PUBLIC PROCUREMENT AND DISPOSAL
OF PUBLIC ASSETS AUTHORITY
"Regulating for Results"

PROCUREMENT AND DISPOSAL AUDIT REPORT FOR NATIONAL ANIMAL GENETIC RESOURCES CENTRES AND DATA BANK FOR FINANCIAL YEAR 2024/2025

JUNE 2026

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Acronyms

BEC	Budget Execution Circular
e-GP	Electronic Government Procurement
FY	Financial Year
GCC	General Conditions of Contract
ICT	Information and Communications Technology
KCCA	Kampala Capital City Authority
LPO	Local Purchase Order
MoFPED	Ministry of Finance, Planning and Economic Development
NAGRC &DB	National Animal Genetic Resources Centre and Data Bank
NITA- U	National Information Technology Authority – Uganda
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
PSST	Permanent Secretary and secretary to the Treasury
SCC	Special Conditions of Contract
UGX	Uganda Shillings

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a performance and disposal audit of National Animal Genetic Resources Centre and Data Bank (NAGRC&DB) that covered twelve sampled procurement transactions under the Financial Year 2024/2025 (*Appendix 4*). The overall objective of the audit was to assess and establish the degree of compliance of Entity 's procurement system, process and disposal with the provisions of the PPDA Act Cap. 205, the PPDA Regulations, 2023 and PPDA Guidelines and the level of procurement performance over the audit period.

From the findings of the procurement and disposal audit exercise, the summary performance of the Entity revealed an overall weighted average risk rating of **26.4%** which is a **satisfactory performance score** as per the ranking in Table 7 of the enclosed detailed report.

Despite the Satisfactory performance, the following key exceptions were noted:

1. Failure to fully implement and update the approved procurement plan. The Entity did not fully implement its approved procurement plan for FY 2024/2025 valued at UGX 20,347,000,000. The Entity achieved a procurement plan implementation rate of 94% (UGX 19,129,667,893), leaving an implementation variance of UGX 1,217,332,107. In addition, some planned procurements were not implemented and the resulting changes to the procurement plan were not reported to the Secretary to the Treasury and the Authority as required. This reflects weaknesses in procurement planning and monitoring and may result into having procurement activities that are not aligned with the approved priorities and delayed service delivery.

2. Absence of price adjustment mechanism in two framework contracts with implementation periods extending beyond eighteen months in the bidding documents or signed contracts contrary to Regulation 39 of the PPDA (Contracts) Regulations, 2023. This exposes both the Entity and suppliers to inflation and market volatility risks. This may result in supplier requests for contract variations, disputes, reduced supplier commitment, supply disruptions, or inflated bid prices at the procurement stage, thereby compromising value for money and effective contract management

3. Delayed submission of contracts to the Solicitor General for clearance by an average of 89 working days in all the four procurements reviewed under the framework contract contrary to Section 51 of the PPDA Act Cap. 205. This prolongs the procurement cycle, affects timely contract execution and service delivery. This may lead to expiry of bid validity periods before contract signing, changes in market conditions, hence provider increasing costs. Such delays also undermine the principles of economy and efficiency required under the PPDA Act

4. Incomplete and stalled construction projects; Upon review of the Board of Survey report, several ongoing construction projects as at 30th June 2025 across Aswa Ranch, Entebbe, Ruboona, Abim and Kasolwe farms were still pending completion yet were not reflected in the Entity's subsequent procurement plan as multi-year projects. This increases the risk of

project abandonment, cost escalation, delayed realization of intended benefits and inefficient utilization of public resources. It also affects Entity ability to effectively plan, budget, and monitor completion of projects.

5. Failure to dispose obsolete and unserviceable items as the Board of Survey report highlighted thirty-one (31) items including machinery, equipment and vehicles for divestment due to obsolescence and high operating costs and also deteriorating store buildings, expired drugs, reagents and vaccines requiring demolition and disposal. This results in inefficient use of storage space, increased maintenance and security costs, heightened risk of theft or misuse, and potential health, safety, and environmental hazards. It may also distort the Entity's asset records and impede effective asset management

6. Delayed payment of providers by an average of 182 working days in three call off orders worth UGX 1,074,875,714 which could increase the likelihood of interest claims and contract disputes, discourage competition in future procurements, and may lead suppliers to inflate prices to hedge against payment risks. This ultimately undermines value for money and the Entity's reputation within the supplier community

In light of the above, the Authority recommends the following:

1. The Accounting Officer should:
   i. Review and update the procurement plan whenever there are significant budget changes or unforeseen circumstances in accordance with Section 60 (7) and (8) of the PPDA Act Cap. 205

   ii. Institute procurement process timelines and monitoring controls to ensure draft contracts are submitted to the Solicitor General immediately after expiry of the Best Evaluated Bidder display period. The PDU should regularly monitor procurement lead times and report delays to management for corrective action.

   iii. Ensure that all ongoing and future multi-year projects are reflected in the Entity's multi-year procurement plan and medium-term expenditure framework. Project completion schedules, funding requirements, and implementation status should be periodically reviewed to facilitate timely completion and realization of value for money.

   iv. Establish procedures for timely initiation and completion of disposal activities, ensure full compliance with accreditation requirements, and submit all outstanding progress reports to the Authority.

   v. Prepare and implement a disposal action plan with clear timelines for disposal of identified assets and ensure periodic follow-up on implementation of Board of Survey recommendations. Disposal reports should be submitted to the Authority in accordance with the PPDA Regulations

   vi. Strengthen payment planning by aligning procurement commitments with available funding and ensuring timely processing, certification, and settlement of invoices within contractual timelines. Contract Managers should actively monitor payment obligations and promptly escalate potential delays to management.

2. The Head, Procurement and Disposal Unit should;
    i. Ensure that all framework contracts exceeding eighteen months incorporate clear and objective price adjustment provisions, supported by appropriate indices and methodologies as required under Regulation 39 of the PPDA (Contracts) Regulations, 2023. The Contracts Committee should verify compliance before approving solicitation documents.

    ii. Maintain complete disposal records to ensure accountability and traceability of all assets approved for disposal.

National Animal Genetic Resources Centre and Data Bank should implement the recommended action plan on page 25-26.

CHAPTER ONE: INTRODUCTION

1.1 Background

The Public Procurement and Disposal of Public Assets Authority carried out a procurement and Disposal audit of National Animal Genetic Resources Centre and Data Bank that covered a representative sample of twelve procurement transactions under Financial Year 2024/2025. The audit involved a review of procurement structures, procurement and asset disposal processes, as well as contract performance following the provisions of the Public Procurement and Disposal of Assets Act Cap. 205, the PPDA Regulations, 2023 and PPDA Guidelines.

1.2 Objectives of the audit

The overall objective of the audit was to assess and establish the degree of compliance of the Entity's procurement system, process and disposal with the provisions of the PPDA Act, Cap. 205, PPDA Regulations, 2023 and PPDA Guidelines and the level of procurement performance over the audit period.

The specific objectives of the audit were to:

1. Establish the level of compliance by the Entity with the general provisions of the PPDA Act Cap. 205, the PPDA Regulations, 2023 and PPDA Guidelines with regard to the performance of the procurement structures and conduct of procurement processes;
2. Assess the degree of compliance of the Entity's disposal process with the provisions of the PPDA Act Cap. 205, the PPDA Regulations, 2023 and PPDA Guidelines; and
3. Assess the level of efficiency and effectiveness in contract implementation including the application of Environmental, Social, Health and Safety (ESHS) requirements where applicable.

