



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

PPDA/KARE/854

29th August 2023

The Chief Administrative Officer
Karenga District Local Government
P. O. Box 102

KITGUM

**BID PREPARATORY AUDIT EXERCISE FOR PROCUREMENTS UNDER
FRAMEWORK CONTRACT REFERENCE NO. KARE 854/2025-2026/01
HOTEL SERVICES (Kare854/Supls/2025-2026/00004) AND SUPPLY OF COMPUTERS
AND ACCESSORIES, PHOTOCOPIERS AND ACCESSORIES, PRINTERS,
SCANNERS, GPS, BINDING MACHINES AND DIGITAL CAMERA AND
ACCESSORIES AND MODEMS (Kare854/Supls/2025-2026/00006)**

Reference is made to the above subject.

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a bid preparatory audit for two procurements in the Financial Year 2025/2026, namely; procurement of hotel services under framework contract (Kare854/Supls/2025-2026/00004) and procurement of computers and accessories, photocopiers and accessories, printers, scanners, GPS, binding machines and digital camera and accessories and modems (Kare854/Supls/2025-2026/00006)

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, PPDA Regulations 2023 and PPDA Guidelines; and
2. Establish whether the solicitation documents issued to the bidders were prepared in accordance with the provisions of the PPDA Act, Cap 205, PPDA Regulations 2023 and PPDA Guidelines.

The scope of the bid preparatory audit included review of the procurement requisition forms, solicitation documents, bid notices and the Contracts Committee approval of the procurement method, Evaluation Committee and solicitation documents. The areas of the solicitation document analyzed were - Instructions to Bidders, Bid Data Sheet, Evaluation Methodology and Criteria, Bidding Forms and the Special and General Conditions of Contract.

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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:

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, PPDA Regulations 2023 and PPDA Guidelines.

1.1 No documentation of procurement requisition at initiation stage

The User Departments did not raise procurement requisitions for both procurements implying that the Accounting Officer did not confirm funding for both procurements. The Authority further noted that User Departments had not yet forwarded their requisitions to the Procurement and Disposal Unit yet the advert was published on 7th August 2025.

Implications

- Failure to initiate a procurement implies that there is no funds commitment to the procurement by the Accounting Officer and this could result into its non-implementation or failure to implement planned projects due to diversion of funds.
- This could also result into initiating procurements without the knowledge of the Accounting Officer.

Recommendation

The Accounting Officer should ensure that no bid opportunities are advertised before receiving and approving formal procurement requisitions from the User Departments in accordance with Regulation 3 of the PPDA (Rules and Methods for Procurement of Supplies Works and Non-Consultancy Services) Regulations 2023.

1.2 Publication of bid opportunities without an approved procurement plan

The Authority noted that the Entity published the bid notice before the procurement plan had been consolidated and approved by the Contracts Committee, this was contrary to the PPDA Circular on submission of procurement plans referenced PPDA/4002 issued on 22nd June 2015, that requires Entities to submit their procurement plans to the Authority by 31st July of every Financial Year.

Implication

This increases the risk of initiating unplanned or unfunded procurements, which may lead to potential budget overruns, project delays, or cancellations.

Recommendation

The Accounting Officer should task the Head Procurement and Disposal Unit and the Heads of User Departments to ensure timely submission of departmental workplans to the Head Procurement and Disposal Unit for consolidation and subsequent submission to the Authority in line with the PPDA Circular on submission of procurement plans referenced PPDA/4002 issued on 22nd June 2015 that requires submission of procurement plans to the Authority by 31st July of every Financial Year.

1.3 Mis-referencing of procurement for hotel services

The Authority noted that the referencing for hotel services was captured as Kare854/Supls/2025-2026/00004.

Implication

Inaccurate referencing of a procurement can create confusion among bidders and constitutes a breach of Public Procurement guidelines.

Recommendation

The Entity should align the reference number to reflect the nature of procurement as a Non consultancy service, denoted as 'Ncons' in accordance with guideline 2/2024 on Reference Numbers for Procurement and Disposal Transactions.

2.0 Whether the solicitation documents issued to the bidders were prepared in accordance with the provisions of the PPDA Act, Cap 205, PPDA Regulations 2023 and PPDA Guidelines.

