PUBLIC PROCUREMENT AND DISPOSAL
OF PUBLIC ASSETS AUTHORITY

"Regulating for Results"

REPORT ON CONTRACT AUDITS OF PROCUREMENTS AT UGANDA ELECTRICITY TRANSMISSION COMPANY LIMITED

JULY 2026

TABLE OF CONTENTS

ACRONYMS AND ABBREVIATIONS

AC	Alternating Current
AIDS	Acquired Immune Deficiency Syndrome
AO	Accounting Officer
BoQs	Bills of Quantities
BST	Bulk Supply Tariff
CESMP	Contractor's Environmental and Social Management Plan
DB	Distribution Board
GCC	General Conditions of Contract
DC	Direct Current
DLG	District Local Government
EACOP	East African Crude oil Pipeline
EHS	Environment, Health and Safety
EMP	Environmental Management Plan
EPC	Engineering, Procurement, and Construction
ERA	Electricity Regulatory Authority
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
FAT	Factory Acceptance Tests
FEED	Front-End Engineering Design
GIS	Gas-insulated high-voltage switchgear
GKMA	Greater Kampala Metropolitan Area
GoU	Government of Uganda
HIV	Human Immune Virus
HSE	Health, Safety and Environment
HV	High Voltage
IED	Intelligent Electronic Device
IPC	Interim Payment Certificate
JICA	Japan International Cooperation Agency
KMTSIP	Kampala Metropolitan Transmission System Improvement Project
KV	Kilovolts
M	Linear Meters
M^2	Square Meters
MEMD	Ministry of Energy and Mineral Development
MGLSD	Ministry of Gender, Labour and Social Development
MoU	Memorandum of Understanding
MPLS	Multiprotocol Label Switching
MV	Medium Voltage
MVA	Megavolt-Amperes
MWh	Megawatt-hour
NEMA	National Environment Management Authority
ODA	Official Development Assistance loan
RAP	Resettlement Action Plan
PC	Particular Condition of the Contract
ODF	Optical Distribution Frame

OHS	Occupational Health & Safety
OLTC	On-Load Tap Changer
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
PPE	Personal Protective Equipment
PWDs	People with Disabilities
SAS	Substation Automation System
SDH	Synchronous Digital Hierarchy
STDs	Sexually Transmitted Diseases
tCO_2	Total Carbon Dioxide
ToR	Terms of Reference
UBOS	Uganda Bureau of Statistics
UETCL	Uganda Electricity Transmission Company Limited
UGX	Uganda shillings
UNBS	Uganda National Bureau of Standards
URA	Uganda Revenue Authority
USD	United States Dollar
VAT	Value Added Tax
WMP	Waste Management Plan
XLPE	Cross-linked Polyethylene (Thermosetting polymer material for voltage cables)

List of Tables

List of Figures

List of Annexes

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (PPDA) herein referred to as the Authority, is the Regulatory body for public procurement and disposal in Uganda. It was established through an Act of Parliament in 2003. The overall objective of the PPDA is to ensure application of fair, competitive, transparent, non-discriminatory and value for money public procurement and disposal standards and practices in Uganda. PPDA is mandated under Section 8 (j) of the PPDA Act Cap. 205 to conduct bid preparatory audits, contract audits and performance audits on Procuring and Disposing Entities. In light of the above, the Authority conducted the following four contract audits at Uganda Electricity Transmission Company Limited (UETCL) listed in Table 1 below:

Table 1: Contracts Audited

NO	CONTRACTS	VALUE
1.	Supply, installation and commissioning of 3x63/80MvA 220/032/33KV Kabaale Industrial Park	USD 23,232,110 & UGX 24,548,795,600
2.	Design, manufacture, supply, installation and commissioning of self-supporting tubular galvanised steel (monopoles) on Owen Falls Lugogo 132kV double circuit line and Bujagali-Tororo 132kV transmission line	UGX 14,413,003,584
3.	Construction of new Mukono Sub-station and Associated Transmission Lines, upgrading of Kawaala sub-station, and reconductoring of 132 KV lines works	USD 45,594,170.03 & UGX 27,659,016,429
4.	Procurement of a Mobile Substation, Under Lot 3	USD 3,627,152.31

Objectives of the Authority

The objectives of the Authority are enshrined under Section 7 of the PPDA Act Cap. 205 and these are to:

i. Ensure the application of fair, competitive, transparent, non-discriminatory and value for money procurement and disposal standards and practices;
ii. Advise Government, local governments and other Procuring and Disposing Entities on procurement and disposal policies, systems and practices and where necessary, on their harmonisation;
iii. Set standards for the public procurement and disposal systems in Uganda;
iv. Monitor compliance of Procuring and Disposing Entities; and
v. Build procurement and disposal capacity in Uganda.

Objectives of the Audits

The objectives of the audits were to:

1. Establish the extent to which value for money was achieved during contract implementation;
2. Assess the overall management of the projects in accordance with the obligations in the contract;
3. Assess compliance with Environmental, Social, Health and Safety requirements; and

4. Assess compliance with local content provisions.

Background

Supply, installation and commissioning of 3x63/80MvA 220/032/33KV Kabaale Industrial Park: Government of Uganda has a strategic vision to transform the national economy to Middle Income status by 2040. One of the Government's focus areas is to facilitate industrialization and create employment for Ugandans; as well as harness maximum value from utilization of the country's abundant natural resources through partnerships with private sector to achieve value addition.

The East African Crude Oil Pipeline (EACOP) and Uganda National Oil Company (UNOC) informed the Ministry of Energy & Mineral Development of the need for a bulk power supply to facilitate operations at the Kabaale Industrial Park and the envisaged first oil production by 2025. Through the Grid Development Plan, Uganda Electricity Transmission Company Ltd (UETCL) packaged solutions to construct a 220/132/33kV substation to provide sufficient quality and reliable bulk power to the Kabaale Industrial Park.

The overall objective of the project is to improve reliability and security of quality bulk power supply to support the Kabaale Industrial Park, evacuation of oil companies in the Albertine region and support power supply for the EACOP project.

Design, manufacture, supply, installation and commissioning of self-supporting tubular galvanised steel (monopoles) on Owen Falls Lugogo 132kV double circuit line and Bujagali-Tororo 132kV transmission line: The project was to replace the collapsed steel lattice structures which experienced vandalism of the supporting tower members.

Construction of new Mukono Sub-station and Associated Transmission Lines, upgrading of Kawaala sub-station, and reconductoring of 132 KV lines works: Uganda's sustained macroeconomic expansion, averaging over 4.5% per annum, has exerted significant upward pressure on electricity demand, which reached a peak of 784.7 MW in December 2022. This put structural limitations within the Greater Kampala Metropolitan Area (GKMA) transmission network, with the existing 132kV ring system projected to be inadequate for medium-term demand over the next 10–15 years.

To mitigate the anticipated supply constraints, the Government of Uganda, in collaboration with the Government of Japan through the Japan International Cooperation Agency (JICA), instituted the Kampala Metropolitan Transmission System Improvement Project (KMTSIP) under Japan's Official Development Assistance (ODA) loan framework. The initiative, aligned with UETCL's Grid Development Plan (2014–2030), was formalized through a loan agreement executed on 26^{th} April 2018, marking a strategic intervention to reinforce Uganda's transmission backbone and sustain long-term economic growth.

The project aims to foster sustainable and stable economic development in GKMA by upgrading existing facilities and technology transfer. Key goals include improving the transmission system to accommodate power demand growth and enhancing UETCL's capacity through technology.

Procurement of a Mobile Substation: The procurement of a mobile substation for Kawaala in Rubaga North division, forms an integral component of the Greater Kampala Metropolitan Area (GKMA) Transmission System Improvement Project. The project entailed the upgrading of the Kawaala 132/11kV Substation, which distributed power to three (3) 11kV feeders—Nansana, Nakulabye, and Masanafu. The planned upgrade required a temporary shutdown of the existing substation to facilitate construction works. To ensure continuity of power supply during the outage period, the Entity deployed a mobile substation, procured to temporarily operate as a substitute 132/11kV substation. The arrangement also included the installation of bypass connections linking the existing 132kV transmission line to the 11kV feeders through the mobile substation.

Methodology

The methodology entailed the following:

i. On 27th August 2025, the Entity was notified about the upcoming contract audits. An audit launch meeting between the Authority and the Entity's officials was held on 3rd September 2025.
ii. From 8th September 2025 to 25th September 2025, the Authority was involved in document review of the four projects to ascertain the status of implementation of the contracts. This involved a review of the contract documents, contracting and contract management documentation.
iii. Interviews were held with key stakeholders at the Entity which was necessary in obtaining crucial information about the status of implementation of the four contracts.
iv. The Authority carried out physical verification to establish the level of effectiveness in the delivery of the four contracts.
v. On completion of data collection, the Audit Manager reviewed the working papers for completeness. The working papers contain a detailed chronology of findings on the four contracts. The audit report presents the key findings, recommendations and conclusions arising from the audit.
vi. The Authority prepared the Management Letter, which was issued to the Entity on 19th November 2025 with a request to submit a management response by 28th November 2025.
vii. The management response was submitted by the Entity on 16th December 2025.

Key Audit Findings

1. **Supply, installation and commissioning of 3x63/80MvA 220/032/33KV Kabaale Industrial Park in Hoima**
    i. There was a delay of 52 working days to commence the project works on 15th September 2024 instead of by 29th August 2024, 30 days from the contract effective date of 18th July 2024. This was due to the delayed issuance of performance bank guarantees on 1st August 2024.
    ii. There was a delay in acquiring tax exemption for imported materials such as anchor bolts which had spent 2.5 months at the Mombasa Port pending tax clearance. This was likely to increase costs due to potential demurrage and impeding the achievement of value for money.

2. **Design, Manufacture, Supply, Installation and Commissioning of Self-Supporting Tubular Galvanised Steel (Monopoles) on Owen Falls Lugogo 132Kv Double Circuit Line and Bujagali-Tororo 132Kv Transmission Line**

   Considering that project works had not yet commenced at the time of the audit on 19th September 2025, the Authority did not observe any exceptional findings in the implementation of this project. Nonetheless, the following observations were made:

   i. There was a seven months' time lag to effect the contract and handover the site to Iran Power and Water Equipment and Services Export Company on 18th August 2025 after contract signature on 20th January 2025. This was due to the delayed fulfillment of all prerequisite conditions including the submission of the performance security and advance payment guarantees.
   ii. The Authority observed structural gaps in some existing restoration towers such as weak tower foundations, bending towers, sagging transmission lines at Mbalala SCOUL sugarcane plantation in Mukono District, short spans of the emergency restoration wooden poles and no access roads which not only compromises network stability and safety but also heightens the likelihood of costly structural interventions in the long term.