1.3 Structure of the Entity

The National Animal Genetic Resources Centre and Data Bank (NAGRC&DB) was established by the Animal Breeding Act, 2001. It's one of the statutory semi-autonomous bodies of the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF). Formation of NAGRC&DB was part of the fulfilment of the aspirations in the National Animal Breeding Policy (1997), document and the Action Plan for its implementation providing guidelines to all actors in the animal breeding and production value-chain. The actors included input suppliers, farmers, companies, researchers, extension workers and civic leaders on suitable breeds for the various ecological and production systems.

It also provided for alternative breeding programmes; import, export and trade in genetic materials; breeding and management systems for conservation and sustainable use of indigenous genetic resources and use of modern breeding technologies in the country. NAGRC&DB was established with a twofold mandate, namely; to play a leading role in the commercialization of animal breeding activities in Uganda and to carry out development activities that enhance animal Genetic improvement and productivity.

a) The Accounting Officer
According to Section 28 of the PPDA Act Cap. 205, 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 National Animal Genetic Resources Centre and Data Bank during the Financial Year under review was Dr. Peter Beine PhD, the Executive Director.

The Permanent Secretary/Secretary to the Treasury of the Ministry of Finance, Planning and Economic Development approved the members of the Contracts Committee listed in Table 1 below:

Table 1: List of Contracts Committee members

No.	Name	Job Title	Position on Contracts Committee	Date of Appointment
1.	Mr. Francis Etenu Achalo	Community Breeding Manager	Chairperson	6th March 2024
2.	Mr. Mark Ninsiima	Estates Manager	Secretary	6th March 2024
3.	Mr. David Kwizera	Head Planning	Member	6th March 2024
4.	Mr. Justus Kato	Senior State Attorney/ Ministry of Justice	Member/Legal	19th March 2024
5.	Mr. Daniel Epinyu	Farm Manager, Kasolwe	Member	6th March 2024

b) Procurement and Disposal Unit
According to Section 33 of the PPDA Act Cap. 205, all procurement or disposal activities of the Procuring and Disposing Entity except adjudication and the award of contract are to be managed by the Procurement and Disposal Unit. The Procurement and Disposal Unit during the financial year under review was manned by seven staff under the headship of Ms. Deborah Wazemwa as indicated in ***Appendix 2.***

c) User Departments
The Entity is comprised of four departments as indicated in ***Appendix 3***.

1.4 Procurement and disposal audit Scope
The procurement and disposal audit exercise covered a sample of twelve procurement transactions worth UGX 5,640,398,162 conducted during the FY 2024/25 and comprised a review of the procurement structures, procurement plan performance and disposal process.

The audit scope was determined from the reports submitted by the Entity to the Authority, which indicated that the Entity only executed call-off orders under framework contracts during the Financial Year 2024/25.

The audit therefore focused on call-off orders executed under the following framework contracts signed in different financial years:

i. Supply and delivery of assorted animal feed ingredients – Framework Contract signed in FY 2023/24;
ii. Supply and delivery of livestock breeding stock – Framework Contract signed in FY 2024/25;
iii. Supply and delivery of veterinary drugs, acaricides and vaccines – Framework Contract signed in FY 2024/25; and
iv. Provision of mechanized food and animal feed production services – Framework Contract signed in FY 2024/25.

The list of sampled transactions is contained in ***Appendix 4.***

1.5 Audit Methodology

On 18th March 2026, the Entity was notified about the audit exercise. A sample of twelve procurement transactions was selected based on stratified random sampling. An audit launch meeting was held on 25th March 2026 between the audit team and the Entity 's officials.

Two officers conducted the exercise under the supervision of the Manager, Performance Monitoring. During the exercise, the team examined records and documents of the sampled procurement transactions and did not undertake any physical verification as the sampled items were call off orders for mostly consumable items.

On completion of file review, the audit team met with various stakeholders to discuss and obtain clarifications on some of the preliminary findings. A debrief meeting was held on 8th May 2026 between the audit team and the Entity 's officials. A management letter was issued to the Entity for management's response on 22nd May 2026 and the Entity 's responses to the raised issues were received on 2nd June 2026. An exit meeting was held on 4th June 2026 at PPDA Head Office, PPDA-URF Towers, Nakasero Road, Kampala, followed with submission of revised responses on 8th June 2026.

On completion of data collection and before writing the report, the Audit Manager reviewed the working papers for completeness. The working papers contained a detailed chronology of findings on each of the sampled transactions. The audit report presents the key findings and conclusions arising from the audit.

CHAPTER TWO: FINDINGS OF THE AUTHORITY

2.1 Compliance by the PDE with the general provisions of the PPDA Act Cap. 205, Regulations, 2023 and Guidelines with regard to the performance of the procurement structures

2.1.1 Procurement planning and plan Implementation

Section 60(2)(d) of the PPDA Act, Cap. 205 requires a Procuring and Disposing Entity to plan its procurement and disposal in a rational manner and, in particular, integrate its procurement budget with its expenditure programme. Further, Section 60(8) requires an Entity to notify the Secretary to the Treasury and the Authority of any changes made to the procurement plan and submit the updated and approved plan, while Section 60(10) prohibits procurement outside the approved procurement plan except in emergency situations.

The Authority reviewed the Entity's procurement plan for FY 2024/2025 and noted that only 94% of the approved procurement plan, valued at UGX 20,347,000,000, was implemented, leaving an implementation variance of UGX 1,217,332,107 as indicated in the table 2 below:

Table 2: Procurement plan implementation

Analysis of procurement Plan Implementation	
Total procurement plan value inclusive of VAT (UGX)	20,347,000,000
Total value of procurements implemented inclusive of VAT (UGX)	19,129,667,893
Procurement plan implementation rate (%)	94%
Implementation variance (UGX)	1,217,332,107

The audit further noted that key planned procurements, including the procurement of a high-capacity water bowser valued at UGX 530,000,000 and a low flat deck trailer valued at UGX 1,500,000,000, with a combined value of UGX 2,030,000,000, were not implemented during the financial year. Although Management attributed the non-implementation to significant budget cuts and the need to prioritize critical procurements, the Entity did not provide evidence that the procurement plan was formally revised, approved, and communicated to the Secretary to the Treasury and the Authority as required by the Act. In addition, the value of the procurements not implemented exceeded the reported implementation variance, suggesting that changes to the approved procurement plan were not adequately documented and reported.

Implication

Failure to implement planned procurements worth UGX 1,217,332,107 and to formally update the procurement plan creates a risk of procurement activities being undertaken outside approved priorities, weakens procurement planning and performance monitoring and may adversely affect service delivery and the achievement of the Entity's intended objectives.

Management response

Management takes note of the observation. During FY 2024/25, the agency's appropriated budget was unexpectedly reduced by close to 50%, necessitating the reprioritization of *procurement activities to safeguard its biological assets and support its core mandate of animal breeding and production. Priority was therefore given to procurements directly supporting the three pillars of livestock breeding, namely animal genetics, animal nutrition, and animal health. These included the acquisition of superior breeding stock, animal feeds, animal drugs, and acaricides. In particular, the agency prioritized the procurement of animal drugs and acaricides in response to disease outbreaks at its farms and ranches, including East Coast Fever, Foot and Mouth Disease, Peste des Petits Ruminants (PPR), and Black Quarter. Consequently, planned procurements such as the acquisition of a high-capacity water bowser and a low flat-deck trailer, which indirectly support animal breeding and production, were deferred. An updated procurement plan reflecting the reprioritization is available for verification.*

Authority's comment
The Authority takes note of Management's explanation that the reprioritization resulted from budget reductions and operational exigencies. However, the Entity did not provide evidence that the revised procurement plan was formally approved and communicated to the Secretary to the Treasury and the Authority in accordance with Section 60(8) of the PPDA Act, Cap. 205.