2.1 Hotel services

No.	Requirement in the solicitation document	Recommendations
	Bid Data Sheet	
1.	ITB 13.1; the Entity was non-committal on whether Alternative Bids shall be permitted, thus causing doubt to bidders.	Alternative Bids (ITB 13.1). The Entity should explicitly state that alternative bids are NOT permitted to eliminate ambiguity.
2.	ITB 14.6(a)(i); states that " <i>for supplies, the Bidder shall quote prices using the following INCOTERMS</i> ". However, the stated incoterms are not stipulated	Incoterms (ITB 14.6(a)(i)). The Entity should clearly specify the applicable Incoterms (e.g., CIF, FOB, DDP) to ensure uniform pricing and comparability of bids. In this case, it should be DDP.
3.	ITB 21.1 states that " <i>a Bid Security shall/shall not be required</i> ". This causes doubt to bidders regarding this requirement	Bid Security Requirement (ITB 21.1 & 21.2(d)). The Entity should categorically state whether a bid security is required.
4.	ITB 21.2 (d) does not state the types of acceptable bid securities.	If required, specify acceptable forms of bid security (e.g., bank guarantee, insurance bond) and their validity period. The Entity should consider requesting for a bid securing declaration instead of a bid security in line with Guideline 3/2024 (Bid and Performance Securities).

No.	Requirement in the solicitation document	Recommendations
5.	ITB 22.1 does not state the number of copies required in addition to the original bid.	Submission of Bids (ITB 22.1 & 22.2). Clearly indicate the number of bid copies required in addition to the original.
6.	ITB 22.2 does not state what the written confirmation of authorisation to sign on behalf of the bidder would consist of	Powers of Attorney (ITB 22.2). Specify what constitutes valid written authorization to sign on behalf of a bidder (e.g., Powers of Attorney).
7.	ITB 34.1 does not state what the currency that shall be used for financial comparison purposes to convert all bid prices expressed in various currencies into a single currency is: Additionally, it does not state what the date for the exchange rate shall be.	Currency of Bid and Comparison (ITB 14.7 & 34.1). Specify the currency to be used for financial comparison and the reference date for exchange rates.
8.	ITB 5.5 does not state whether the bidder is required to include with its Bid, documentation from the Manufacturer of the Supplies, that it has been duly authorised to supply, in Uganda, the Supplies indicated in its bid by submitting the Manufacturers Authorisation Form in Section 4 Bidding Forms	Manufacturer's Authorization (ITB 5.5). Should clearly state that the manufacturer's authorization shall not be required
9.	ITB 14.7 does not state the currency of the prices quoted by the bidders.	The currency in which the bidders should quote should be clearly indicated as Uganda Shillings
10.	ITB 41.1 does not state the percentage by which quantities can increase or decrease	Adjustment of Quantities (ITB 41.1). Clearly indicate the estimated quantity of supplies, works or services under the framework contracting arrangement and specify the percentage margin by which quantities may increase or decrease at the time of contract execution (e.g., $\pm 15\%$).
Evaluation Criteria and Methodology		
11.	The Entity does not stipulate the detailed technical evaluation criteria such as the required level of experience, the required level of financial capacity, the required personnel and a Health certificate from Ministry of Health or relevant authority confirming compliance with food safety	<ul style="list-style-type: none"> • The Entity should clearly stipulate the required level of experience. E.g., <i>Past experience in providing similar services (number and value of contracts in the last 3 years).</i> • The Entity should clearly stipulate the required level of financial

No.	Requirement in the solicitation document	Recommendations
	standards.	<p>capacity. E.g., <i>Submission of audited books of accounts for the last three financial years and indicate the minimum annual turnover.</i></p> <ul style="list-style-type: none"> • The Entity should clearly indicate the required staff E.g., Availability of trained catering staff (chefs, waiters, service team) with uniforms and appropriate etiquette. • The Entity should include a requirement from Ministry of Health or relevant authority confirming compliance with food safety standards.
Special Conditions of contract		
12.	GCC 1.1(i) Wrongly states that that the Procuring and Disposing Entity is Gulu District.	Correct Entity Identification: GCC 1.1(i) should be amended to accurately state the Procuring and Disposing Entity as Karenga District Local Government to avoid legal misrepresentation.
13.	GCC 2.1(g) does not state the other documents forming part of the contract.	Comprehensive Contract Documents: GCC 2.1(g) should be updated to include all other documents forming part of the contract (e.g., specifications, bid data sheet, addenda, special conditions, bidding document among others).
14.	GCC 15.2 does not clarify whether price adjustments will be applicable.	Clarity on Price Adjustments: GCC 15.2 should specify whether price adjustments are applicable, the formula, and the conditions under which they apply, to safeguard both parties from inflationary risks.
15.	GCC 28.3 Does not clarify whether a warranty will be applicable and the period of validity of warranty.	Warranty Provisions: GCC 28.3 should explicitly indicate: Not applicable