3. **Construction of New Mukono Substation and Associated Transmission Lines, Upgrading of Kawaala Sub-station, and Reconductoring of 132KV Lines Works**
   i. There was a six-months' delay to commence contract execution on 12th February 2024 following contract signature on 7th August 2023 which contributed to the untimely realization of reinforcing Uganda's transmission backbone.
   ii. There was delayed progress in contract execution evidenced by a 31.56% physical progress lag with major delays observed at the Kawaala Substation and in the component of re-conductoring of the 132kV line which exposed the project to liquidated damages.
   iii. The Authority noted that Interim Payment Certificates No. 9–13, submitted on 23rd April 2025 and certified on 6th June 2025, remained unpaid as at the time of the audit from 8th to 12th September 2025 which adversely affected the Contractor's cash flow and might delay project work.
   iv. Inadequate reserve clearance was observed at one tower for the re-conductoring works on the Kampala North 132kV line with adjacent buildings located within 1.5 meters of the tower fence increasing the likelihood of accidental contact and restricted access for maintenance.

4. **Procurement of a Mobile Substation at the Kampala Metropolitan Transmission Improvement System (UD-P6)**

   The Authority observed that the Mobile Substation had been delivered and commissioned by 25th February 2025 and was successfully supplying 11kV power to the targeted areas of Nansana, Masanafu, and Nankulabye. However, there was a 198 days' delay to execute the works by the planned completion date of 11th August 2024.

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

1. **Supply, installation and commissioning of 3x63/80MvA 220/032/33KV Kabaale Industrial Park in Hoima**
   i. The Contract Manager should enhance contract administration by ensuring strict adherence to established timelines for the submission, review and approval of requisite contract documents including guarantees and payment certificates in compliance with Regulations 52(1)(a) & (b) and 52(3)(a) of the PPDA (Contracts) Regulations, 2023.
   ii. The Procurement and Disposal Unit should strengthen planning and pre-contract review procedures to ascertain that only contractors who have fully satisfied the required regulatory conditions are engaged in accordance with Section 55 of the PPDA Act Cap. 205. This should include the verification of licenses, certifications, tax compliance and any other mandatory documentation prior to contract award and implementation.

2. **Design, Manufacture, Supply, Installation and Commissioning of Self-Supporting Tubular Galvanised Steel (Monopoles) on Owen Falls Lugogo 132Kv Double Circuit Line and Bujagali-Tororo 132Kv Transmission Line**
   i. The Accounting Officer should task the Contract Management Teams to make certain that future projects commence within the period indicated in the contract in accordance with Regulation 52 (1) of the PPDA (Contracts) Regulations, 2023.
   ii. The Contract Manager should task Iran Power and Water Equipment and Services Export Company to replace the wooden poles with self-supporting monopoles, particularly in sections traversing the sugarcane plantations to enhance the durability and reliability of the transmission line infrastructure and promote the attainment of value for money in accordance with Section 51 of the PPDA Act Cap. 205.

3. **Construction of New Mukono Substation and Associated Transmission Lines, Upgrading of Kawaala Sub-station, and Reconductoring of 132KV Lines Works**
   i. The Accounting Officer should task the Contract Management Teams to make certain that future projects commence within the period indicated in the contract in accordance with Regulation 52 (1) of the PPDA (Contracts) Regulations, 2023.
   ii. The Contract Manager should task the contractor to submit a revised work program to ensure timely implementation of the pending works in accordance with Section 51 of the PPDA Act Cap. 205.
   iii. The Accounting Officer should make timely payments to the contractor in accordance with Regulation 49(3) of PPDA Regulations (Contracts) 2023.
   iv. The Accounting Officer should conduct a detailed wayleave and structural safety assessment for the affected tower, enforce statutory safety clearances through coordination with the relevant local authorities and initiate corrective action.

CHAPTER ONE: AUDIT FINDINGS AND RECOMMENDATIONS

1.1 Supply, Installation and Commissioning of 3x63/80MVA 220/032/33KV Kabaale Industrial Park

Introduction and Project Background

On 27th May 2024, the contract for the supply, installation and commissioning of 3x63/80MvA 220/032/33KV Kabaale Industrial Park in Hoima was awarded to AVIC International Holding Company and Central Southern China Electric Power Design Institute (Joint Venture) at a contract sum of USD 23,232,110 and UGX 24,548,795,600 (inclusive of VAT). The project is implemented by Uganda Electricity Transmission Company Limited (UETCL) and supervised by NEK Consults.

Government of Uganda has a strategic vision to transform the national economy to middle income status by 2040. One of Government's focus areas is to facilitate industrialization and create employment for Ugandans as well as harness maximum value from utilization of the country's abundant natural resources through partnerships with the private sector to achieve value addition.

The East African Crude Oil Pipeline (EACOP) and Uganda National Oil Company (UNOC) informed the Ministry of Energy & Mineral Development of the need for a bulk power supply to facilitate operations at the Kabaale Industrial Park and the envisaged first oil production by 2025. Through the Grid Development Plan, UETCL has packaged solutions to construct a 220/132/33kV substation to provide sufficient quality and reliable bulk power to the Kabaale Industrial Park.

To deliver the required amount of electricity requires that the transmission grid is extended inclusive of a new 132/33kV substation within the Kabaale Industrial Park. There will also be the need for a 220kV underground cable transmission network to link the existing Nkenda-Hoima 220kV transmission line to the identified substation area within the park. This shall ensure that the power evacuated from the grid is used to support industrial development.

The overall objective of the project is to improve reliability and security of quality bulk power supply to support the proposed Kabaale Industrial Park, evacuation of oil companies in the Albertine region and support power supply for the EACOP project. Table 2 below summarises the contract information:

Table 2: Contract summary for the plant, design and installation, testing and commissioning of the 3x63/80MVA 132/33kV Kabaale Industrial Park Substation

Procurement Method	Direct Bidding
Reference Number	UETCL/WORKS/2022-2023/01095
Contract Type	Fixed Price
Contract Amount- VAT inclusive	USD 23,232,110 + UGX 24,548,795,600
Variation Amount- VAT inclusive	USD 967,935.96
Contractor	AVIC International Holding Company and Central Southern China Electric Power Design Institute (JV)

Supervising Consultant	NEK Consults Limited
Contract Signature Date	27th May 2024
Site Handover Date	18th July 2024
Planned Start Date	18th August 2024 (30 days from the effective date)
Actual Start Date	15th September 2024
Contract Duration	15 months
Expected Completion Date	15th December 2025
Performance Security required	10% of the total contract price
Advance Payment Guarantee required	20% of the total contract price
Total payments made	UGX 27,418,603,854
Status of physical verification	65% as of 30th September 2025

Findings observed in Contract Implementation

The Authority observed the following positive findings:

1. The Contract Manager (Engineer Aloysius Mbonyebyombi) prepared and maintained all contract management records such as the Contract Implementation Plan, monthly & quarterly progress reports, approval of materials as well as site possession orders and instructions.

2. The Teclab test reports indicated that a high class of concrete materials was utilized for the works which complied with the standard specifications resulting in good quality of the concrete works.

3. The contractor adhered to the Environmental, Social Health and Safety requirements of the contract through obtaining Environmental and Social Impact Assessment (ESIA) certificates, implementing policies on Occupational Health and Safety, Gender-Based Violence (GBV), child protection and HIV/AIDs awareness.

Despite the above positive performance, the Authority noted the following exceptions:

1.1.1 Delays in Commencement of the Project Works

The contract was signed on 27th May 2024 and in accordance with GCC 2.6 of the Special Conditions of Contract, the contractor was required to commence works within 30 days from the effective date. The contract further required submission of the advance payment bank guarantee within 21 days from the date of signing i.e. by 17th June 2024, which submissions were a condition for contract effectiveness.

The Authority observed a delay in the submission of the advance payment bank guarantees by the contractor on 1st August 2024 after 47 working days contrary to the expected 21 working days. This delay contributed to the late commencement of the project within the stipulated timelines. Although the contract was effected on 18th July 2024, physical works commenced on 15th September 2024 representing a delay of 52 working days from contract effectiveness, compared to the planned commencement date of 29th August 2024 (30 days after contract effectiveness).

As at 30th September 2025, the status of physical progress of works was behind schedule with the overall progress at 65% as detailed in Table 3 below:

Table 3: Status of Works at the Substation of Kabaale Industrial Park

No	Item	Progress of Engineering Works	Construction Status as at 30th September 2025	Remarks
1.	Transformers	Ongoing	Of the 3 transformers on site, one (1) had its foundation casted and the two (2) were still at casting stage with formwork already set.	Behind schedule
2.	Capacitor banks and shunt capacitor sets	Ongoing	• Base casting was completed for all capacitor banks, awaiting installation. • Base already casted and formwork awaiting removal.	On schedule
3.	Plant House	Ongoing	Roof slab completed	On schedule
4.	220KV underground Cable	Ongoing	• Route already established and awaiting excavation and installation of the cables. • Still delayed as some materials had to be imported, and the contractor had not yet obtained a tax exemption certificate. • Cable trenches already established and casted.	On schedule but delayed by the substation progress
5.	Design	Ongoing	• Initially delayed by back and forth exchange of comments between UETCL, the consultant and the contractor • 14 days initially provided for design review was limited and inadequate.	Mitigated by joint design reviews at the Contractor's design office.
6.	Solar plant	Existing	• There was an existing low voltage network powered by a solar mini grid system generating up to approximately 200MW a day. This serves as a reliable power source to support on-site operations and enhance security during the night.	There is a safe and proper low voltage distribution.
7.	Substation earthing	Not yet started	The project was still at the civil works stage hence earthing had not yet been carried out.	All metallic establishments in the substation

No	Item	Progress of Engineering Works	Construction Status as at 30th September 2025	Remarks
				must be earthed.

Implication
Delay to submit the bank guarantees delayed the commencement of the project and resulted in cash flow constraints, as the contractor was unable to mobilize resources or procure materials in a timely manner.

Management Response
The EPC Contractor first submitted the advance payment guarantees on 20th June 2024. UETCL reviewed the guarantee and instructed the contractor to revise the guarantee amount to exclude VAT. A resubmission was made on 1st August 2024 for advance payment processing.

Authority's Comment
The Authority aknowledges the delay attributed to re-submission of the advance payment guarantees. However, the Entity delayed by one month to review and request the contractor to submit the revised advance payment guarantees (IG24171UG0101747 and IG24171UG0101746) on 19th July 2024 following their first submission on 20th June 2024 hence this query was retained.

Recommendation
The Contract Manager should enhance contract administration by ensuring strict adherence to established timelines for the submission, review and approval of requisite contract documents including guarantees and payment certificates in compliance with Regulations 52(1)(a) & (b) and 52(3)(a) of the PPDA (Contracts) Regulations, 2023.

1.1.2 Delays in Acquiring Tax Exemption for Imported Materials for the Civil Works
The Authority observed that although the civil works were progressing steadily, some construction materials such as anchor bolts which had been procured and imported on 30th May 2025 were held up for close to 2.5 months on arrival at the Mombasa Port pending tax clearance which impacted progress of the civil works.