Recommendation
The Accounting Officer should review and update the procurement plan whenever there are significant budget changes or unforeseen circumstances in accordance with Section 60 (7) and (8) of the PPDA Act Cap. 205.

2.1.2 Implementation of previous audit recommendations

Section 10 (1) (a) of the PPDA Act, Cap 205 states that "*where there is persistent breach of this Act or Regulations made or Guidelines issued, under this Act, the Authority may direct the concerned Procuring and Disposing Entity to take such corrective action, as may be necessary in the circumstances, to rectify the breach*".

The Authority conducted a procurement and disposal audit of National Animal Genetic Resources Centre and Data Bank in the FY 2023-2024 and made recommendations therein. Out of the seven audit recommendations, three (43%) were implemented while four (57%) were not fully implemented as indicated in Table 3 below:

Table 3: Audit recommendations not fully implemented

SN	Responsible Person	Recommended Action	Observation	Management response
1.	Accounting Officer	Ensure that Management conducts comprehensive continuous reviews of the procurement plan and align it with the released and available funds and the Entity's core mandate. Any updates to the procurement plan, resulting from the reviews, should be done in adherence with 60 (7) of the PPDA Act Cap.205. Ensure that timely requests are made to the Solicitor General so that efficiency is observed in the procurement process as stipulated under Section 51 of the PPDA Act, Cap 205.	The Authority noted that the procurement plan was not updated as seen in item 1.1 and 1.2 of this report. The Authority noted a delay in requesting for draft clearance to Solicitor General as seen in 1.10 of this report.	*Management takes note of this observation. Following the unexpected cuts to NAGRC&DB's budget by close to 50%, the agency through its user departments developed an updated procurement plan in which procurement activities were prioritized to focus on acquisitions that directly* support animal breeding and production activities. *However, at the close of the FY 2024/25, the agency experienced outbreaks of animal diseases (at the onset of the dry season) notably East Coast Fever, Foot and Mouth Disease, Pestes De Petit Ruminantia (PPR) and Black Quarter and had to focus on acquisition of animal drugs and acaricides.* **Authority's response** The Management response is noted. However, evidence of the updated and approved procurement plan, including proof of its submission to the Authority was not provided for verification.

SN	Responsible Person	Recommended Action	Observation	Management response
				Management takes note of the observation on delays in seeking clearance from the Solicitor General. The NAGRC&DB PDU commences procurement activities ahead of the planned schedule for implementation of agency activities especially for framework contracts. This implies that the agency must appropriately manage the time of commencement of these framework contracts so that it aligns with the period within which the implementation of those agency activities is scheduled. This ensures that framework contracts are effectively and efficiently utilized without losing part of the framework period. **Authority's Comment** The Management response is noted. However, it does not address the finding, as the delays observed related to the period between the expiry of the Notice of Best Evaluated Bidder and the date the Entity submitted the draft contracts to the Solicitor General for clearance
2.	Head Procurement and Disposal Unit	When consolidating the procurement plan, ensure that the continuous procurement budget is integrated with the expenditure program of the Entity in accordance with Section 60 (2) (d) of the PPDA Act Cap.	This is seen on the items 1.1 and 1.2 of this report.	*Management takes note of this observation. Following the unexpected cuts to NAGRC&DB's budget by close to 50%, the agency developed an updated procurement plan in which procurement activities were prioritized to focus on acquisitions that directly support animal breeding and*

SN	Responsible Person	Recommended Action	Observation	Management response
		205		*production activities. However, at the close of the FY 2024/25, the agency experienced outbreaks of animal diseases (at the onset of the dry season) notably East Coast Fever, Foot and Mouth Disease, Pestes De Petit Ruminantia (PPR) and Black Quarter and had to focus on acquisition of animal drugs and acaricides.* **Authority's response** The Management response is noted. However, evidence of the updated and approved procurement plan, including proof of its submission to the Authority was not provided for verification.
3.	Contract Managers	Ensure that the Entity meets all the payment obligations in accordance with the terms and conditions of a contract as stipulated in Regulation 52 (3) (ii) of the PPDA (Contracts) Regulations, 2023.	The Authority noted delayed payments as seen in 3.3 of this report.	*Management takes note of this observation. NAGRC&DB experienced unprecedented budget cuts of up to 50% of its entire budget in the FY under review. Additionally, the bulk of the development budget component of the severely reduced budget which is used to make payments to service providers was released in the last quarters of the FY affecting the agency's timeliness of payments* **Authority's response** The Management response is noted. However, evidence of the updated and approved procurement plan, including proof of its submission to the Authority was not provided for verification.

SN	Responsible Person	Recommended Action	Observation	Management response
4.	User Departments	Promptly notify the Procurement and Disposal Unit (PDU) of any changes in their plans for consolidation and update of the procurement plan in accordance with Regulation 7 (l) (a) of the PPDA (Procurement Planning) Regulations, 2023.	This was not fully implemented as identified in item 1.1 and 1.2 of this report.	*Management takes note of this observation. Following the unexpected cuts to NAGRC&DB's budget by close to 50%, the agency through its user departments developed an updated procurement plan in which procurement activities were prioritized to focus on acquisitions that directly support animal breeding and production activities.* *However, at the close of the FY 2024/25, the agency experienced outbreaks of animal diseases (at the onset of the dry season) notably East Coast Fever, Foot and Mouth Disease, Pestes De Petit Ruminantia (PPR) and Black Quarter and had to focus on acquisition of animal drugs and acaricides.* **Authority's response** The Management response is noted. However, evidence of the updated and approved procurement plan, including proof of its submission to the Authority was not provided for verification.

Implication

Failure to implement audit recommendation leading Recurrence of audit findings increases operational and compliance risks, undermines continuous improvement efforts

Recommendation

The Accounting Officer should engage all stakeholders to develop strategies on the implementation of all the Authority's recommendations. Failure of which the Authority will evoke actions against persistent breach in accordance with Section 10 (1) of the PPDA Act Cap. 205.

2.1.3 Absence of the price adjustment mechanism

Regulation 39 of the PPDA (Contracts) Regulations, 2023 requires a Procuring and Disposing Entity to include a price adjustment mechanism in contracts exceeding eighteen months where accommodating inflation risk is more economical than transferring the risk to the supplier at an additional cost.

The audit noted that two framework contracts with implementation periods extending eighteen months did not include any price adjustment mechanism in their bidding documents or signed contracts contrary Regulation 39 of the PPDA (Contracts) Regulations, 2023 as summarized in Table 4 below;

Table 4: Procurements where price adjustment was not applied

SN	Subject of procurement	Observation
1.	Supply and delivery of assorted animal feed ingredients under a framework contract	GCC 15.2 in the bidding document provided that the prices shall remain fixed for a period of two years from the date of contract signature. However, the contract did not prescribe any price adjustment formula or mechanism to guide pricing beyond this period. Given that prices of animal feed ingredients are highly volatile and subject to market fluctuations, the absence of such a mechanism exposes the Entity to risks of overpricing, supplier non-performance, or contract disputes.
2.	Supply and Delivery of veterinary drugs, acaricides and vaccines framework contract	GCC 15.2 provided that prices shall remain fixed for two years from the date of contract signature, however, the contract did not prescribe any price adjustment formula or mechanism to guide pricing beyond this period.

Implications

The omission of price adjustment provisions in long-term framework contracts exposes both the Entity and suppliers to inflation and market volatility risks. This may result in supplier requests for contract variations, disputes, reduced supplier commitment, supply disruptions, or inflated bid prices at the procurement stage, thereby compromising value for money and effective contract management.

