with the User Departments to archive and maintain all procurement and contract management records on their respective procurement action files in accordance with Section 31 (o) of the PPDA Act, 2003.

Management Response

All the missing documents have been retrieved from the users and finance unit and they are on the respective files.

1.13 Failure to dispose off assets

The Authority established that the Entity did not dispose off the following three assets estimated at UGX 76,500,000 despite being provided for in the disposal plan. These obsolete assets include are shown in Table 9 below;

Table 9: Obsolete assets which were not disposed off

No.	Subject of Procurement	Reserve Price (UGX)
1.	Mistubishi Pajer Sport(UG0734F)	30,000,000
2.	Mistubishi Pajero Sport(UG0735F)	25,000,000
3.	Suzuki(UG0700F)	20,000,000
4.	Yamaha(UG0654F)	1,500,000
Total		76,500,000

Risk Implications

- The assets continue to depreciate and lose value while in the possession of the Entity;
- The vehicle and motorcycle are exposed to an increased risk of vandalism which further contributes to their loss in value; and
- The obsolete assets take up space in the Entity's premises and give a poor image to the public.

Recommendation

The Accounting Officer should task the PDU to maintain complete disposal action files for each disposal requirement and for the responsible User Departments to handle the disposal process in accordance with the PPDA (Disposal of Public Assets) Regulations, 2014.

Management Response

The motor cycle was disposed of at 1,566,000/=, then the rest of the items the process of disposing them off is ongoing and the method has been changed sale to public officer.

2. The level of efficiency and effectiveness in contract implementation including the application of Environmental, Social, Health and Safety (ESHS) Requirements in the procurement process.

2.1 Failure to appoint contract managers

The Authority noted that in all the sampled procurements, there was no evidence of appointment of contract managers contrary to Regulation 52(1) of the PPDA (Contracts) Regulation 2014.

Risk Implication

This leads to poor contract management and contracts may not be implemented in accordance with the agreed terms and conditions of the contract.

Recommendation

The Accounting Officer should task head of User Departments to nominate persons to be appointed as contract managers for in accordance with Regulation 52(1) of the PPDA (Contracts) Regulations 2014.

Management Response

It has been noted

2.2 Failure to prepare contract implementation plans

In two sampled procurement transactions worth UGX 170,395,000, there were no contract implementation plans prepared or maintained on the procurement action files as well as performance/progress reports contrary to Regulation of the PPDA (Contracts) Regulations 2014 as seen in Table 10 below;

Table 10: Contracts without contract implementation plans

No.	Subject of Procurement	Amount (UGX)
1.	Consultancy services for technical support in Demographic Dividend integration	70,945,000
2.	Supply of laptops, desktops and USB hubs	99,450,000
	Total	170,395,000

Implication

- Failure to prepare contract implementation plans hinders effective monitoring of contract execution/ performance thus affecting service delivery.
- This indicates laxity by User Departments over performance control of providers and effective monitoring of contracts under their departments ultimately denying the ministry value for money.

Recommendations

- The Accounting Officer should prevail over contract supervisors to prepare contract implementation plans in accordance Regulation of the PPDA (Contracts) Regulations 2014.
- The Accounting Officer should task the User Departments to prepare and share progress/ performance reports for each procurement with the Accounting Officer and copied to the Procurement and Disposal Unit for monitoring purposes in accordance with Section 34 (j) of the Public Procurement and Disposal of Public Assets Act, 2003.

Management Response

This is noted.

CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

3.1 Entity's Performance

The performance for the National Population Council for FY 2022/2023 was moderately satisfactory with the overall weighted average rate of **36.7%**

The risk rating was weighted to determine the overall risk level of the Entity. The weighting was derived using the average weighted index as shown in Table 11 below;

Table 11: Risk Score:

Risk category	No.	No.%	Value	Value %	Weights	Total weighted Average	
						By No.	By Value
High	0	0	0	0	0.6	0	0
Medium	5	45	592,156,178	65	0.3	14	20
Low	6	55	321,754,000	35	0.1	6	4
Satisfactory	0	0	0	0	0	0	0
Total	11	100	913,910,178	100	1	20	24

$$\text{Performance by Number} = \frac{20}{60} \times 100 = 33.3\%$$

$$\text{Performance by Value} = \frac{24}{60} \times 100 = 40\%$$

$$\text{The average weighted risk rating} = \frac{33.3 + 40}{2} = 36.7\%$$

Table 12: Risk Rating

Risk Rating (%)	Description of Performance
0-30	Satisfactory
31-70	Moderately Satisfactory
71-100	Unsatisfactory

Annex A: Sample list

No.	Subject of Procurement	Procurement Method	Provider	Contract Value(UGX)	Risk Rating
1.	Consultancy services for technical support in DD interpretation /Parish Pregnancy Committees	Notice of Expression of Interest without publications	Dr. John Ssekamatte	70,945,000	Medium Risk
2.	Supply and delivery of 9 laptops,9 USB hubs and 6 desktop computers	Request or Quotation	Prime Computer Center Ltd	99,450,000	Low Risk
3.	Consultancy services to conduct the mid- term review of the NPC strategic plan 2020-21 to 2024-25	Notice of Expression of Interest without publications	Applied Research Bureau	27,735,000	Medium Risk
4.	Supply and delivery of conference branded bags	Direct procurement	Media Challenge Initiative	7,000,000	Low Risk
5.	Consultancy services to conduct a PHE approach evaluation	Notice of Expression of Interest without publications	Mwses Consult	47,960,000	Medium Risk
6.	Consultancy services for the study of the subnational analysis population policy programming on population and development	Notice of Expression of Interest without publications	Dr. Drake Rukundo	32,460,000	Medium Risk
7.	Provision of events management services at the launch of SUPRE 2022	Direct procurement	Fenon Entertainment	33,150,000	Low Risk
8.	Supply of fuel	ODB(Framework)	Hared Petroleum Limited	170,000,000	Low Risk
9.	Consultancy services developing district IPCI plans for 5 districts	Notice of Expression of Interest without publications	Victoria Benefic Brands	75,310,000	Medium Risk
10.	Provision of printing services	ODB(Framework)	Kwera Ltd	12,154,000	Low risk
11.	Supply and delivery of station wagon	Open Domestic Bidding	CFAO Motors Uganda Ltd UGX	337,746,178	Medium Risk
TOTAL					913,910,178

