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

PPDA/HMRH/406

4th August 2026

The Accounting Officer
Hoima Regional Referral Hospital
P.O Box 5
HOIMA.

BID PREPARATORY AUDIT FOR THE SUPPLY, DELIVERY, INSTALLATION, TRAINING AND COMMISSIONING OF, OFFICE FURNITURE, MEDICAL FURNITURE, IMAGING EQUIPMENT, THEATRE & INSTRUMENTS, ICU & NICU EQUIPMENT, ASSORTED MEDICAL EQUIPMENT, LABORATORY EQUIPMENT AND CSSD LAUNDRY & MORTUARY EQUIPMENT FOR HOIMA RRH, MASINDI GH AND BUSERUKA HCIV. REF: HRRH/SUPLS/2026/2027/00001/LOT 1-8

Reference is made to the above subject.

The Public Procurement and Disposal of Public Assets Authority (PPDA) in accordance with Section 8 (1) (j) (i) of the PPDA Act Cap 205 conducted a bid preparatory audit for the supply, delivery, installation, training and commissioning of the items indicated in Table 1 below:

Table 1: Selected procurements for the bid preparatory audit

No.	Procurement reference number	Subject of Procurement	Estimated Cost (UGX)	Bid security (UGX)
Lot 1	HRRH/SUPLS/2026/2027/0001	Office Furniture	789,173,000	7,891,730
Lot 2	HRRH/SUPLS/2026/2027/0001	Medical Furniture	2,232,735,400	22,327,354
Lot 3	HRRH/SUPLS/2026/2027/0001	Imaging Equipment	10,602,801,400	106,028,014
Lot 4	HRRH/SUPLS/2026/2027/0001	Theatre Equipment	2,815,392,900	28,153,929
Lot 5	HRRH/SUPLS/2026/2027/0001	ICU and NICU Equipment	5,761,706,600	57,617,066
Lot 6	HRRH/SUPLS/2026/2027/0001	Assorted Medical Equipment	3,557,094,900	35,570,949
Lot 7	HRRH/SUPLS/2026/2027/0001	Laboratory Equipment	277,389,000	2,773,890

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Lot 8	HRRH/SUPLS/2026/2027/0001	CSSD Laundry and Mortuary Equipment	1,018,410,200	10,184,102
	Total		**27,054,703,400**	

The audit exercise involved a review of the procurement plan, requisition form, shortlisting procedures, and solicitation document to be issued to bidders following the Public Procurement and Disposal of Assets Act, Cap. 205, the attendant PPDA Regulations, and Guidelines.

The objectives of the audit were to:

1 Ensure that public procurement planning, requisition, and invitation to bid were conducted in a manner that promotes transparency, accountability, and fairness in accordance with the PPDA Act, Cap. 205, the attendant PPDA Regulations, and Guidelines and;

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

The Authority noted that the Entity prepared one solicitation for the eight different procurements under lots 1 to 8 and identified the findings below for the attention of Management. The purpose of this letter, therefore, is to communicate the following findings and recommendations for your attention and action.

The Authority found the following anomalies in the bidding document, as detailed in Table 2 below:

Table 2: Findings and Recommendations in the solicitation document

No.	Anomalies Found	Recommendations
	Section 3: Evaluation Methodology and Criteria	
1	**Inadequate Eligibility Criteria** Bidders were required to; i. Submit a Tax Clearance certificate or its equivalent specific to the procurement. The Entity did not explicitly state the period of the Tax Clearance certificate required thus there is a risk of a bidder submitting an outdated Tax Clearance certificate which does not confirm whether the company has fulfilled its most recent tax obligations. ii. Submit Social Security contribution certificate or its equivalent. The Entity did not explicitly state the period of the Social Security contribution certificate required thus there is a risk of a bidder submitting an outdated Social Security contribution certificate which does not confirm whether the company has fulfilled its most recent obligations. iii. Submit copies of certified audited financial statements (books of accounts)	The Procurement and Disposal Unit should revise the bidding document: i. By explicitly stating the period of the Tax Clearance certificate required and requesting bidders to submit the most recent Tax Clearance Certificate as evidence of fulfillment of their most recent obligations to pay taxes; ii. By explicitly stating the period of the Social Security contribution certificate to request a more recently issued certificate; and iii. Update the requirement to request for more recent audited financial statements and Annual turnovers, such as for the years 2024/2025,2023/2024, and 2022/2023 prepared by a firm certified by ICPAU or other equivalent Accounting professional