Management response

Management takes note of this observation. The agency clearly stipulates to vendors the framework period for which their price points for procurables are expected to hold. However, the agency takes note of PPDA's recommendation of incorporating appropriate price adjustment mechanisms in all contracts exceeding eighteen months as per Regulation 39 of the PPDA (Contracts) Regulations, 2023 and will henceforth implement the same for such contracts.

Authority's Comment
The Authority notes the Entity's Management response and commitment to incorporate the appropriate price mechanism provisions in future contracts.

Recommendation
The Head Procurement and Disposal Unit should ensure that all framework contracts exceeding eighteen months incorporate clear and objective price adjustment provisions, supported by appropriate indices and methodologies as required under Regulation 39 of the PPDA (Contracts) Regulations, 2023. The Contracts Committee should verify compliance before approving solicitation documents.

2.1.4 Delayed submission of contracts to the Solicitor General for clearance

Section 51 of the PPDA Act, Cap 205 provides that all procurement and disposals shall be conducted in a manner which promotes economy, efficiency and value for money. Contrary to this, the audit noted delays in submission of draft contracts to the Solicitor General for clearance in all framework contracts reviewed which affected timely completion of the procurement process as indicated in the Table 5 below;

Table 5: procurements with delayed submission to Solicitor General

SN	Subject of procurement	Finding
1	Supply and Delivery of veterinary drugs, acaricides and vaccines under a framework contract by Kwewayo Vet (U) Ltd.	**Delay to seek Solicitor General's approval of the draft contract by 134 working days.** The Notice of Best Evaluated Bidder was displayed from 22nd July 2024 to 2nd August 2024. However, the Entity only wrote to the Solicitor General on 12th February 2025 requesting clearance of the draft contract, resulting in a delay of approximately 134 working days.
2	Provision of mechanized food and animal feed production services by Lark and Luck Company Ltd.	**Delay to seek Solicitor General's approval of the draft contract by 108 days.** The Notice of the Best Evaluated was displayed on 9th January 2023 and expired on 23rd January 2023 but submission to the Solicitor General for clearance was only made on 5th July 2023, indicating a delay of 108 days.
3	Supply and delivery of assorted animal feed ingredients by Bull Agri Supplies Ltd and Karyn Stores Ltd.	**Delay to seek Solicitor General's approval of the draft contract by 86 working day.** The Notice of the Best Evaluated Bidder was displayed on 13th December 2023 and expired on 27th December 2023 but the Entity wrote to the Solicitor General on 6th May 2024 seeking clearance for the draft contract citing a delay of 86 working days.
4	Supply and Delivery of livestock breeding stock under a framework contract by Tamsak Development Link.	**Delay to seek Solicitor General's approval of the draft contract by 28 working days.** The Notice of the Best Evaluated Bidder was displayed on 1st July 2024 to 12th July 2024 for all the Lots. However, the Entity wrote to Solicitor General

		on 21st August 2024 requesting for Clearance of the draft contract hence a delay of 28 working days.

Implication
Delays in obtaining Solicitor General clearance prolong the procurement cycle, affects timely contract execution and service delivery. This may lead to expiry of bid validity periods before contract signing, changes in market conditions, hence provider increasing costs. Such delays also undermine the principles of economy and efficiency required under the PPDA Act.

Management response
Management takes note of the observation on delays in seeking clearance from the Solicitor General. The NAGRC&DB PDU commences procurement activities ahead of the planned schedule for implementation of agency activities especially for framework contracts. This implies that the agency has to appropriately manage the time of commencement of these framework contracts so that it aligns with the period within which the implementation of those particular agency activities is scheduled. This ensures that framework contracts are effectively and efficiently utilized without losing part of the framework period. This approach is part of the reason why NAGRC&DB has a high procurement plan implementation rate noted at 94% in this audit.

Authority's response
The Management response is noted of the Entity's commencement of procurement activities ahead of the planned schedule, there was no evidence provided to confirm that service delivery was not denied due to the delays of between 28 and 134 working days in seeking Solicitor General's clearance.

Recommendation
The Accounting Officer should institute procurement process timelines and monitoring controls to ensure draft contracts are submitted to the Solicitor General immediately after expiry of the Best Evaluated Bidder display period. The PDU should regularly monitor procurement lead times and report delays to management for corrective action in accordance with Section 51 of the PPDA Act, Cap 205.

2.1.5 Incomplete and stalled construction projects

Section 51 of the PPDA Act Cap. 205 states that *"all procurement and disposal shall be conducted in a manner which promotes economy, efficiency and value for money"*.

In addition, Section 60 (6) of the PPDA Act Cap.205 states that *"a procuring and disposing entity that is to undertake a procurement over a period of more than one financial year shall prepare a multi-year procurement plan for that procurement, using guidelines issued for that purpose"*.

The Authority reviewed the Board of Survey report and noted that several ongoing construction projects as at 30th June 2025 across Aswa Ranch, Entebbe, Ruboona, Abim, and Kasolwe farms were still pending completion yet these were not reflected in the Entity's multi-year procurement plan. This raised concerns regarding the possible completion of these particular projects yet they are not planned for in the subsequent years. The list of the projects is indicated in Table 6 below;

Table 6: Projects pending completion

SN	Project Name	Status of implementation as 30th June 2025
1.	Construction of a hostel at Aswa ranch	75%
2.	Construction of a demonstration of 140- capacity high performance cattle shed at Entebbe	80%
3.	Staff quarters at Aswa Ranch	60%
4.	Construction of 8 junior staff quarter at Ruboona Stock farm	60%
5.	Poultry rearing unit at Abim	40%
6.	Learning Centre at Kasolwe Stock farm	80%
7.	Construction of a Hostel at Kasolwe	65%

Implication

Failure to incorporate ongoing projects into the multi-year procurement plan increases the risk of project abandonment, cost escalation, delayed realization of intended benefits, and inefficient utilisation of public resources. It also affects Entity ability to effectively plan, budget, and monitor completion of projects.

Management response

Management takes note of this observation. The agency maintains a register of all multi-year construction projects. The agency will henceforth incorporate the register of multi-year construction projects in its Board of Survey reports. It is important to note however that the unprecedented cuts to the agency's budget in the FY under review greatly affected planned construction works for these projects as the agency had to prioritize its procurement activities to focus on the survival of its biological assets i.e. animal nutrition, animal health etc.

Recommendation

The Accounting Officer should ensure that all ongoing and future multi-year projects are reflected in the Entity's multi-year procurement plan and medium-term expenditure framework. Project completion schedules, funding requirements, and implementation status should be periodically reviewed to facilitate timely completion and realization of value for money.

2.2 Level of compliance with the PPDA Act, Cap 205 and Regulations, 2023 in the conduct of procurement and disposal activities

2.2.1 Disposal of cattle

The Authority noted that the Entity was granted an accreditation on 7th April 2014 which required that disposal of cattle is restricted to farm gate sale. Advertisement was to be restricted to local communities where ranches are located, disposal to other government agencies including National Enterprise Corporation and direct disposal of semen to interested farmers (sale of imported semen/ non-sexed at a fixed cost of USD 3.5. In light of the above, the Entity was required to submit a progress report on the benefits attained from the accreditation by June 2020 which was never submitted.

The disposal process was initiated in May 2025 but was only concluded in December 2025, resulting in a significant delay that most likely led to depreciation in the value of the cattle as explained below.