Implication
The unavailability of imported materials slowed down civil works, disrupted project timelines and were likely to increase costs due to potential demurrage. This will impede the achievement of value for money.

Management Response
Anchor bolts were procured and shipment consignment arrived at Mombasa Port on 30th May 2025. UETCL wrote to Uganda Revenue Authority (URA) on 13th May 2025 for tax exemption. There was a delay to obtain the tax exemption clearance of about 2.5 months which impacted progress of the civil works at the site.

Engagement between the Ministry of Energy and Mineral Development (MEMD), URA and Ministry of Finance, Planning and Economic Development (MoFPED) was still ongoing to secure tax exemption of the imported materials and equipment under the project. The project was considered as an oil sector development project fully funded by the Government of Uganda requiring tax exemption under the oil & gas development projects.

Recommendation

The Authority noted the response. The Accounting Officer, in liaison with the Procurement and Disposal Unit, should strengthen planning and pre-contract review procedures to ascertain that only contractors who have fully satisfied the required regulatory conditions are engaged in accordance with Section 55 of the PPDA Act Cap. 205. This should include the verification of licenses, certifications, tax compliance and any other mandatory documentation prior to contract award and implementation.

1.2 Design, Manufacture, Supply, Installation and Commissioning of Self-Supporting Tubular Galvanised Steel (Monopoles) on Owen Falls Lugogo 132Kv Double Circuit Line and Bujagali-Tororo 132Kv Transmission Line

Introduction and Project Background

On 20th January 2025, a twenty four (24) months lumpsum contract was signed between Uganda Electricity Transmission Company Ltd and Iran Power and Water Equipment and Services Export Company (SUNIR) ("the Contractor") for the design, manufacturer, supply and installation of self-supporting tabular galvanized steel structures (Monopoles) on Owen Falls-Lugogo 132KV double circuit line and on Bujagali-Tororo 132KV transmission line at a total contract price of UGX 14,413,003,584 (inclusive of taxes). Table 4 below summarises the contract information:

Table 4: Contract summary for the design, manufacturer, supply and installation of self-supporting tabular galvanized steel structures (Monopoles) on Owen Falls-Lugogo 132KV double circuit line and on Bujagali-Tororo 132KV transmission line

Procurement Method	Direct Bidding
Reference Number	UETCL/WORKS/2022-2023/01095
Contract Type	Lumpsum
Contract Amount- VAT inclusive	UGX 14,413,003,584
Contractor	Iran Power and Water Equipment and Services Export Company (SUNIR)
Contract Signature Date	20th January 2025
Site Handover Date	18th August 2025
Planned Start Date	03rd March 2025
Actual Start Date	18th August 2025
Contract Duration	24 months
Expected Completion Date	18th August 2027
Performance Security	5% of the total contract price
Advance Payment	10% of the total contract price
Total Payments made to-date	UGX 1,441,300,360

Status of physical verification	By the time of the audit visit on 19th September 2025, the site had only recently been handed over to the contractor on 18th August 2025.

Findings observed in Contract Implementation
Considering that project works had not yet commenced at the time of the audit on 19th September 2025, the Authority did not observe any exceptional findings in regard to the implementation of this project. Nonetheless, the following observations were made:

1. There was a seven months' time lag to effect the contract and handover the site to the contractor on 18th August 2025 after contract signature on 20th January 2025 due to the delayed fulfillment of all prerequisite conditions including the submission of the performance security and advance payment guarantees.

2. During physical verification on 19th September 2025, the Authority observed structural gaps in some existing towers such as weak tower foundations, bending towers, sagging tranmission lines, short spans of the emergency restoration wooden poles and lack of access roads to the towers as explained in Table 5 below:

Table 5: Status of various sections of Owen falls – Lugogo 1&2 – 132KV and Bujjagali - Tororo 132 KV Transmission Line

No.	Item	Section	Status as at 19th September 2025
1.	Owen falls – Lugogo 1&2 – 132kv transmission line	Structure 47, 48, 49 50 at Lugalambo in Buikwe District	• Because the emergency restoration towers lack the deep foundations and structural integrity of permanent installations, prolonged use exposes them to increased risks of failure under wind loads, soil movement, and dynamic stresses. This not only compromises network stability and safety but also heightens the likelihood of costly structural interventions in the long term. • Some existing towers had begun to bend due to the additional tension exerted by the diversion through the emergency restoration towers. This condition may lead to progressive structural damage to towers that were not originally designed to withstand such loads. *(Refer to Annex 2)*
		Structure Number: 161, 162, 163 and 164 at Kivuvu SCOUL Sugarcane plantation in Mukono District	• There are are no existing UETCL access roads within the corridor therefore, it is necessary to re-establish access routes to facilitate movement to

No.	Item	Section	Status as at 19th September 2025
		Structures Number: 145, 146, 147, 148, 149, 150, 151, 152, 153,154 and 155 at Mbalala SCOUL Sugarcane plantation in Mukono District	the various structures within the network. *(Refer to Annex 2)* • The sagging of transmission lines in certain sections poses a safety risk to people in the surrounding areas, particularly within plantations where machinery is occasionally operated. This situation arises from inadequate ground clearance of the lines. • Some existing towers are beginning to bend due to the additional tension imposed by the diversion through the emergency restoration poles. This may result in progressive damage to towers that were not originally designed to accommodate such loads.
2	Bujjagali - Tororo 132 kV Transmission Line:	Structures Number: 484, 485, 486, 487, 488 and 489 at Kakira Sugar Plantation.	The short spans of the emergency restoration wooden poles in this busy mechanized plantation pose a risk to network integrity. This underscores the need to replace them with monopoles, which provide longer spans and enhanced structural stability.

Recommendation
The Contract Manager should task Iran Power and Water Equipment and Services Export Company to replace the wooden poles with self-supporting monopoles, particularly in sections traversing the sugarcane plantations to enhance the durability and reliability of the transmission line infrastructure and promote the attainment of value for money in accordance with Section 51 of the PPDA Act Cap. 205.

1.3 Construction of New Mukono Substation and Associated Transmission Lines, Upgrading of Kawaala Sub-station, and Reconductoring of 132KV Lines Works

Introduction and Project Background
Uganda's sustained macroeconomic expansion, averaging over 4.5% per annum, has exerted significant upward pressure on electricity demand, which reached a peak of 784.7 MW in December 2022. This accelerated growth highlighted structural limitations within the Greater Kampala Metropolitan Area (GKMA) transmission network, with the existing 132kV ring system projected to be inadequate for medium-term demand over the next 10 – 15 years.

A 2016 feasibility study established both the technical and economic rationale for developing a 220kV outer ring network (*refer to Figure 1 below*) to strengthen transmission capacity, system reliability and operational resilience. The Bujagali–Kawanda and Kawanda–Masaka 220kV lines, incorporated into the outer ring configuration, were assessed as technically robust and operationally effective, providing a strategic mechanism to mitigate anticipated capacity constraints and reinforce the reliability of the GKMA transmission system.

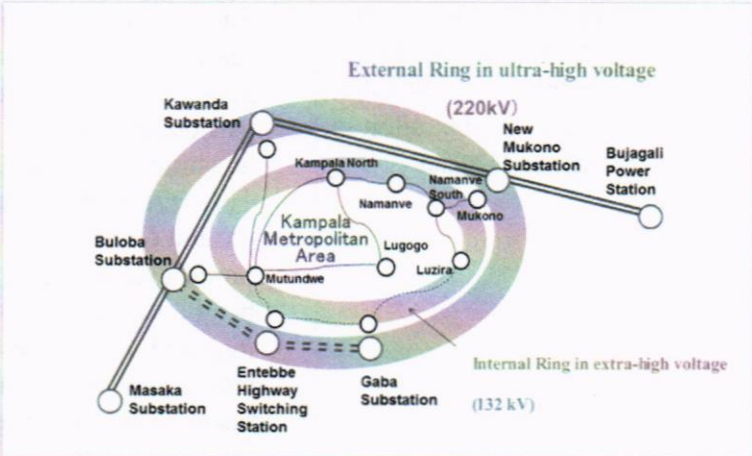


Figure 1: Outline of the 220kV ring system and the 132kV Ring system in GKMA

To mitigate the anticipated supply constraints, the Government of Uganda, in collaboration with the Government of Japan through the Japan International Cooperation Agency (JICA), instituted the Kampala Metropolitan Transmission System Improvement Project (KMTSIP) under the Japan's Official Development Assistance (ODA) loan framework. The initiative, aligned with UETCL's Grid Development Plan (2014 - 2030), was formalized through a Loan Agreement executed on 26th April 2018, marking a strategic intervention to reinforce Uganda's transmission backbone and sustain long-term economic growth.

The Authority conducted a contract audit on the construction of the New Mukono Substation, the upgrading of the Kawaala Substation and the reconductoring of the 132kV lines. Table 6 below summarises the contract information:

Table 6: Contract Summary for Construction of New Mukono Substation and Associated Transmission Lines, Upgrading of Kawaala Substation, and Reconductoring of 132KV Lines Works

Project Provider:	Consortium of Toyota Tsusho Corporation and China Machinery Engineering Corporation
Project Reference Number	UETCL/WORKS?2021-2022/00022/2
Executing Agency	UETCL
Funding Agency	Japan International Cooperation Agency (JICA)
Project Manager	Mr. Mark Renar Namungo- Senior Planning Engineer
Project consultant	"The Joint Venture of Yachiyo Engineering Company Ltd. and Tokyo Electric Power Services Company Ltd."
Sector	Ministry of Energy and Mineral Development
Vote	017
Project Title	Kampala Metropolitan Transmission System Improvement Project