2.2 Supply of computers and accessories, photocopiers and accessories, printers, scanners, GPS, binding machines and digital camera and accessories and modems

No.	Requirement in the solicitation document	Recommendations
	Bid Data Sheet	

No.	Requirement in the solicitation document	Recommendations
1.	ITB 7.1 Request of VAT registration or its equivalent under part B-Bidding document	ITB 7.1- The requirement for VAT registration should be removed in accordance with Circular No. 1 of 2015, which clearly states that VAT registration must not be included among the prerequisites for any bidding process
2.	ITB 11.1(h)- The Bidder shall submit with its bid the following additional documents: This is not clear as it does not indicate the documents forming part of the contract or whether is Non applicable. In addition to the documents indicated in the bid notice, save for VAT registration, the Entity should equally include the requirement for a power of attorney	ITB 11.1(h)- This should clearly state that other documents forming part of the Contract are the call-off orders issued under the Contract. The Entity should equally consider the requirement of a power of attorney
3.	ITB 14.5- this states that the INCOTERMS edition to be used shall be the latest version. The INCOTERMS to be used should be clearly stated to avoid ambiguity	ITB 14.5- The INCOTERMS to be used should be clearly stated to avoid ambiguity. (e.g. DDP, CIF, FOB, CIP etc.)
4.	ITB 14.6(a)(i)- 'For Supplies, the Bidder shall quote prices using the following INCOTERMS: N/A'	ITB 14.6(a)(i)- The Entity should specify the INCOTERMS to be used when bidders are quoting prices
5.	ITB 14.7- 'The prices quoted by the Bidder shall be:' This is an incomplete instruction to the bidders.	ITB 14.7- This should be completed as; Prices quoted by the Bidder shall be fixed during the Bidder's performance of the Contract and not subject to variation on any account, unless otherwise specified in the BDS.
6.	ITB 20.1- The bid validity period shall be 120 working days	ITB 20.1- This should state the date up to which the bid is valid in accordance with Regulation 62 (1) PPDA (Rules and methods for procurement of supplies, works and non-consultancy services) regulations, 2023. (e.g. 20 th sept 2025)
7.	ITB 21.2 (d)- Other types of acceptable	ITB 21.2 (d)- This should clearly

No.	Requirement in the solicitation document	Recommendations
	securities are: This should clearly state that this is non-applicable	state that this requirement is non-applicable
8.	ITB 22.2- 'The written confirmation of authorisation to sign on behalf of the Bidder shall consist of:' This was left blank	ITB 22.2- This should be filled to indicate; 'The name and position held by each person signing the authorisation.
9.	ITB 34.1- 'The date for the exchange rate shall be:' this was left blank.	ITB 34.1- The date for the exchange rate should be clearly indicated to read 'The date for the exchange rate shall be the date of bid opening
10.	ITB 41.1- Did not state the percentage by which the estimated quantity or minimum value may be increased or decreased. This should be clearly stated	ITB 41.1- The Entity should clearly state the estimated quantity or minimum value may be increased or decreased.
Statement of Requirements		
11.	Failure to provide estimated quantities for the following requirements Personal computers (high end), laptop computers (common use), laptop computers (high end), UPSs small, UPSs medium, printer projector, Hand held GPS and Video camera	An estimate of the quantities of the materials the Entity intends to buy should be captured in line with guideline 6.4(i) under guideline 10/24 on use of framework contracts for procurement of supplies, works and Non-consultancy services.
12.	Failure to provide specifications for the video camera	Specifications should be provided for the type and nature of video camera required by the Entity in line with guideline 6.4(vii) under guideline 10/24 on use of framework contracts for procurement of supplies, works and non-consultancy services
Evaluation Criteria and Methodology		
13.	The Entity erroneously requested for VAT registration or its equivalent and did not include a requirement for a power of attorney	The Entity should eliminate the requirement for VAT registration in line with Circular No. 1 of 2015, which states that VAT registration should not be included among the prerequisites for participating in any bidding process, and should state the requirement for Power of Attorney.