A comparison of the assessed amounts shows notable reductions the value of animals over the period; for example, the value of Brahman bull (Bosc75.14) declined from UGX 5,000,000 in May 2025 to UGX 4,200,000 in December 2025, while Ayshire Bull (Ayric/Wn2786) reduced from UGX 4,000,000 to UGX 2,600,000.
Furthermore, some identified Holstein Friesian bulls were not reflected in the disposal records, raising concerns regarding the completeness, accountability, and traceability of the disposal process.".

Implications

- Delays in completing disposal processes may result in deterioration of biological assets, loss of expected disposal proceeds, and reduced value for money

- Failure to comply with accreditation conditions and reporting requirements also weakens regulatory oversight and may jeopardize the Entity's continued eligibility to operate under the special disposal arrangements granted by the Authority.

Management response

Management takes note of this observation and responds as follows.
The accreditation granted to NAGRC&DB in 2014 has greatly and positively impacted access to superior animal breeding stock by livestock farmers countrywide. Specifically, this accreditation has been pivotal in the upward trend that has seen access to superior animal breeds increase by 3.3% from 15.4% access in the FY 2021/22 to 18.7% access by the third quarter of this FY 2025/26. Specifically, in this FY 2025/26, a total of 5,007 poultry farmers were able to access 1.7 million multi-purpose poultry chicks, a total of 638 goat farmers were able to access 6,219 improved meat goats, a total of 438 pig farmers were able to access 9,379 fast maturing piglets and a total of 502 dairy and beef cattle farmers were able to access a total of 4,988 improved heifers and bulls across the dairy and beef value chains. This is in addition to a total of 398,818 doses of world-class, farmer-preferred improved dairy and beef cattle semen, produced at the agency's Sire stud in Entebbe and cryopreserved using the Liquid nitrogen from plants that the agency operationalized in strategic locations like Mbarara to serve the Western region, Buikwe to serve the Eastern region and Entebbe to serve the Central region and all the District Local Governments in the country. A detailed report on the increased access to superior animal breeding stock registered due to this accreditation will be submitted to the authority. Additionally, NAGRC&DB conducts all its disposal processes in compliance with the PPDA Act, Cap 205 and Regulations, 2023 and all agency records on the subject disposal are available on file for verification. It is noteworthy that disposal of biological assets is conducted with approval of the NAGRC&DB Board of Directors and not as per the Board of survey report.

Authority's comment

The Management response is noted. While Management highlighted the benefits realized from the accreditation granted in 2014, it did not explain why the required progress report had never been submitted to the Authority despite the reporting deadline of June 2020. In addition, the response did not address the delays in concluding the disposal process and the resultant decline in the assessed values of the cattle, nor did it adequately account for the Holstein Friesian bulls omitted from the disposal records. Consequently, the concerns regarding compliance with accreditation conditions, value for money and completeness of disposal records remain unresolved.

Recommendations

- The Accounting Officer should establish procedures for timely initiation and completion of disposal activities, ensure full compliance with accreditation requirements, and submit all outstanding progress reports to the Authority.

- The Head Procurement and Disposal Unit should maintain complete disposal records to ensure accountability and traceability of all assets approved for disposal.

2.2.2 Failure to dispose of obsolete and unserviceable assets

Regulation 2(2) of the PPDA (Disposal of Public Assets) Regulations, 2023 states that "*a Procuring and Disposing Entity may use the Board of Survey or a User Department to identify the public assets to be disposed of*". The Board of Survey identified 31 items including machinery, equipment, and vehicles for divestment due to obsolescence and high operating costs. The Board of Survey report highlighted deteriorating store buildings, expired drugs, reagents, vaccines and obsolete equipment requiring demolition and disposal. However, at the time of audit in May 2026, the Authority noted that these items remained unattended to and continued occupying storage facilities.

Implication

Retention of obsolete and unserviceable assets results in inefficient use of storage space, increased maintenance and security costs, heightened risk of theft or misuse, and potential health, safety, and environmental hazards. It may also distort the Entity's asset records and impede effective asset management.

Management response

Management takes note of this observation. NAGRC&DB experienced an unprecedented budget cut of close to 50% of its budget in the FY under review and the agency had to prioritize its procurement activities to focus on the survival of its biological assets i.e. animal nutrition, animal health etc. This implies that the agency lacked the funding required to implement the recommendations of the Board of Survey. Considering that the agency's budget is likely to be restored in the FY 2026/27, the subject Board of Survey recommendations will be implemented.

Recommendation

The Accounting Officer should prepare and implement a disposal action plan with clear timelines for disposal of identified assets and ensure periodic follow-up on implementation of Board of Survey recommendations. Disposal reports should be submitted to the Authority in accordance with the PPDA Regulations.

2.3 Level of efficiency and effectiveness in contract implementation

2.3.1 Delayed payment

Regulations 49 (3) of the PPDA (Contracts) Regulations, 2023 provides that, *"the period for payment shall be thirty days from certification of invoices, except where this is varied in the Special Conditions of the Contract*. The Authority noted an average delay of 182 working days in the payment process for supplies delivered on three call off orders as shown in Table 7 below:

Table 7: Contracts with delayed payment

No.	Subject of Procurement	Audit observations	*Management Response*
1.	Supply of Chick and duck and Growers Mash by Bull Agri Supplies Ltd UGX 341,785,714	Bull Agri Supplies Ltd delivered the items on 30th December 2024 and issued a manual invoice on the same date requesting payment of UGX 341,785,714. However, no payment was made at that time until 222 working days later when an e-invoice dated 17th November 2025 was submitted requesting payment for the same supplies, followed by an instruction to Internal Audit on 20th November 2025 to verify the claim before payment. There were ineffective follow-ups by Contract Managers for providers to expedite processing of legitimate payment documents.	*Management takes note of this observation. NAGRC&DB experienced unprecedented budget cuts of up to 50% of its entire budget in the FY under review. Additionally, the bulk of the development budget component of the severely reduced budget which is used to make payments to service providers was released in the last quarters of the FY affecting the agency's timeliness of payments*
2.	Supply of 50,000 kgs of soyabean meal and 10,000 kgs of Soyabean oil by Karyn Stores Ltd UGX 370,000,000	Karyn Stores Ltd made a delivery of the items on 12th August 2024 and a manual invoice was submitted on the same day requesting for payment of UGX 370,000,000. However, an e-invoice dated 27th August 2025 was submitted	*Management takes note of this observation. NAGRC&DB experienced unprecedented budget cuts of up to 50% of its entire budget in the FY under review. Additionally, the bulk of the development budget component of the severely reduced budget which is used*

No.	Subject of Procurement	Audit observations	*Management Response*
		demanding for the same thus creating a delay of 262 working days.	*to make payments to service providers was released in the last quarters of the FY affecting the agency's timeliness of payments*
3.	Supply and delivery of drugs by Kwewayo (U) Vet Pharmacy Ltd) at UGX 363,090,000	The call off order for assorted drugs was issued on 1st July 2025 and delivery was made on 17th July 2025 and invoice submitted on 30th July 2025 and EFT payment made on 25th November 2025 resulting into a delay 62 working days.	*Management takes note of this observation. NAGRC&DB experienced unprecedented budget cuts of up to 50% of its entire budget in the FY under review. Additionally, the bulk of the development budget component of the severely reduced budget which is used to make payments to service providers was released in the last quarters of the FY affecting the agency's timeliness of payments*

Implication

Persistent delays in payment increase the likelihood of interest claims and contract disputes, discourage competition in future procurements, and may lead suppliers to inflate prices to hedge against payment risks. This ultimately undermines value for money and the Entity's reputation within the supplier community

Authority's Comment

Whereas Management attributed the delayed payments to budget cuts and late release of development funds, no evidence was provided to demonstrate how these factors affected the specific payments cited. In addition, the response did not address the significant delays in processing and following up payment documentation including cases where suppliers had to resubmit invoices (e-invoices) long after delivery. The average delay of 182 working days exceeded the contractual payment period and exposed the Entity to the risk of interest claims and reduced supplier confidence.