<table>
<tr><td>Project Code</td><td colspan="2">1492 (Loan Number UD-P6)</td></tr>
<tr><td>Project Duration (Financial Years)</td><td colspan="2">FY 2017/18 – FY 2026/27</td></tr>
<tr><td>Project component</td><td colspan="2">Lot 2</td></tr>
<tr><td rowspan="3">Lot title</td><td rowspan="3">Construction of New Mukono Substation and associated Transmission Lines, Upgrading of Kawaala Substation, and Reconductoring Works</td><td>2-1 Construction of New Mukono Substation</td></tr>
<tr><td>2-2 Upgrading of Kawaala Substation</td></tr>
<tr><td>2-3 Reconductoring of 132kV Lines</td></tr>
<tr><td>Contractor</td><td colspan="2">Consortium of Toyota Tsusho Corporation and China Machinery Engineering Corporation</td></tr>
<tr><td>Contract Amount, Tax exclusive</td><td colspan="2">USD 45,594,170.03 and UGX 27,659,016,429</td></tr>
<tr><td>Tax</td><td colspan="2">USD 1,220,806.27 and UGX 4,696,503,964</td></tr>
<tr><td>Engineer's estimate (cost at feasibility stage)</td><td colspan="2">JPY 18,741,000,000 (project price including Lots 1,2 and 3)</td></tr>
<tr><td>Contract type</td><td colspan="2">Engineering, procurement and construction (EPC)</td></tr>
<tr><td>Contract Duration:</td><td colspan="2">24 months</td></tr>
<tr><td>Contract Signature Date:</td><td colspan="2">7th August 2023</td></tr>
<tr><td>Commencement Date</td><td colspan="2">12th February 2024</td></tr>
<tr><td>Intended Start date</td><td colspan="2">19th February 2024 (7 days after site handover, following the commencement date as per PC-part A Clause 8.1(c) of the contract)</td></tr>
<tr><td>Actual start date</td><td colspan="2">26th February 2025 (14) days from the commencement date as put in the monthly progress reports, hence a 7-day delay noticed. Non-compliance with PC-Part A Clause 8.1(c) of the contract)</td></tr>
<tr><td>Intended Completion date:</td><td colspan="2">11th June 2026</td></tr>
<tr><td>Actual Completion date</td><td colspan="2">Still ongoing</td></tr>
<tr><td>Defects Notification Period</td><td colspan="2">24 months above the time for completion</td></tr>
<tr><td>Physical progress reported</td><td colspan="2">61.04% as at August 2025</td></tr>
<tr><td>Financial Progress</td><td colspan="2">43.76% as at August 2025</td></tr>
<tr><td>Amount Paid</td><td colspan="2">USD 19,941,925.79</td></tr>
<tr><td>Functionality</td><td colspan="2">Not yet, still under contract implementation.</td></tr>
<tr><td>Project Location</td><td colspan="2">1. Mukono District, Mukono TC, Mbalala village,
2. Rubaga Division, Kasubi sub-division, Kawaala
3. Kampala North for the transmission line</td></tr>
<tr><td>Lot 2 Component</td><td colspan="2">Sub-Component</td></tr>
</table>

2-1: Construction of the New Mukono Substation	**2-1-1: New Mukono Substation** 1) 220/132/33kV Transformers 2) 220 kV Gas Insulated Switchgear 3) 132 kV Gas Insulated Switchgear 4) Control building 5) 132 kV transmission line (New Mukono Substation) Mukono 6) Substation Control System (SCS) 7) Protection System 8) Civil Works
	2-1-1 220 kV Transmission Line New Mukono branch point- New Mukono Substation
	2-1-3 132 kV Transmission Line 1) New Mukono Substation- New Mukono branch point (Southern trunk line)
2-2: Upgrading of Kawaala Substation	**2-2-1: Kawaala Substation** 1. 132/33kV Transformer 2. 132/11kV Transformer 3. 132kV Gas Insulated Switchgear 4. 33kV Switchgear 5. 11kV Switchgear 6. Control building 7. Substation Control System (SCS) 8. Protection System 9. Civil Works
2-3: Reconductoring of 132kV Lines	**2-3-1 Mukono branch point (Northern trunk line) Kampala North Substation** 2-3-2 Kampala North Substation Mutundwe Substation 2-3-3 Kampala North Substation Lugogo Substation 2-3-4 Kawaala branch point Substation Kawaala

Findings observed in Contract Implementation

The Authority observed the following positive findings:

1. The Contract Manager (Engineer Renar Namungo) prepared and maintained all contract management records such the Contract Implementation Plan, monthly progress reports, project meeting minutes, various correspondences between the contractor and the Contract Manager, consultant's reports, Interim Payment Certificates, design drawing reviews, site inspection reports, health and safety reports, NEMA certificates and the updated work programs.

2. The performance securities (LG11100C300429 and LG11100C300428) and advance payment guarantee (LG11100C300450) remained valid in accordance with the applicable Regulations and GCC provisions.

3. For the sampled quantities, the comparison of the priced specifications and the drawings showed matching results, indicating adherence to the specifications and quality assurance was effectively maintained through a robust supervision system provided by consultant.

4. At the time of the audit in August 2025, the contract was still under execution with no recorded cost variations. The works were therefore projected to be completed within the original budget of USD 45,594,170.03 plus UGX 27,659,016,429 (equivalent to a total of USD 53,253,232.00).

5. The contractor adhered to the Environmental, Social, Health and Safety requirements of the contract through obtaining Environmental and Social Impact Assessment (ESIA) certificates, implementing policies on Occupational Health and Safety, Gender-Based Violence (GBV), child protection and HIV/AIDs awareness.

Despite the above positive performance, the Authority noted the following exceptions:

1.3.1 Delayed Contract Commencement

The Authority noted a six-months' delay between contract signing and the commencement of works. Whereas the contract was signed on 7th August 2023, the actual commencement of works occurred on 12th February 2024. This was contrary to Regulation 52(1) of the PPDA (Contracts) Regulations, 2023.

Implication

The delay in the commencement of works will contribute to the untimely realization of reinforcing Uganda's transmission backbone to sustain long-term economic growth.

Management Response

- *Delay to commence the contract was attributed to lengthy processes required for the renewal of the National Environment Management Authority (NEMA) certificate by NEMA which certificate was required for the commencement of the Works under General Condition of Contract Sub-Clause 1.13 [Compliance with Laws].*
- *The original Environmental and Social Impact Assessment (ESIA) permit was issued in 2017 and expired in 2022. Due to the impacts of the Covid-19 pandemic, the project did not commence within the stipulated duration hence an update of the ESIA studies was required for consideration of renewal.*
- *To ensure consistency and accuracy, the consultant who conducted the original studies was engaged to carry out the update, reflecting the current status of the project area. This engagement was undertaken through a procurement process, during which the Terms of Reference (ToRs) were submitted to the Contracts Committee for approval on 27th March 2023. The process required additional time to complete mandatory activities before submission to the NEMA on 28th December 2023 for approval.*

Recommendation

The Authority noted the response. The Accounting Officer should task the Contract Management Teams to make certain that future projects commence within the period indicated in the contract in accordance with Regulation 52 (1) of the PPDA (Contracts) Regulations, 2023.

1.3.2 Slow Progress in Contract Execution

According to the master work schedule, the Lot 2 contract works should have been at 92.6% completion by the time of the audit between 8th and 12th September 2025. However, the Authority noted that by the end of August 2025, the Entity reported a physical progress of only 61.04%.

This resulted in a physical progress lag of 31.56% with major delays observed at the Kawaala Substation and in the component of re-conductoring of the 132kV line. Based on this analysis, completion within the original contract period ending 11th June 2026 is unlikely thus the contract likely needs to be extended. *(Refer to Annex 3)*

Implication

Physical progress lag risks breaching the contractual timeline, exposing the project to liquidated damages and delaying the Government initiative.

Management Response

- *Slow progress of works under Lot 2 was attributed to the late hand over of the Kawaala substation site to the contractor. This was as a result of delayed delivery of the mobile substation which was to provide temporary power supply as the existing Kawaala/Namungoona substation was demolished to pave way for the construction of new Kawaala substation.*
- *The mobile substation commenced providing temporary power supply on 12th September 2025 and site clearance works have commenced.*
- *In order to mitigate further delays to the works, all equipment has been manufactured and delivered to site with the exception of the power transformers and HV GIS equipment which are expected to reach site by end of November 2025.*
- *The remaining components under Lot 2 (New Mukono substation, transmission lines and reconductoring works) are still on track.*

Recommendation

The Contract Manager should task the contractor to submit a revised work program to ensure timely implementation of the pending works in accordance with Section 51 of the PPDA Act Cap. 205.

1.3.3 Delayed Payment

The Authority noted that Interim Payment Certificates No. 9–13, submitted on 23rd April 2025 and certified on 6th June 2025, remained unpaid at the time of the audit from 8th to 12th September 2025. This represented a payment delay of approximately two and a half months, potentially resulting in the accrual of interest. The total outstanding amounts were UGX 468,838,544 and USD 7,313,180.88 as detailed in Table 7 below:

Table 7: IPC with Delayed Payments under Lot 2

No	Commercial Invoice Number	Short Description	Amount Invoiced	Date Received	Date of Certification	Status
1.	METRO_SW2_TTC&CMEC_IPC/UGX/_C_004	Schedule No 4 Items under IPC No 4 and Interest on Delayed Payments	UGX 460,076,388	23/04/2025	6/05/2025	Payment under processing
2.	KPM2-TTC&CMEC-IPC/USD/C_006	Schedule No 1,4 & 9 Items under IPC No 4 and Interest on Delayed Payments	USD 245,588.50	23/04/2025	6/05/2025	Payment under processing
3.	KPM2-TTC&CMEC-IPC/USD/C_007	Schedules No 3&6 Items under IPC No4 and Interest on Delayed Payments	USD 7,061,556.09	23/04/2025	6/05/2025	Payment under processing
4.	KPM2-TTC&CMEC-INT/UGX/C_001	Interest on Delayed Payments	UGX 8,762,156	23/04/2025	6/05/2025	Review by UETCL
5.	KPM2-TTC&CMEC-INT/USD/C_0051	Interest on Delayed Payments	USD 6,036.29	23/04/2025	6/05/2025	Review by UETCL

Implication

Failure to pay for all the work completed by the contractor adversely affects the contractor's cash flow and might delay project work.

Management Response

A meeting was held on the 16th June 2025 with the D/CEO, Project Management Team, Consultant, UETCL's Internal Audit and Projects Accounts to discuss delays in processing invoices. It was noted in the meeting that external stakeholders like the Financier JICA, Bank of Uganda and MoFPED had to reduce the number of days they take to clear the invoices if the contractual timelines of 63 days were to be met.

On the 8th July 2025, letter ref: JK/EK/AS/bh/METRO/8.7.25 was sent to the external stakeholders involved in invoice processing informing them to reduce the time taken to process the invoices to mitigate claims of interest from the Contractor. Following this intervention, the invoicing processing was streamlined and most of the subsequent invoices were paid within the contractual timelines of 63 days.

Recommendation
The Authority noted the response. The Accounting Officer should make timely payments to contractors in accordance with Regulation 49 (3) of PPDA Regulations (Contracts) 2023.

1.3.4 Inadequate Reserve Clearance
Regarding re-conductoring works on the Kampala North 132kV line, one tower was found to have inadequate reserve clearance, with adjacent buildings located within 1.5 meters of the tower fence. *Refer to Annex 4*

Implication
This proximity increases the likelihood of accidental contact, restricted access for maintenance, structural vulnerability during line swings and heightened public safety hazards in the event of faults or emergencies.

Management Response
The 132kV Mutundwe-Kampala North transmission line is an old transmission line whose corridor has been encroached by the public. UETCL management wrote to the Attorney General seeking legal guidance on the demolition of the structures in the corridor and is yet to receive a response.

Recommendation
The Accounting Officer should conduct a detailed wayleave and structural safety assessment for the affected tower, enforce statutory safety clearances through coordination with the relevant local authorities and initiate corrective action.

1.4 Procurement of a Mobile Substation at the Kampala Metropolitan Transmission Improvement System (UD-P6)

Introduction and Project Background
The procurement of a mobile substation for Kawaala in Rubaga North division forms an integral component of the Greater Kampala Metropolitan Area (GKMA) Transmission System Improvement Project.

