

Our Ref: PPDA/NWSC/31

8th October 2025

The Managing Director
National Water and Sewerage Corporation
P.O Box 7053
KAMPALA

BID PREPARATORY AUDIT EXERCISE FOR VARIOUS PROCUREMENTS AT NATIONAL WATER AND SEWERAGE CORPORATION

Reference is made to the above subject.

In accordance with Section 8 (1) (j) (i) of the Public Procurement and Disposal of Public Assets (PPDA) Act, Cap 205, the Authority conducted a bid preparatory audit in the following procurements:

Table 1: List of advertised transactions

No.	Procurement Reference Number	Subject of Procurement
1.	NWSC-KW/SUPLS/25-26/1369299	Supply and installation of motorized valves complete with actuator and control panel for both remote and local operation, Gaba 1 -WPD
2.	NWSC-HQ/SRVCS/25-26/181353	Provision of advisory services to National Water and Sewerage Corporation in three lots under framework contracts for a period of two years
3.	NWSC-HQ/SUPLS/25-26/181324	Supply of polymers for Gaba Water Treatment Plant under a Framework Contract for a Period of 18 months
4.	NWSC-HQ/SUPLS/25-26/181331	Supply of Liquid Chlorine Gas under framework contract for a period of 18 months

The objectives of the audit were to:

1. Establish whether the public procurement planning and requisitioning processes were conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, Cap 205 and PPDA Regulations 2023; and

2. Establish whether the solicitation document issued to the bidders was prepared in accordance with the provisions of the PPDA Act, Cap 205 and PPDA Regulations, 2023.

The scope of the audit entailed a review of the procurement plan, procurement requisition form, solicitation document and bid notice as well as approvals of the Contracts Committee of the procurement method, Evaluation Committee and solicitation document. The areas of the solicitation document analyzed were Instructions to Bidders, Bid Data Sheet, Evaluation Methodology and Criteria, Bidding Forms, the Special and General Conditions of Contract.

The Authority identified the following exceptions for the attention of management:

1.0. Whether the public procurement planning and requisitioning processes were conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, Cap 205 and PPDA Regulations 2023

1.1. Inadequate sequencing method

PPDA Guideline 2/2024 of the PPDA Reference Numbers for Procurement and Disposal Transactions Part 2.1.2 provides that the basic Procurement Reference Number shall consist of at least four parts that comprise of the abbreviation of the PDE, abbreviation denoting the category of the procurement requirement, the financial year in which the requirement is initiated and a five-digit unique number assigned sequentially starting from 00001.

The Authority observed that the Entity consistently used a 7 and 6 -digit unique number (1369299, 181353, 181324, and 181331) across all four transactions as indicated in Table 1 above, which is contrary to Guideline 2/2024 of the PPDA Reference Numbers for Procurement and Disposal Transactions, Section 2.1.2.

The Head, Procurement and Disposal Unit should immediately update the Entity's procurement referencing system to assign a five-digit sequential unique number (starting from 00001) to all future and ongoing procurement transactions, in compliance with Part 2.1.2 of Guideline 2/2024 of the PPDA on Reference Numbers for Procurement and Disposal Transactions.

1.2. Delay to initiate procurements as per plan

The procurement advert, initially planned for publication on 18th August 2025, was published on 24th September 2025, resulting into a delay of over one month from the approved procurement plan timelines. This creates a lengthy lead time which consequently impedes timely service delivery.

The Accounting Officer should endeavor to eliminate delays at the initiation of the procurement process by ensuring that User Departments initiate procurements in time so as to provide services to the intended beneficiaries.

2.0 Establish whether the solicitation document issued to the bidders was prepared in accordance with the provisions of the PPDA Act, CAP 205 and PPDA Regulations, 2023.

2.1. Omission of bid closing date in the abridged advertisement

The abridged advertisement for the four procurements did not specify the date and time for bid closing which is a mandatory requirement in the standard abridged bid notices under open bidding to enable interested bidders to respond in a timely manner. Without a specified closing date, potential bidders may face uncertainty regarding the submission deadline, possibly leading to delayed or missed submissions.

The Head, Procurement and Disposal Unit should ensure that adverts placed in the newspapers include all the key relevant information such as date of bid closure that will not hinder the bidders from participating in the procurement process.

2.2. Inadequate specification

Section 64 (2) of the PPDA Act, Cap 205 states that “*statement of requirements shall give a correct and complete description of the object of procurement or disposal activity for purposes of creating fair and open competition*” The Authority noted the following areas of non-compliance with regard to the evaluation criteria in the bidding document as indicated in Table 2 below:

Table 2: Incomplete specifications in the procurement for supply of polymers for Gaba water treatment plant

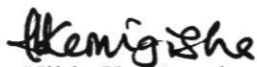
No	Subject of procurement	Item Description	Finding
	Supply of Polymers for Gaba Water Treatment Plant under a framework contract for a period of 18months	Product Name: Polyaluminium chloride (PAC) or Aluminium Chlorohydrate (ACH)	<ol style="list-style-type: none"> 1. Boiling point /gravity was left blank or open. Bidders were required to "state the boiling point" without expressly providing a minimum/maximum threshold, relying on bidder disclosure without benchmarks. 2. Trial Protocols: Whereas the Jar tests specify a settlement time of 30 minutes, the exact mixing speed was not provided. (<i>Under Supernatant water</i>). 3. The specifications required that Plant trials delivery is DDP-NWSC

No	Subject of procurement	Item Description	Finding
			Gaba but the date and timeline for results reporting was not expressly stated.

Failure to state detailed and clear specifications may result into reduced competition which exposes the Entity to paying higher prices for requirements that may not meet the Entity's needs.

The Head, Procurement and Disposal Unit should revise the solicitation document to indicate the above specifications and communicate to the bidders the changes in accordance to Regulation 4 (3) of the of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

The purpose of this letter is to forward the findings of the bid preparatory audit exercise for implementation. The Authority recommends that the above findings are immediately rectified, necessary approvals obtained where applicable and bidders notified of the changes before bid closure.



Hilda K. Mwesigwa

FOR: EXECUTIVE DIRECTOR

cc: Chairperson Contracts Committee

cc: Head, Procurement and Disposal Unit