Recommendation

The Accounting Officer should strengthen payment planning by aligning procurement commitments with available funding and ensuring timely processing, certification, and settlement of invoices within contractual timelines. Contract Managers should actively monitor payment obligations and promptly escalate potential delays to management.

CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

This Section presents the risk rating and the Entity's overall performance.

3.1. Audit Opinion/Conclusion

Based on the audit conducted, the National Animal Genetic Resources Centre and Data Bank (NAGRC&DB) generally complied, in all material respects, with the provisions of the PPDA Act, Cap. 205, the PPDA Regulations, 2023, and applicable PPDA Guidelines in the conduct of its procurement and disposal activities for the Financial Year 2024/2025.

However, the audit identified notable weaknesses relating to procurement planning and plan updates, implementation of previous audit recommendations, contract management, disposal management, delayed payments to providers, and compliance with accreditation conditions governing disposal of cattle granted in 2014. While these deficiencies require urgent management attention, did not materially compromise the overall procurement and disposal system. The cited weaknesses expose the Entity to risks of non-compliance, delayed service delivery, inefficient utilisation of public resources, contract management challenges, and reduced value for money if not addressed promptly.

Accordingly, the Authority assesses the overall procurement and disposal performance of NAGRC&DB as **Satisfactory**, with a weighted average risk rating of **26.4%**. Nevertheless, Management should prioritise implementation of the recommendations contained in the action plan under Clause 3.4 this report to strengthen compliance, improve procurement efficiency and enhance accountability in the management of public resources.

3.2. Entity's Performance

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 below:

3.3. Risk Computation

The Table below shows the computation of risk:

Table 1: Risk Computation

Risk category	No.	No. %	Value (UGX)	Value %	Weights	Total weighted Average	
						By No.	By Value
High	0	0	0	0	0.6	0	0
Medium	4	33.3	1,419,875,714	25	0.3	9.99	7.5
Low	8	66.7	4,220,522,448	75	0.1	6.67	7.5
Satisfactory	0	0	0	0	0	0	**0**
TOTAL	**12**	**100**	**5,640,398,162**	**100**	**1**	**16.7**	**15**

$$\text{Weighted Average (By no.)} = \frac{\sum \text{Weighted Score} \times 100}{60} = \frac{16.7 \times 100}{60} = 27.8\%$$

Weighted Average (By Value) = $\frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{15}{60} \times 100 = 25\%$

The average weighted risk rating = $\frac{27.8+25}{2} =$ **26.4%**

The risk rating is as follows:

Table 2: Risk Rating

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

Chart Representation of Risk Rating

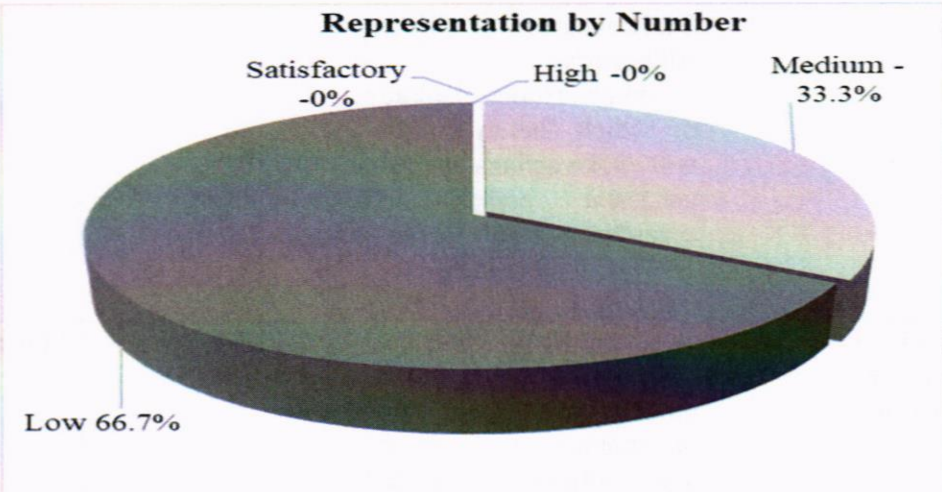

Figure 1: Chart Representation of Risk Rating by Number

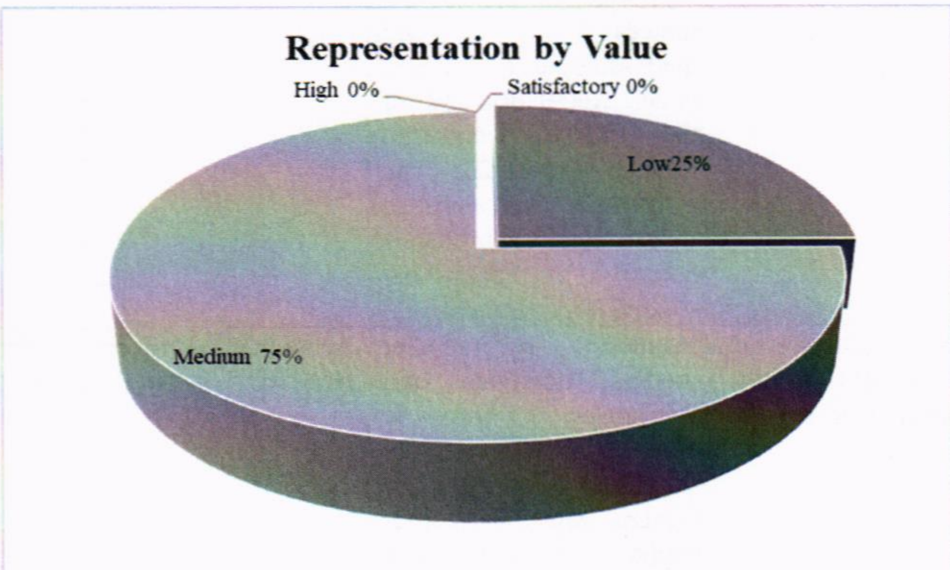

Figure 2: Chart Representation of Risk Rating by Value

3.4. Recommendation Action Plan

The Entity should implement the recommendations below:

Table 3: Action Plan

No.	Finding	Action/Recommendation	Responsible Officer	Timeline
1.	Procurement planning and plan Implementation	Review and update the procurement plan whenever there are significant budget changes	Accounting Officer/ Head PDU	Quarterly
2.	Failure to Implement previous audit recommendations	Engage all stakeholders to develop strategies on the implementation of all the Authority's recommendations. Failure of which the Authority will evoke actions against persistent breach in accordance with Section 10 (1) of the PPDA Act Cap. 205.	Accounting Officer	Continuous
3.	Absence of the price adjustment mechanism	all framework contracts exceeding eighteen months should be incorporated with clear and objective price adjustment provisions, supported by appropriate indices and methodologies as required under Regulation 39 of the PPDA (Contracts) Regulations, 2023. The Contracts Committee should verify compliance before approving solicitation documents.	Head PDU	Immediate
4.	Delayed submission of contracts to the Solicitor General for clearance	Institute procurement process timelines and monitoring controls to ensure draft contracts are submitted to the Solicitor General immediately after expiry of the Best Evaluated Bidder display	Accounting Officer/ Head PDU	Within 30 working days