No.	Requirement in the solicitation document	Recommendations
Special Conditions of contract		
14.	GCC 2.1(g). The other documents forming part of the Contract are: The Entity should consider capturing including, 'call-off orders issued under the contract' as other documents forming part of the contract.	GCC 2.1(g). The Entity should consider capturing including, 'call-off orders issued under the contract' as other documents forming part of the contract.
15.	GCC 4.2(b). The version of Incoterms shall be: N/A. The version of INCOTERMS to be used should be clearly indicated.	GCC 4.2(b). The version of INCOTERMS to be used should be the latest Incoterms, i.e. version 2020.
16.	GCC 12.1. The shipping and other documents to be furnished by the Provider are: This was incomplete and not filled	GCC 12.1. The Entity should consider including 'Tax Invoice with attached delivery note and a copy of the call off order
17.	GCC 16.1. The Terms of payments shall be: 'By issue of LPO through IFMIS, That payments shall be made against individual call-off orders following issuance of an IFMS LPO and delivery of the Supplies or Services specified in the call-off order and submission of an invoice and the documents listed in clause 12.1'	GCC 16.1. This should be adjusted to 'Payments shall be made against individual call-off orders following issuance of an IFMS Local Purchase Order and submission of documents listed in clause 12.1'
18.	GCC 23.2. The packing, marking and documentation within and outside the packages shall be: Issued Labels for School desks. The Entity should eliminate 'Issued Labels for School desks' and consider adjusting it to 'Deliver to Karenga District Local Government Headquarter'	GCC 23.2. The packing, marking and documentation within and outside the packages shall be: The Entity should consider capturing 'Deliver to Karenga District Local Government Headquarter'
19.	GCC 25.1. The INCOTERM shall be: N/A The INCOTERM to be used was not stated	GCC 25.1. The appropriate INCOTERM to be used should be clearly indicated to allow bidders quote based on uniform terms. E.g., DDP, CIF, EX-Works
Contract forms		
20.	Lacks a sample call-off order, which should be attached to the agreement form, as an example of the call-off orders to be placed under the framework contract.	The sample call off order should be attached to the agreement form under section 9 as an example of the call-off orders to be placed under the framework contract in line with guideline 6.4(ix) under guideline

No.	Requirement in the solicitation document	Recommendations
		10/24 on use of framework contracts for procurement of supplies, works and non-consultancy services

Implications

- The absence of clarity and completeness in the Bid Data Sheet (BDS) creates uncertainty among bidders, increases the risk of non-compliant submissions, and may lead to disputes, delays, or challenges in evaluation and contract execution. This also undermines transparency, competitiveness, and value for money in the procurement process.
- Gaps in the evaluation criteria may mislead bidders, cause challenges during evaluation and lead to submission of non-responsive bids.
- Inconsistencies and omissions in the Special Conditions of Contract (SCC) create ambiguity on the roles, obligations, and entitlements of parties. This increases the risk of contractual disputes, potential cost escalations, potential delays in project execution, and weak enforcement of contractual terms.

2.2 Omission of key requirements in the bidding document

The Entity noted that under the preliminary evaluation, there was omission of the requirement of a registered power of attorney.

Implication

In the absence of a requirement for a Power of Attorney, there is no assurance that the individual signing or submitting the bid has the legal authority to act on behalf of the bidder, which may result in potential legal disputes.

Recommendation

The Entity should include the requirement of a registered power of attorney during preliminary evaluation

2.3 Misalignment of sections in the bidding document

The bidding document for procurement of ICT equipment is poorly structured and deviates from the standard format. It omits essential sections, (1–5) under Part 1 of the bidding document, i.e. the Bidding Procedures and incorrectly begins with the Statement of Requirements found in Part 2 of the bidding document.

Implication

Misalignment of sections in the bidding document may confuse bidders during bid preparation and lead to poorly prepared or non-responsive bids.

Recommendation

The Entity should ensure that all the sections of the bidding document are well aligned in accordance with the standard framework bidding document.

Conclusion:

The purpose of this letter is to forward to you the results of the bid preparatory audit exercise. In order to administer and enforce compliance with the provisions of the PPDA Act Cap 205 and PPDA Regulations 2023, the Entity is required to implement the recommendations of the Authority contained in this letter.



Moses Ojambo

FOR: EXECUTIVE DIRECTOR

- cc: Chairperson Contracts Committee
- cc: Head, Procurement and Disposal Unit