The project entailed the upgrading of the Kawaala 132/11kV substation, which distributed power to three (3) 11kV feeders - Nansana, Nakulabye and Masanafu. The planned upgrade required a temporary shutdown of the existing substation to facilitate construction works. To ensure continuity of power supply during the outage period, the Entity deployed a mobile substation to temporarily operate as a substitute 132/11kV substation. The arrangement also included the installation of bypass connections linking the existing 132kV transmission line to the 11kV feeders through the mobile substation. The contract information is summarised in Table 8 below:

Table 8: Contract Summary for Lot 3 - Procurement of a Mobile Substation at the Kampala Metropolitan Transmission Improvement System

Project Reference Number	**UETCL/SUPLS/2021-2022/01570**
Procurement Method	International Competitive Bidding
Reference Identification No.	UETCL/SUPPLIES/2021-2022/01570
Project Provider:	PT. ELSEWEDY ELECTRIC INDONESIA
Contract Amount	USD 3,627,152.31
Contract Signature	19th May 2023
Commencement Date	19th May 2023
Contract duration	450 Days
Initially intended completion date	11th August 2024
Extended date of completion	12th August 2025- as per the extension letter dated 16th May 2025
Actual Completion date	25th February 2025
End of Defects Liability Period (DLP)	25th February 2027
Project Funder	JICA (Japan International Cooperation Agency)
% of Physical progress	100%
% of Financial progress	73.49%
Scope of supplies	List of the goods supplied included: ▪ One Lot of Mobile Substation (ready-for-operation multi-ratio mobile substation of 1332/33-11kV, 20MVA); and ▪ One Lot of Major Materials for temporary power supply
	List of Related Services: ▪ Factory acceptance test (FAT) ▪ Pre-shipment inspection ▪ Site acceptance test (SAT)
Contract Manager	Eng. Ali Sewagudde

Findings observed in Contract Implementation

The Authority did not observe high risk exceptions in the implementation of this project but rather observed the following positive findings at the time of the field visit on 18th September 2025:

1. The Authority observed that the Mobile Substation had been delivered and commissioned by 25th February 2025 and was successfully supplying 11kV power to the targeted areas of Nansana, Masanafu, and Nankulabye. *(Refer to Annex 5)* However, there was a 198 days' delay to execute the works by the planned completion date of 11th August 2024.

2. The Contract Manager (Engineer Ali Sewagudde) prepared and maintained all contract management records such as the Contract Implementation Plan, monthly progress reports, project meeting minutes, various correspondences between the contractor and the Contract Manager, consultant's reports, Interim Payment Certificates, design drawing reviews, site

inspection reports, health and safety reports, NEMA certificates, and the updated work programs.

3. The finacial prorgess was 73.49% with advance payment fully recovered and all subsequent payments made strictly against certified works without evidence of overpayment. This demonstrated sound financial control, compliance with payment procedures and adherence to contract management provisions.

4. The project completion certificate was issued on 25th April 2025 with outstanding supplier obligations such as delivery of transformer and OLTC breather spares, provision of technical support and submission of as-built drawings expected before the end of the defects liability period ending 1st August 2026.

CHAPTER TWO: AUDIT CONCLUSION

In light of the above findings and recommendations, the Authority concludes as follows:

1. The supply, installation and commissioning of 3x63/80MvA 220/032/33KV Kabaale Industrial Park in Hoima was properly managed and the progress of the works were promising. As at 30th September 2025, the implementation of the substation and underground transmission line had reached 65% completion. All engineering works were finalized, marking a significant milestone toward achieving the contract objectives. In compliance with local content requirements, unskilled and semi-skilled labor was sourced from surrounding Ugandan communities. All necessary certifications and approvals from the National Environment Management Authority (NEMA) were obtained which demonstrated adherence to environmental compliance standards.

   Despite these achievements, the project experienced notable delays of 52 working days. The commencement date of 18th July 2024 was postponed to 15th September 2024 due to the contractor's late submission of the performance bank guarantee. The civil works were also constrained by delays in acquiring tax exemptions for some imported materials e.g. anchor bolts.

2. The design, manufacture, supply, installation and commissioning of self-supporting tubular galvanised steel (Monopoles) on Owen Falls Lugogo 132Kv double circuit line and Bujagali-Tororo 132Kv transmission line faced a seven months' delay in site handover to the contractor on 18th August 2025 after contract signature on 20th January 2025. This was due to delayed submission of the performance security and advance payment guarantees. There were also delays in commencement of works and concerns regarding structural suitability in certain sections which may adversely affect timely project completion and the realization of intended benefits by the expected completion date of 18th August 2027.

3. The construction of New Mukono Substation and associated Transmission lines, upgrading of Kawaala Substation and reconductoring of 132KV lines may not meet the completion date of 17th August 2027 given the seven months' time lag to effect the contract and handover the site to the contractor.

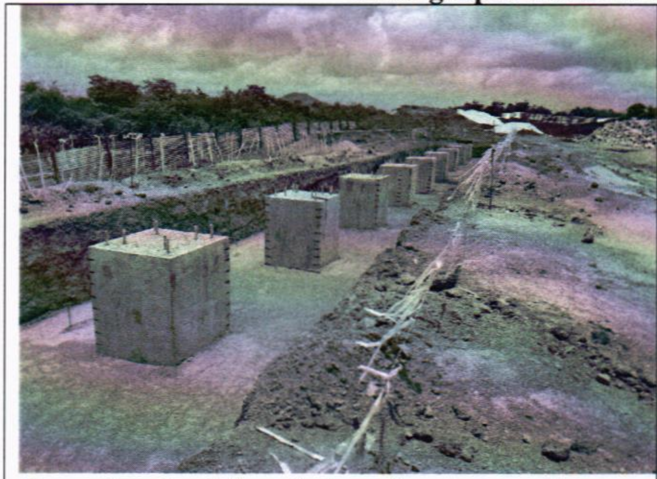
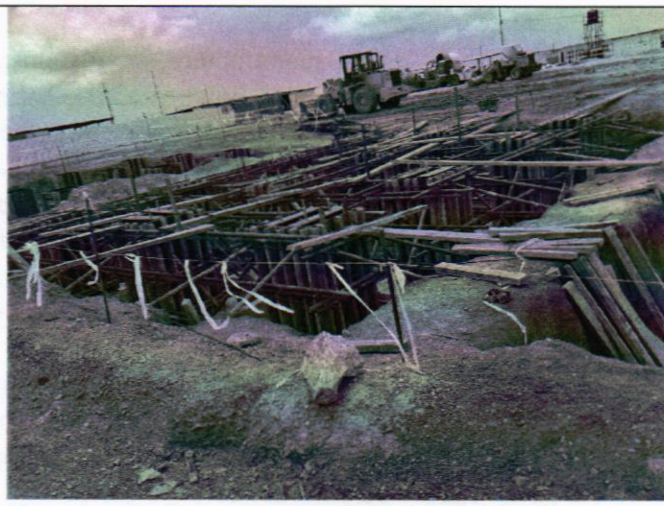
4. The procurement of a Mobile Substation at the Kampala Metropolitan Transmission Improvement System was completed, energized and was fully operational as at 25th February 2025 hence the anticipated benefits had been realized, contributing to enhanced reliability and stability of power supply within the GKMA.

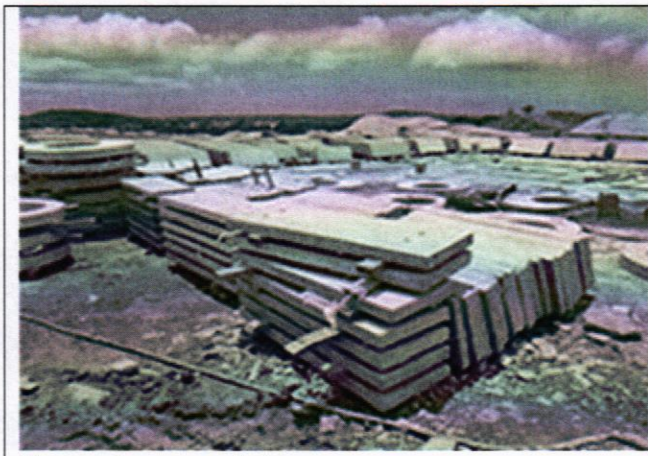
While these weaknesses did not materially undermine the overall performance of the contracts, they indicate deficiencies in contract management and monitoring mechanisms that may adversely affect the project implementation timelines and the quality of works executed. Therefore, it requires targeted management interventions to strengthen contract performance and compliance with the provisions of the contracts to meet project delivery timelines.

ANNEXES

Annex 1: Physical Verification of the Kabaale Substation site

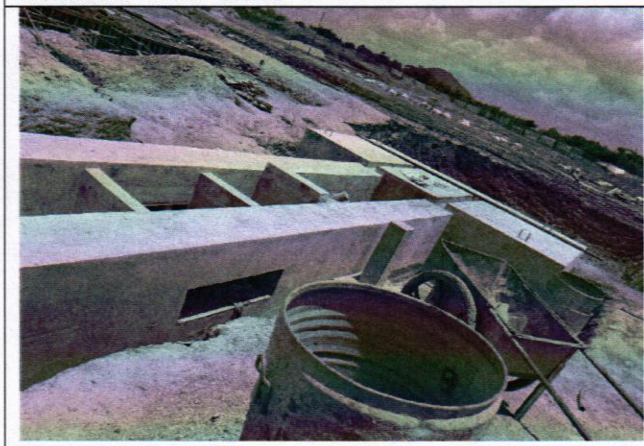
Photographs taken on 17th September 2025

 *Capacitor Bank foundation already casted*	 *Power house under construction*
 *Excavation of transformer location ongoing.*	 *Formwork being set for one of the power transformers.*