No.	Finding	Action/Recommendation	Responsible Officer	Timeline
		period.		
5.	Incomplete and stalled construction projects	Project completion schedules, funding requirements, and implementation status should be periodically reviewed	Accounting Officer/Head PDU	Within 30 working days
6.	Accreditation	Establish procedures for timely initiation and completion of disposal activities, ensure full compliance with accreditation requirements, and submit all outstanding progress reports to the Authority.	Accounting Officer/ Head PDU	Within 30 working days
7.	Failure to dispose of obsolete and unserviceable assets	Prepare and implement a disposal action plan with clear timelines for disposal of identified assets and ensure periodic follow-up on implementation of Board of Survey recommendations.	Head PDU	Before 30th December 2026
8.	Delayed payments	Strengthen payment planning by aligning procurement commitments with available funding and ensuring timely processing, certification, and settlement of invoices within contractual timelines.	Finance/ Accounting Officer	Monthly

APPENDICES

Appendix 1: Findings and Rating on the Individual Contracts Reviewed

MEDIUM RISK CASES

No.	Procurement Details	Reasons for rating
1.	Supply and delivery of animal feeds-poultry feeds for all farms by Bull Agri Supplies Ltd UGX 341,785,714 NAGRC/SUPLS/23-24/00024	• Bull Agri Supplies Ltd delivered the items on 30th December 2024 and issued an invoice on the same date requesting payment of UGX 341,785,714. However, no payment was made at that time until 222 working days later, when an e-invoice dated 17th November 2025 was submitted requesting payment for the same supplies. This was followed by an instruction to Internal Audit on 20th November 2025 to verify the claim before payment. • The framework contract was fixed for a period of two (2) years without any price adjustment formula. Given that prices of animal feed ingredients are highly volatile and subject to market fluctuations, the absence of such a mechanism exposes the Entity to risks of overpricing, supplier non-performance, or contract disputes.
2.	Supply and delivery of assorted animal feeds ingredients to Kasolwe by Karyn Stores Ltd UGX 370,000,000 NAGRC/SUPLS/24-25/00024-P00013	Delayed Payment; Karyn Stores Ltd made a delivery of the items on 12th August 2024 and an invoice was submitted on the same day requesting for payment of UGX 370,000,000. However, payment was not made until an e- invoice dated 27th August 2025 was submitted demanding for the same indicating a delay of 262 working days.
3.	Supply and delivery of Veterinary drugs, Acaricides and Vaccines to NAGRC&DB – Supply and delivery of drugs to NAGRC&DB Headquarters by Kwewayo Vet (U) Ltd at UGX 363,090,000 NAGRC/SUPLS/23-24/00077 - P00005	• GCC 15.2 provided that prices shall remain fixed for two (2) years from the date of contract signature. However, the contract did not prescribe any price adjustment formula or mechanism to guide pricing beyond this period. • Delay to seek Solicitor General's approval of the draft contract by 134 working days. The Notice of Best Evaluated Bidder (NOBEB) was displayed from 22nd July 2024 to 2nd August 2024. However, the Entity only wrote to the Solicitor General on 12th February 2025 requesting clearance of the draft contract, resulting in a delay of approximately 134

No.	Procurement Details	Reasons for rating
		working days. • The call off order for assorted drugs was issued on 1st July 2025, delivery made on 17th July 2025, an invoice submitted on 30th July 2025 and EFT payment made on 25th November 2025 citing a delay of 63 working days.
4.	Supply and delivery of animal feeds -whole maize grain to L.E.S by Karyn Stores Limited NAGRC/SUPLS/22-23/00024/P00019 UGX 345,000,000	• The framework contract was fixed for a period of two (2) years without any price adjustment formula. Given that prices of animal feed ingredients are highly volatile and subject to market fluctuations, the absence of such a mechanism exposes the Entity to risks of overpricing, supplier non-performance, or contract disputes. • Delay to seek Solicitor General's approval of the draft contract by 86 working days. The Notice of the Best Evaluated Bidder was displayed on 13th December 2023 and expired on 27th December 2023 but the Entity wrote to the Solicitor General on 6th May 2024 seeking clearance for the draft contract indicating a delay of 86 working days.

LOW RISK CASES

No.	Procurement Details	Reasons for rating
1.	Supply and delivery of animal feeds by Bull Agri Supplies Limited NAGRC/SUPLS/23-24/00024 - P00009 UGX 420,000,000	The framework contract was fixed for a period of two (2) years without any price adjustment formula. Given that prices of animal feed ingredients are highly volatile and subject to market fluctuations.
2.	Supply and delivery of animal feeds- poultry feeds for all farm by P.Q.R International Logistics at UGX 353,571,428 NAGRC/SUPLS/23-24/00024/P00023	The framework contract was fixed for a period of two (2) years without any price adjustment formula. Given that prices of animal feed ingredients are highly volatile and subject to market fluctuations.
3.	Supply and delivery of veterinary drugs, acaricides and vaccines to NAGRC&DB by Kwewayo Vet (U) Ltd at UGX 913,900,000 NAGRC/SUPLS/22-23/00077-P00004	GCC 15.2 provided that prices shall remain fixed for two (2) years from the date of contract signature. However, the contract does not prescribe any price adjustment formula or mechanism to guide pricing beyond this period.

No.	Procurement Details	Reasons for rating
4.	Provision of mechanized food and animal feed production services by Lark and Luck Company Ltd at UGX 958,080,000	Delay to seek Solicitor General's approval of the draft contract by 108 days. The NOBEB was displayed on 9th January 2023 and expired on 23rd January 2023 but submission to the Solicitor General for clearance was only made on 5th July 2023.
5.	Supply and delivery of livestock breeding stock under Lot 1-Pure foundation stock ie, 20 Ankole long horned incalf heifers at Nshaara ranch in Kiruhura district and twenty-one holstein freisein in-calf heifers at Rubona stock farm in Bunyangabu District by Tamsak Development (U) Link at UGX 298,305,500	Delay to seek Solicitor General's approval of the draft contract by 28 working days. The NOBEB was displayed on 1st July 2024 to 12th July 2024 for all the Lots. However, the Entity wrote to the Solicitor General on 21st August 2024 requesting for clearance of the draft contract.
6.	Supply and delivery of animal feed supplements to the bullstud by Kciano Services Limited at UGX 370,565,520	Delay to seek Solicitor General's approval of the draft contract by 28 working days. The NOBEB was displayed on 1st July 2024 to 12th July 2024 for all the Lots, however, the Entity wrote to the Solicitor General on 21st August 2024 requesting for clearance of the draft contract.
7.	Supply and delivery of livestock breeding by Tamsak Development Link (U) Limited at UGX 402,789,000 NAGRC/SUPLS/23-24/P00003	Delay to seek Solicitor General's approval of the draft contract by 28 working days. The NOBEB was displayed on 1st July 2024 to 12th July 2024 for all the Lots, however, the Entity wrote to the Solicitor General on 21st August 2024 requesting for clearance of the draft contract.
8	Supply and delivery of livestock breeding stock under Lot 1: Pure foundation stock by Tamsak Developmental Link(U) Limited at UGX 503,311,000 NAGRC/SUPLS/22-23/00066	Delay to seek Solicitor General's approval of the draft contract by 28 working days The NOBEB was displayed on 1st July 2024 to 12th July 2024 for all the Lots. However, the Entity wrote to the Solicitor General on 21st August 2024 requesting for clearance of the draft contract.