No.	Anomalies Found	Recommendations
	for the last three (3) consecutive financial/ calendar years that is 2023/2024 and 2022/2023 or 2024, 2023. The Hospital will be unable to assess the current financial position of bidders as the audited books will be outdated since the procurement process is taking place in 2026. The Entity also did not state that the audited financial statements must be prepared by a firm certified by ICPAU or other equivalent Accounting professional body.	body. In addition, submit financials for FY 2025/2026.
2	Failure to include life cycle cost analysis in the evaluation criteria as required by the National Equipment Guidelines issued in November 2024 by the Ministry of Health	The Procurement and Disposal Unit should revise the bidding document to provide for: • Evaluation of bids for supply of equipment based on the ***life cycle cost analysis*** over a period of 5 years *– i.e. cost of CAPEX, plus 5 years costs for operation and maintenance.* The maintenance costs should be annualized to enable payment on annual basis. For specialized, sophisticated and high value equipment, service contracts for at least 3 years should be signed alongside the supply contracts as required by the National Equipment Guidelines issued in November 2024 by the Ministry of Health.
	Specification and Compliance Sheet	
3	**Incomplete compliance sheet** Bidders are required to comply with the specification compliance sheet as confirmation that they meet the entities technical specifications; however, the Entity didn't fill the specification compliance sheet for the bidders to comply for the technical evaluation.	The Procurement and Disposal Unit should revise the bidding documents: By filling the specification compliance sheet for the bidders to comply to also ask for original technical brochures for the equipment the bidders is offering to supply.
	Delivery and completion schedule	
4	**Inconsistent delivery expectations** The delivery and completion schedule stated the delivery and completion period within 4 months after contract signing and the Special Conditions of Contract had two sections of GCC 12 one indicating a delivery period of 3 months and the second indicating a delivery period of 4 months.	The Procuring and Disposal Unit should revise the bidding document to align the delivery and completion schedule with the Special Conditions of Contract.

No.	Anomalies Found	Recommendations
	Payment terms	
5	**Inconsistent payment terms** GCC 16.1 on payment structure stated that payment shall be made to the bank account provided by the provider without giving a breakdown of the actual structure of payment. GCC 16.3 on payment period stated that the payment period shall be within 30 days after delivery.	The bidding document should be revised to provide for other components of the procurement such as installation, training, testing, inspection and commissioning prior to full payment.
	Repair or Replacement	
6	GCC 29.5 on repair or replacement: The period within which the provider shall repair or replace defective supplies shall be: within 1 (One) Month after installation and upon receipt of communication. The service provider shall also provide unit costs for repairs and services to enable the entities plan well for management of such breakdowns in case they happen after expiry of the warranty period. There was no provision for operation and maintenance manuals to reduce the downtime due to breakdowns	The bidding document should be revised to include the requirement for: • Availability of maintenance and aftersales support in the country, or existence of a local agent with adequate capacity and qualified staff; • Supply of Operating manuals in English language; • Service manuals in English language; • Provision of annualized maintenance costs for 5 years including a separate costed list of fast-moving spare parts and supplies as required by the National Equipment Guidelines issued in November 2024 by the Ministry of Health. The Entity should also state the particular time within which the replacement or repairs are to be done on the affected supplies from the date of communication to the provider as the supplies are still under the warranty period.

Gaps in the Evaluation methodology criteria and General Conditions of Contract (GCC), increase the risk of submission of non-responsive bids and disputes during contract execution.

The purpose of this letter is to forward to you the findings from the bid preparatory audit exercise for your implementation. In order to administer and enforce compliance with the provisions of the PPDA Ac, Cap. 205, the Accounting Officer should ensure that revisions are made to the bidding document and addendum issued to all participating the bidders.

The Accounting Officer and Contracts Committee shall remain responsible for ensuring value for money and the conduct of these procurements in accordance with the provisions of the PPDA Act, Cap.205 and attendant Regulations and Guidelines.

Moses Ojambo
FOR. EXECUTIVE DIRECTOR

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