



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

PPDA/UEDCL/47

7<sup>th</sup> February 2025

Managing Director  
Uganda Electricity Distribution Company Limited  
P.O Box 7390  
**KAMPALA**

**BID PREPARATORY AUDIT REPORT FOR TWO PROCUREMENTS FOR THE  
FINANCIAL YEAR 2024/2025**

Reference is made to the above subject.

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a bid preparatory audit for the following two procurements:

1. High current (250A and 400A) prepaid kVA current transformer operated energy meters complete solution; (UEDCL /SUPLS/2024-25/10213); and
2. Cross arms and struts (UEDCL /SUPLS/2024-25/10230).

The audit exercise involved a review of the procurement planning, requisition/initiation and bidding documents issued to bidders following the Public Procurement and Disposal of Assets Act, Cap. 205 and PPDA Regulations, 2023 and PPDA Guidelines, 2014.

The objectives of the audit were to:

1. Ensure that public procurement planning and requisition was conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, Cap. 205, the PPDA Regulations, 2023 and Guidelines, 2014; and
2. Establish whether the bidding document issued to bidders was prepared in accordance with the provisions of the PPDA Act, Cap. 205, the PPDA Regulations, 2023 and Guidelines, 2014.

The Authority identified some 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.

*Objective 1: To ensure that public procurement planning and requisition was conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, Cap. 205, the PPDA Regulations, 2023 and Guidelines, 2014.*

**1.0 Procurements not planned for**

Section 60 (10) of the PPDA Act, Cap. 205 states that a procurement shall not be carried out outside the procurement plan except in emergency situations. In both procurements, the Authority observed that the procurements were not on the Entity's procurement plan for the Financial Year 2024/2025.

**Recommendation**

The Contracts Committee should ensure that before a procurement is approved, the procurement is in accordance with the procurement plan as required under Section 30 (d) of the PPDA Act, Cap. 205 and should include the two procurements on the Entity's plan for Financial Year 2024/2025.

*Objective 2: To establish whether the bidding document issued to bidders was prepared in accordance with the provisions of the PPDA Act, Cap. 205, PPDA Regulations, 2023 and Guidelines, 2014.*

**2.1 Lack of transparency in the invitation to bid**

In both procurements it was observed that the Entity advertised in the newspapers directing interested bidders to obtain more details on the website. However, the Entity's website did not provide information in this regard. This lack of transparency was contrary to Section 48 of the PPDA Act, Cap.205 which requires that all procurements should be conducted in a manner that promotes transparency, accountability and fairness.

**Implication**

The potential bidders may fail to access information, limiting competition and undermining the integrity of the procurement process.

**Recommendation**

The Entity should immediately post the advert on the website to allow potential bidders to access information.

**2.2 Inconsistency in reference to the procurement method to be used**

In the procurement for cross arms and struts there was inconsistency in reference to the procurement method to be used. The bid notice in the bidding document stated that the procurement method to be used was open domestic bidding. However, the bid notice in the newspapers indicated open international bidding as the procurement method. Furthermore, the Contracts Committee had approved open domestic bidding as the method to be used.

**Implication**

Contradicting information may discourage potential bidders from participating thus lowering bidder participation and ultimately minimising value for money.

**Recommendation**

The Entity should revise the document so that the intended procurement method is well communicated in the bidding document.

**2.3 Contradictory information on amount of bid security to be made**

The Invitation to Bid (ITB) 21.1 of the bidding document required bid security to be made. The amount in words was UGX 50,000,000 yet in words it stated fifty million five hundred thousand.

**Implication**

Contradicting information may discourage potential bidders from participating thus lowering bidder participation and ultimately minimising value for money.

**Recommendation**

The Entity should be specific on the amount required on bid security from bidders in accordance with Invitation to Bid (ITB) 21.1 of the bidding document.

**2.4 Inconsistency in the currency to be quoted**

Invitation to Bid (ITB) 14.6 of the bidding document indicated that prices were to be quoted in Uganda shillings or United States dollars. However, ITB 34.1 in the same bidding document was silent on the currency date of exchange rate and source.

**Implication**

Contradicting information may discourage potential bidders from participating thus lowering bidder participation and ultimately minimising value for money.

**Recommendation**

The Entity should be specific on the required currency in accordance with Invitation to Bid (ITB) 14.6 of the bidding document.

The Authority therefore recommends that the Entity should proceed with the procurement processes taking into consideration the above mentioned findings and recommendations. Please share the revised bidding documents with the Authority.



Dr Aloysius M. Byaruhanga

**FOR: EXECUTIVE DIRECTOR**

c.c. Chairperson, Contracts Committee

c.c. Head Procurement and Disposal Unit