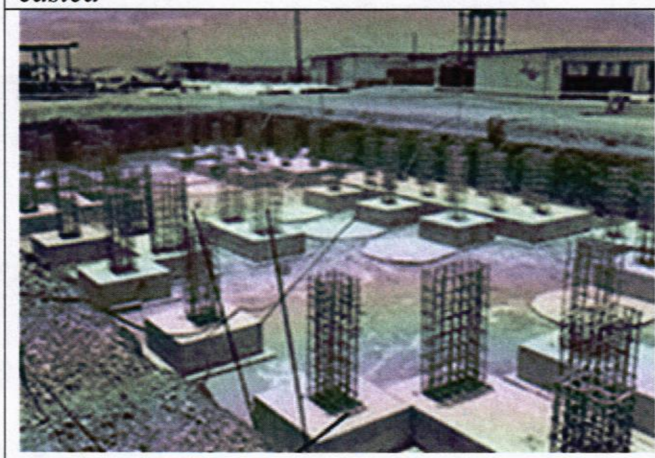
Concrete cover slabs

Ongoing concrete works

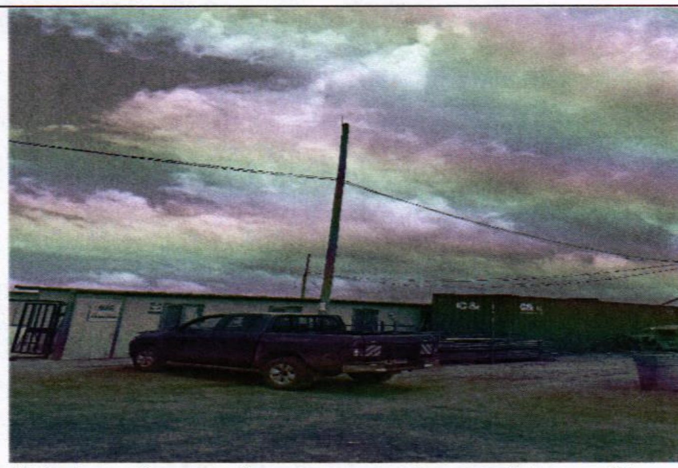


One of the shunt capacitors set base being casted

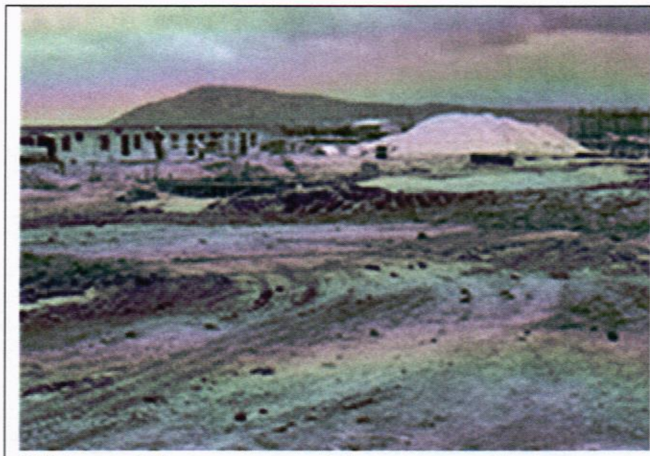
Curing of concrete columns



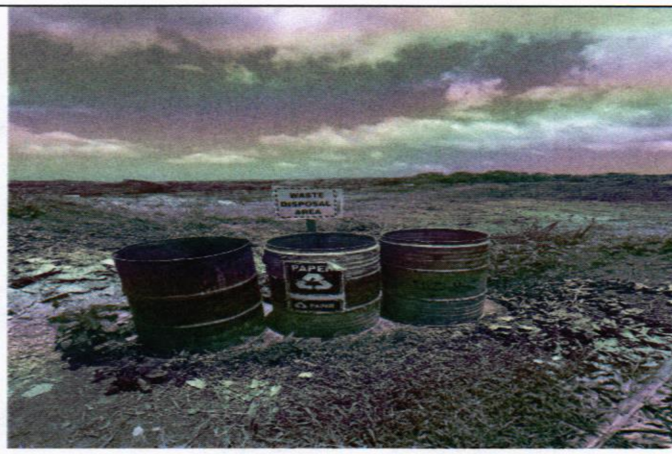
Steel work of concrete columns



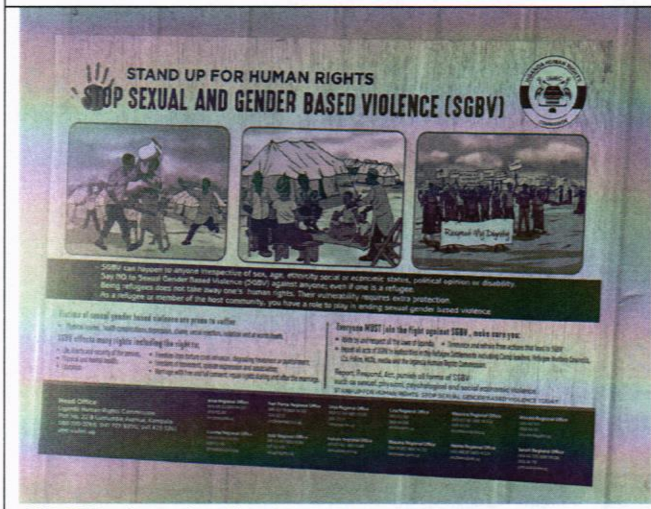
Existing Low voltage network supplying offices, campsite and all infrastructure around the site



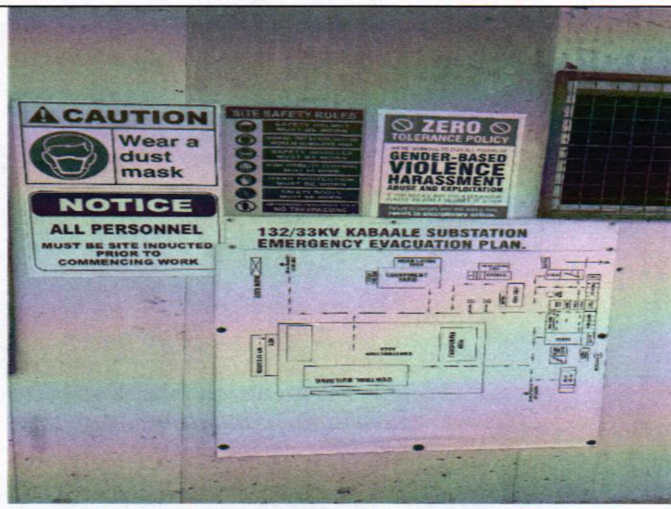
Wide and flat area requiring proper drainage



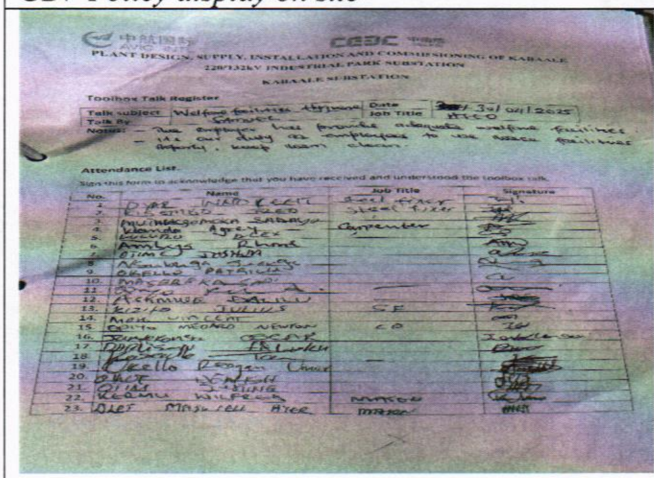
Waste disposal Area



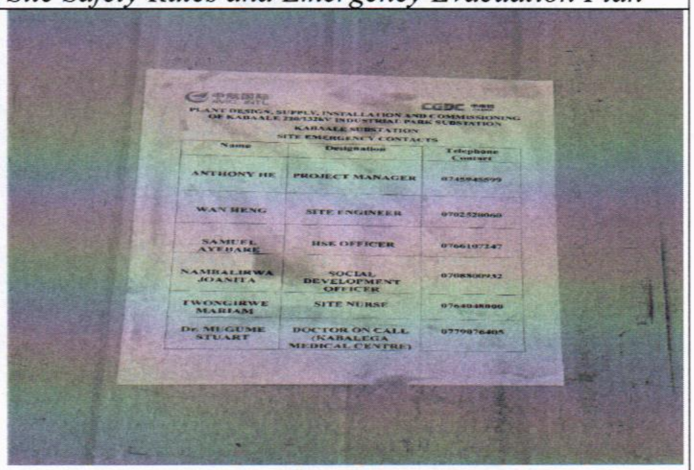
GBV Policy display on site



Site Safety Rules and Emergency Evacuation Plan



Toolbox talk register



PLANT DESIGN, SUPPLY, INSTALLATION AND COMMISSIONING OF KABAALE 220/132kV INDUSTRIAL PARK SUBSTATION

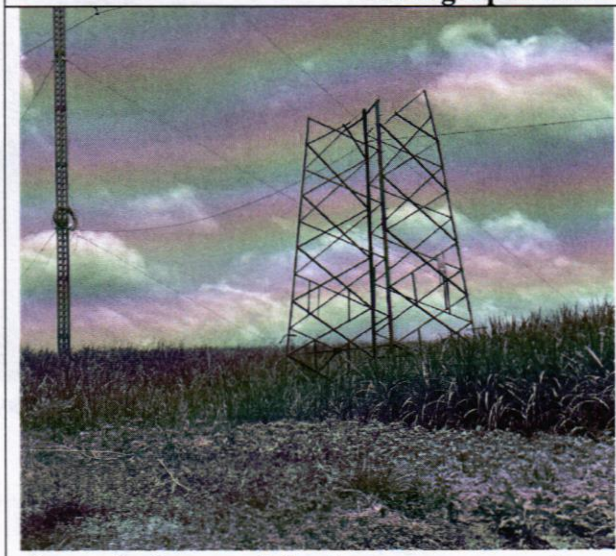
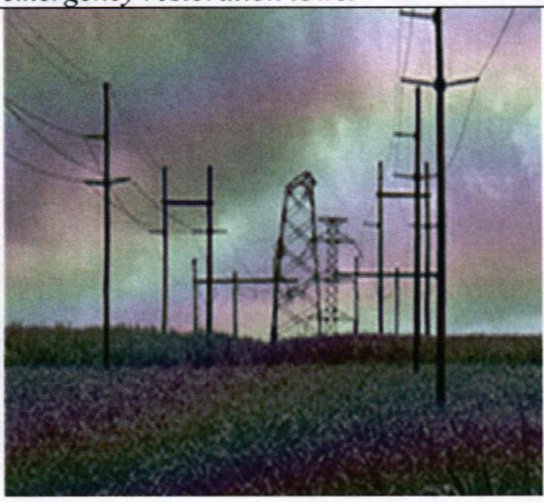
KABAALE SUBSTATION

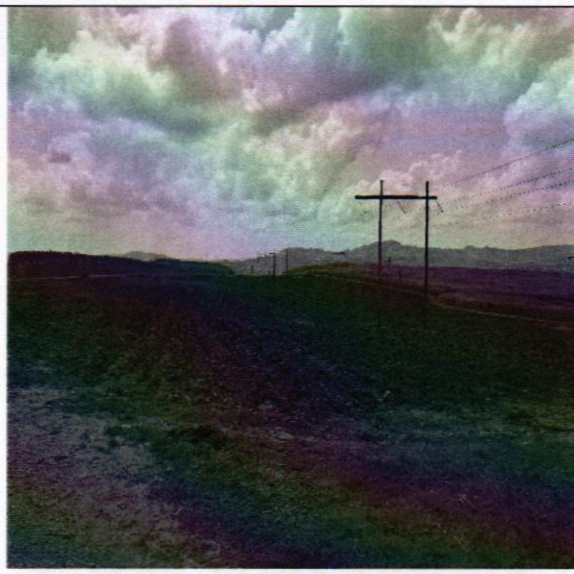
SITE EMERGENCY CONTACTS

Name	Designation	Telephone Contact
ANTHONY HE	PROJECT MANAGER	0745945699
WAN HENG	SITE ENGINEER	0702520060
SAMUEL AYEBARE	HSE OFFICER	0766107247
NAMBALIRWA JOANITA	SOCIAL DEVELOPMENT OFFICER	0708800932
TWONGIRWE MARIAM	SITE NURSE	0764048800
Dr. MUGUME STUART	DOCTOR ON CALL (KABALEGA MEDICAL CENTRE)	0779876405