Appendix 2: Procurement and Disposal Unit members

No.	Name	Job Title
1.	Ms. Deborah Wazemwa	Ag. Head Procurement Unit
2.	Ms. Hope Bakashaba	Assistant Procurement Officer
3.	Mr. Peter Kiligwajjo	Procurement Assistant
4.	Mr. Edwin Macho	Ag. Assistant Procurement Officer
5.	Mr. Amon Musinguzi	Graduate Trainee
6.	Ms. Amujal Doreen	Graduate Trainee
7.	Ms. Relief Muhumuza	Graduate Trainee

Appendix 3: User Departments

S/NO	Title of User Department	Job Title of Head of Department
1.	Office of the Executive Director	Executive Director
2.	Finance and Administration	Finance and Administration Manager
3.	Production	Technical Manager
4	Breeding	Technical Manager

Appendix 4: List of Sampled Procurements for the Financial Year 2024/2025

No.	Reference Number	Procurement subject	Procurement method	Provider	Contract value (UGX)	Risk Rating
1.	NAGRC/NCONS/22-23/00046	Provision of mechanized food and animal feed production services at Nshaara ranch	Open Domestic Bidding	Luck and Lark Company Limited	958,080,000	Low
2.	NAGRC/SUPLS/22-23/00077-P00004	Supply and delivery of veterinary drugs, acaricides and vaccines to NAGRC&DB	Open Domestic Bidding	Kwewayo Vet Pharmacy Ltd	913,900,000	Low
3.	NAGRC/SUPLS/22-23/00066	Supply and delivery of livestock breeding stock under Lot 1: Pure foundation stock	Open Domestic Bidding	Tamsak Developmental Link(U) Limited	503,311,000	Low
4.	NAGRC/SUPLS/23-24/00024 -P00009	Supply and delivery of animal feeds	Open Domestic Bidding	Bull Agri Supplies Limited	420,000,000	Low
5.	NAGRC/SUPLS/23-24/P00003	Supply and delivery of livestock breeding	Open Domestic Bidding	Tamsak Development Link (U) Limited	402,789,000	Low
6.	NAGRC/SUPLS/24-25/00024-P00035	Supply and delivery of animal feed supplements to the bullstud	Open Domestic Bidding	Kciano Services Limited	370,565,520	Low
7.	NAGRC/SUPLS/24-25/00024-P00013	Supply and delivery of assorted animal feeds ingredients to Kasolwe	Open Domestic Bidding	Karyn Stores Limited	370,000,000	Medium
8.	NAGRC/SUPLS/23-24/00077 - P00005	Supply and delivery of Veterinary drugs, Acaricides and Vaccines to NAGRC&DB – Supply and delivery of drugs to NAGRC&DB Headquarters	Open Domestic Bidding	Kwewayo (Uganda) Vet Pharmacy Limited	363,090,000	Medium
9.	NAGRC/SUPLS/23-24/00024/P00023	Supply and delivery of animal feeds-poultry feeds for all farms	Open Domestic Bidding	P.Q.R International Logistics	353,571,428	Low

No.	Reference Number	Procurement subject	Procurement method	Provider	Contract value (UGX)	Risk Rating
10.	NAGRC/SUPLS/22-23/00024/P00019	Supply and delivery of animal feeds - whole maize grain to L.E.S	Open Domestic Bidding	Karyn Stores Limited	345,000,000	Medium
11.	NAGRC/SUPLS/23-24/00024	Supply and delivery of animal feeds- poultry feeds for all farms	Open Domestic Bidding	Bull Agri supplies Limited	341,785,714	Medium
12.	NAGRC/SUPLS/23-24/00066-P0005	Supply and delivery of livestock breeding stock under Lot 1-Pure foundation stock ie, 20 Ankole long horned incalf heifers at Nshaara ranch in Kiruhura district and twenty-one holstein freisein incalf heifers at Rubona stock farm in Bunyangabu District	Open Domestic Bidding	Tamsak Development (U) Ltd	298,305,500	Low
	Total:				**5,640,398,162**	

Appendix 5: Risk Rating Criteria

RISK	DESCRIPTION	AREA	IMPLICATION
HIGH	Such procurements were considered to have serious weaknesses, which could cause material financial loss or carry a risk for the regulatory system or the Entity's reputation. Such cases warrant immediate attention by senior management. Significant deviations from established policies and principles and/or generally accepted industry standards will normally be rated "high".	**Planning:** Lack of or failure to procure within the approved plan	This implies emergencies and the use of the direct procurement method which affects competition and value for money.
		Bidding Process: Use of wrong/inappropriate procurement methods, failure to seek Contracts Committee approvals, and usurping the powers of the PDU.	This implies the use of less competitive methods which affects transparency, accountability, and value for money.
		Evaluation: Use of inappropriate evaluation methodologies or failure to conduct an evaluation.	This implies financial loss caused by awarding contracts at higher prices or shoddy work caused by failure to recommend award to a responsive bidder.
		Record Keeping: Missing procurement files and missing key records on the files namely; solicitation document, submitted bids, evaluation report and contract.	This implies that one cannot ascertain the audit trail namely; whether there was competition and fairness in the procurement process.
		Fraud/forgery: Falsification of Documents	This implies a lack of transparency and value for money.
		Contract Management: Payment for shoddy work or work not delivered.	This implies financial loss since there has been no value for money for the funds spent and the services have not been received by the intended beneficiaries
MEDIUM	Procurements that were considered to	**Planning:** Lack of initiation of	This implies committing the Entity without funds

RISK	DESCRIPTION	AREA	IMPLICATION
	have weaknesses which, although less likely to lead to material financial loss or to risk damaging the regulatory system or the Entity's reputation, warrant timely management action using the existing management framework to ensure a formal and effective system of management controls is put in place. Such procurements would normally be graded "medium" provided that there is sufficient evidence of "hands on management control and oversight" at an appropriate level of seniority.	procurements and confirmation of funds.	thereby causing domestic arrears.
		Bidding Process: Deviations from standard procedures namely bidding periods, standard formats, use of PP Forms and records of issue and receipts of bids, usage of non-pre-qualified firms, and splitting procurement requirements.	This implies a lack of efficiency, standardization, and avoiding competition.
		Procurement Structures: Lack of procurement structures	This implies a lack of independence of functions and powers and interference in the procurement process.
		Record Keeping: Missing Contracts Committee records and incomplete contract management records.	This implies that one cannot ascertain the audit trail namely; whether the necessary approvals were obtained in a procurement process.
		Contract and Contract Management: Failure to appoint Contract Supervisors, failure to seek the Solicitor General's approval for contracts above UGX. 200 million and lack of notices of Best Evaluated Bidders.	This leads to unjustified contract amendment and variations which lead to unjustified delayed contract completion and lack of value for money. Bidders are not given the right of appeal.
		Failure by the Entity to incorporate in the solicitation document aspects of	

RISK	DESCRIPTION	AREA	IMPLICATION
		gender, social inclusion, environment, health and safety. Aspects of gender, social inclusion, environment, health, and safety are not covered by the contractor during contract implementation.	
LOW	Procurements with weaknesses where resolution within the normal management framework is considered desirable to improve efficiency or to ensure that the business matches current market best practices. Deviations from laid down detailed procedures would normally be graded "low" provided that there is sufficient evidence of management action to put in place and monitor compliance with detailed procedures.	**Planning:** Lack of procurement reference numbers.	This leads to failure to track the procurements which leads to poor record-keeping.
		Bidding Process: Not signing the Ethical Code of Conduct	This leads to failure to declare a conflict of interest and a lack of transparency.
SATISFACTORY	Relates to following laid down procurement procedures and guidelines and no significant deviation is identified during the conduct of the procurement process based on the records available at the time.		