Site Emergency Contacts

Annex 2: Physical Verification of Owen Falls-Lugogo 132kV double circuit line and the Bujagali-Tororo 132kV transmission

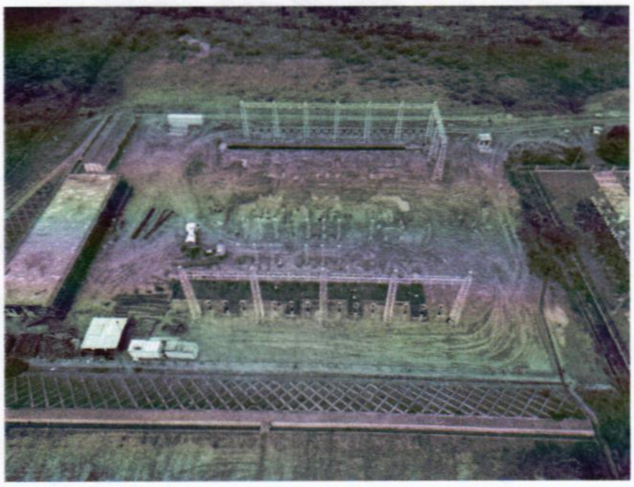
Photographs taken on 19th September 2025	
 *One of the vandalized structures and an emergency restoration tower*	 *Poles with short span in a highly mechanized sugar plantation at bush fallowing stage*
 *Wooden poles used as emergency restoration towers*	 *Slanting tower due to effects of vandalism*

 Emergency restoration tower wind stays footprint encroaching on the road and at risk of being knocked	 Emergency restoration tower wind stays footprint falling in the forest hence a risk to people's lives
 *Line clearance needed for some emergency restoration pole structures*	 *No UETCL access roads for some sections particularly in Mukono*

Annex 3:Physical Verification of Construction of New Mukono Substation and Associated Transmission Lines and Reconductoring of 132KV Lines Works

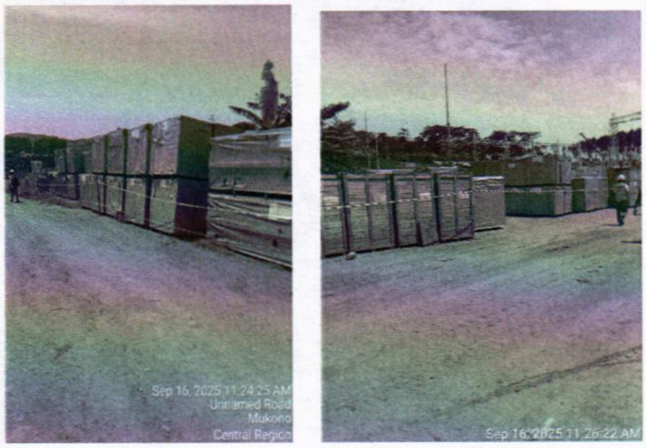
Photographs taken on 16th September 2025

Project signage is located near the project site along the Kampala-Jinja Road



Aerial view of the site, obtained from the UETCL Deputy Project Manager, shows its coverage area

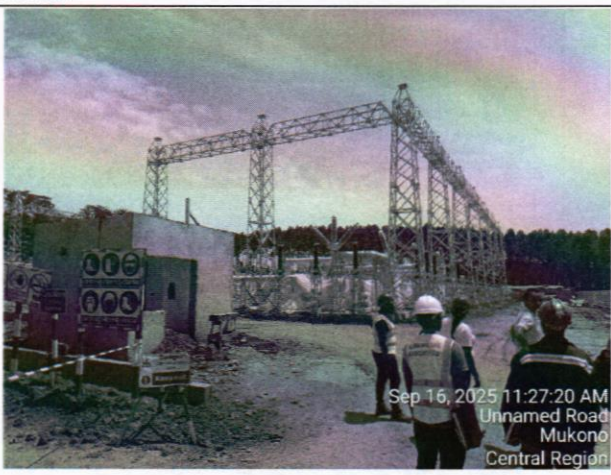
Auditors with the representative from the contract implementation team



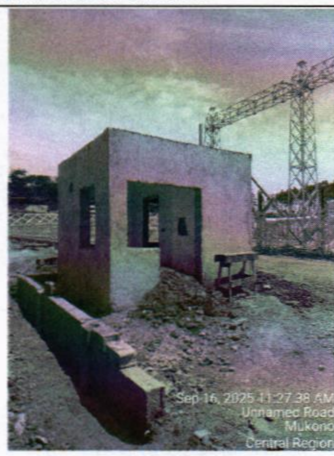
Some imported, factory-manufactured equipment

An excavator on site

Mobile crane truck on site



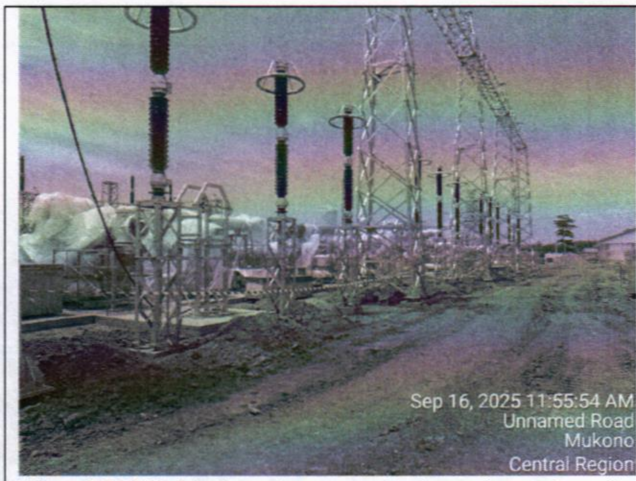
Main entrance into the substation



The guard house

The 132kV high voltage switchyard section has part of the steel supporting lattice structure (gantry) and 132kV gas-insulated switchgear units in place

Main Transformer (220/132/33 kV, 140/200MVA Three-Phase, 3 sets in place



The 132kV high voltage switchyard section has part of the steel supporting lattice structure (gantry) and 220kV gas-insulated switchgear units in place

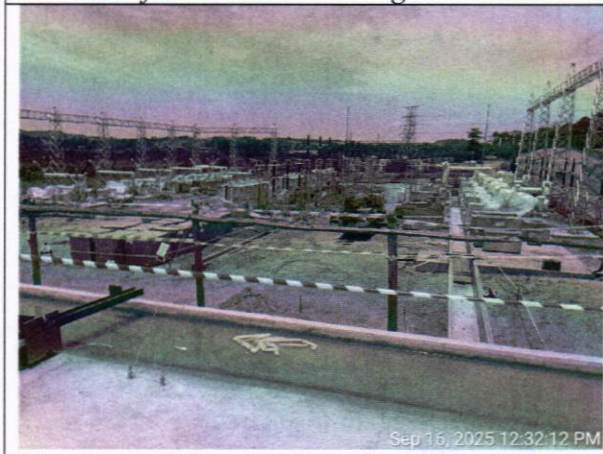
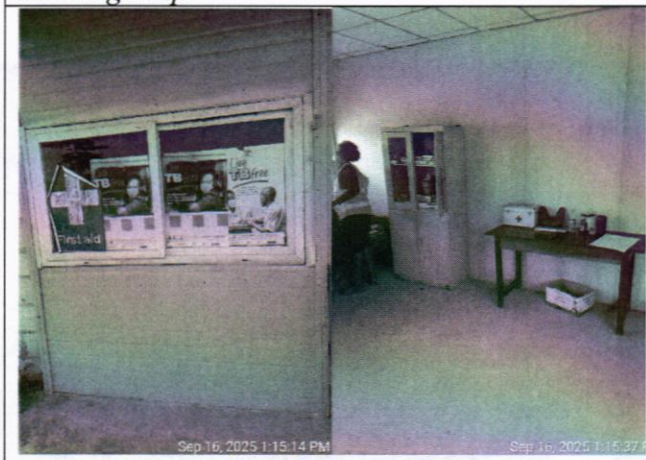
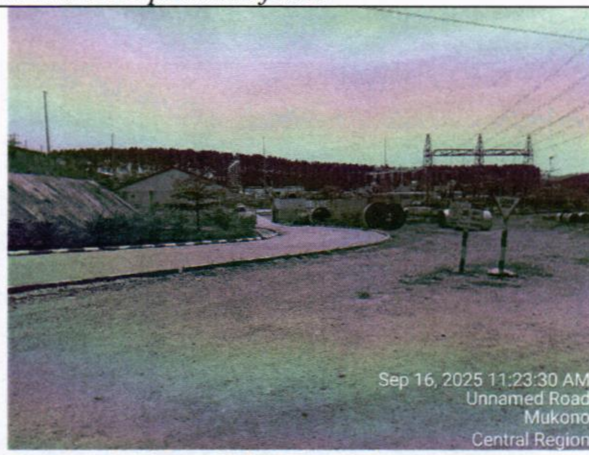
The 220kV switchyard with the Gantry (steel support structure)

the Control building unit; raised to the roofing level

One of the rooms in the control building, the Relay room

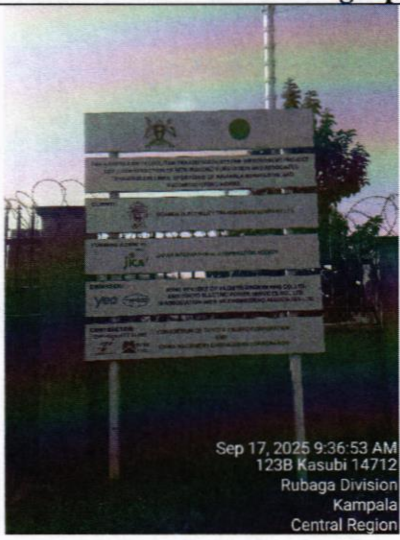
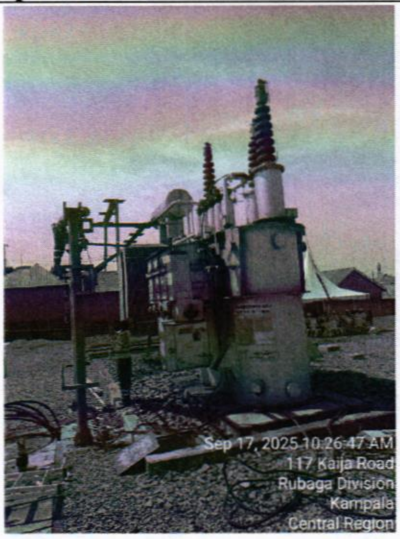
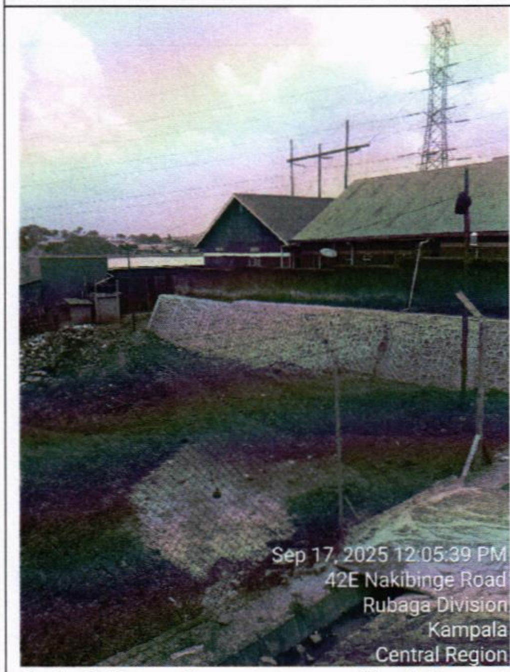
Ready-mix concrete (RMC) is being poured at the

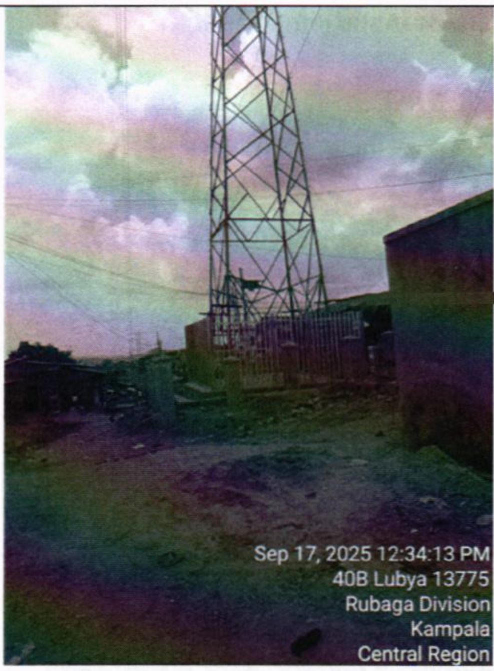
*Part of "Cable Trench 1200 W*1200D" as seen on the electrical layout drawing*

low side of the control building		
 *The view of the site from the side of the control building's top*		 *Angled view of the site showing the fence design. It is a steel palisade fence*
 *Sick bay entrance and interior*		 *Exiting Mukono Substation site*

Annex 4: Physical Verification of Upgrading of Kawaala Sub-station

Photographs taken on 17th September 2025

 *The project signage*	 *Dismantling of the old main transformer unit on the site*
 *Rehabilitated retaining wall of the neighbor after ducting of GI voltage cables that run to the Mobile substation constructed under Lot 3*	 **Exception** - *A point at the main entrance to the Kawaala substation site features a conduit containing a 11 kV voltage cable, which likely runs under the foundation of the adjacent building*

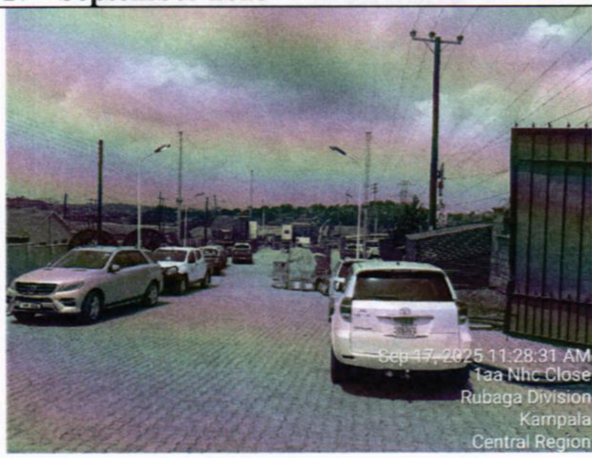


Exception *One of the rehabilitated towers for the 132kV reconducting works and access to it was restricted for the community residents*

Annex 5: Physical Verification of the Mobile Substation at the Kampala Metropolitan Transmission Improvement System

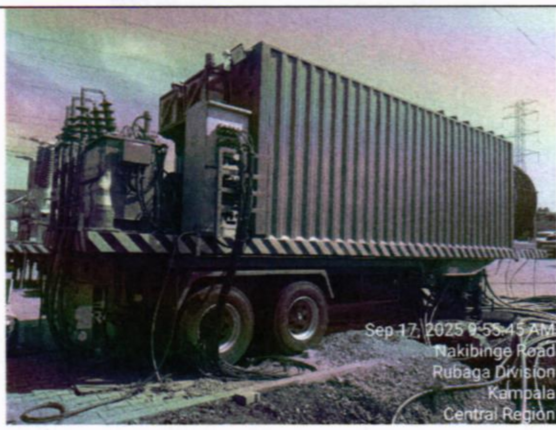
Photographs taken on 17th September 2025

Project signage

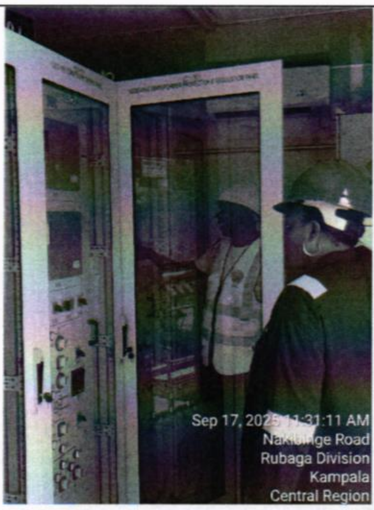


Inside the site of the procured mobile substitution

The general view of MV Trailer 2, which holds the auxiliary transformer, voltage monitoring, and control units (steps voltage to 33kV and 11kV)



View 2 of the MV Trailer-2 with the auxiliary transformer

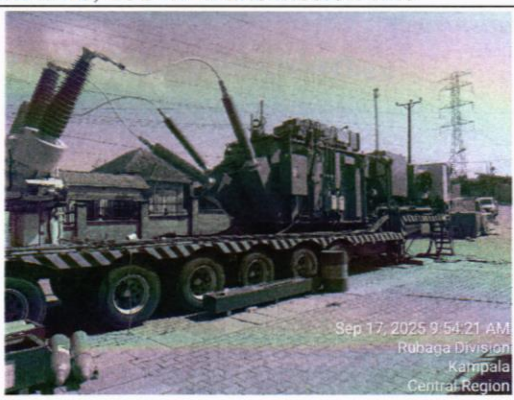


Voltage monitoring and control/protection cabinet in Trailer 2

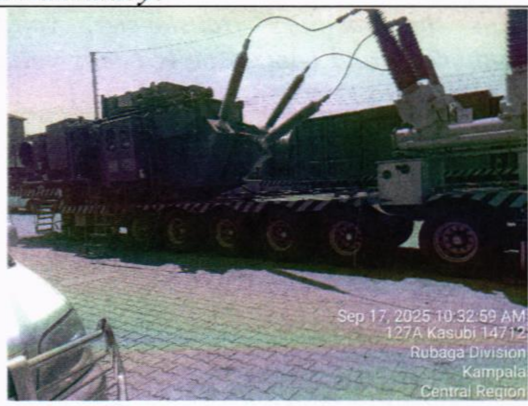
One of the transformer control panels inside the control room

One of the towers of Kampala North, Mutundwe, 132 kV transmission line

Cable termination point with steel lattice structure. Feeder point for 11kV of Nansana, Masanafu, and Nankulabye

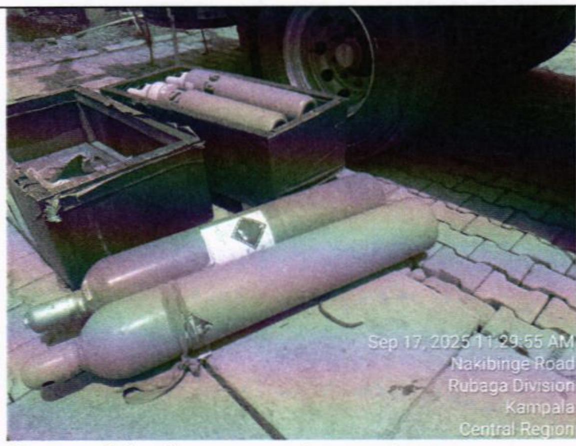


HV Trailer 1 with the power transformer Elevation-1

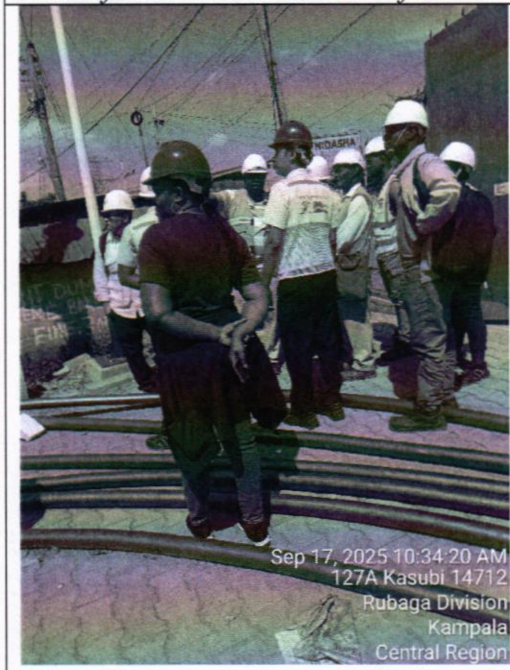


Elevation-HV Trailer 2

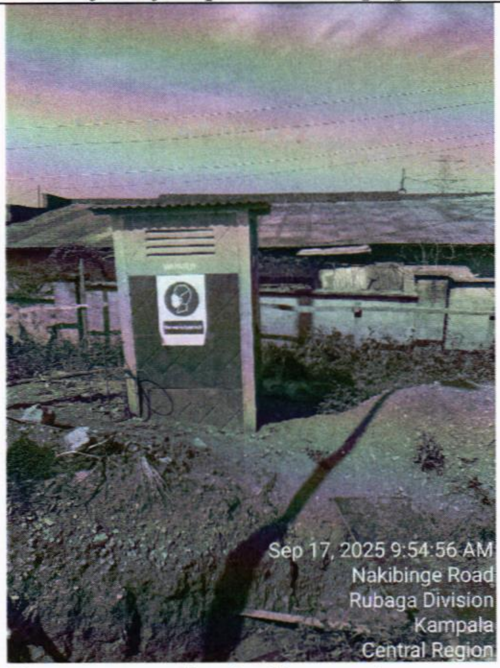
132kV feeder to the main transformer



Some of the fire protection equipment



The inspection team and the Authority representatives, undergoing HSE sensitization before the inspection activity



Temporary toilet facility on site