



**REPORT ON CONTRACT AUDIT OF THE REHABILITATION OF 12.9 KM OF
COMMUNITY ACCESS ROADS IN BULAMAGI AND NAMBALE SUB-COUNTIES,
IGANGA DISTRICT UNDER NATIONAL OIL SEEDS PROJECT, IGANGA DISTRICT**

ENTITY: IGANGA DISTRICT LOCAL GOVERNMENT

SEPTEMBER 2026

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LIST OF ACRONYMS

AO	Accounting Officer
BEB	Best Evaluated Bidder
BOQ	Bills of Quantities
CAO	Chief Administrative Officer
CARs	Community Access Roads
CC	Contracts Committee
CFO	Chief Financial Officer
DLG	District Local Government
DLP	Defects Liability Period
DIA	District Internal Auditor
EC	Evaluations Committee
FY	Financial Year
GoU	Government of Uganda
IFAD	International Fund for Agricultural Development
MoAIF	Ministry of Agriculture, Animal Industry and Fisheries
MoLG	Ministry of Local Government
NOSP	National Oilseed Project
PDU	Procuring and Disposing Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
PS/ST	Permanent Secretary/Secretary to Treasury
SoW	Scope of Works
SPO	Senior Procurement Officer
ToR	Terms of Reference
OFID	Opec Fund for International Development

EXECUTIVE SUMMARY

The Government of Uganda (GoU) represented by the Ministry of Agriculture, Animal Industry and Fisheries (MoAIF) together with the Ministry of Local Government (MoLG) signed a Memorandum of Understanding with the International Fund for Agriculture Development (IFAD) and the Opec Fund for International Development (OFID) to implement a 7 year (2021-2027) National Oil Seed Project (NOSP). The project was identified for audit as provided for under Section 8 (1) (j) (ii) of the Act Cap. 205.

Accordingly, the PPDA conducted an audit from March to April 2026 with the purpose of assessing the attainment of value for money of the contract and compliance to the applicable laws and contractual conditions of NOSP in Iganga District Local Government. The contract for the civil works was signed on the 19th December 2024, with construction commencing on 27th January 2025 and expected completion date of 27th September 2025.

The contract audit was instituted to establish the level of achievement of value for money during contract implementation, assess the overall management of the project in accordance with each party's obligations; and assess the adherence to Environmental, Social, Health and Safety (ESHS) requirements.

The following are the key findings:

1. **Failure to adhere to payment obligations:** The Entity did not pay the certified Interim Payment Certificate of UGX 650,953,755 within the contractual period of 45 days after certification contrary to Regulation 52(3)(iii) of the PPDA (Contracts) Regulations, 2023 and GCC 23.1, exposing the Entity to interest claims for delayed payment;
2. **Weak contract monitoring and reporting:** The Contract Manager did not prepare the required monthly progress reports contrary to Regulation 52(3)(g) of the PPDA (Contracts) Regulations 2023, thereby denying Management timely information on project implementation and performance;
3. **Weak contract administration:** The Entity failed to implement the Solicitor General's advice in regard to provision for the Project Manager and stating the actual date of site possession before contract signature contrary to Regulation 6(f) of the PPDA (Contracts) Regulations 2023; prepared an incomplete and inconsistent Contract Management Plan contrary to Regulation 50(3) of the PPDA (Contracts) Regulations 2023 and inadequately managed the Defects Liability Period contrary to Regulation 52(1)(b) of the PPDA (Contracts) Regulations 2023 resulting in outstanding defects as tree planting remaining unattended;
4. **Inadequate management of contractual safeguards:** The Entity did not adequately protect its contractual interests as the contractor failed to provide the insurance policies required under Regulation 36 of the PPDA (Contracts) Regulations, 2023 and GCC 10.1; and
5. **Partial implementation of Environmental, Social, Health and Safety (ESHS) obligations:** The audit noted inadequate road safety signage, incomplete restoration of borrow pits and tree planting as well as weak environmental management practices indicating partial compliance

with the contractual ESHS requirements and environmental safeguards incorporated into the contract.

Audit Conclusion

The Authority noted that the road project was substantially implemented and the Defects Liability Period expired on 31st May 2026. However, the audit identified weaknesses in contract management and administration including delayed payment of certified works, inadequate contract monitoring and reporting, non-adherence to the Solicitor General's advice in regard to provision for the Project Manager and stating the actual date of site possession, weaknesses in the management of contractual safeguards, and partial implementation of ESHS obligations. Although the Entity acknowledged the audit findings and committed to implementing corrective measures, sustained compliance with the PPDA (Contracts) Regulations, 2023 and strengthened contract management practices are necessary in future projects to safeguard public investments and maximize the long-term benefits of infrastructure development.

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

1. The Accounting Officer Ministry of Local Government should facilitate timely contract closure by ensuring that all outstanding certified payments are processed and settled promptly to enable completion and close-out of the contract in accordance with Section 28 (1) of the PPDA Act Cap. 205;
2. The Accounting Officer Iganga District should in future:
 - i. Strengthen oversight of contract implementation by ensuring that certified payments are honoured within the contractual timelines, adequate funding arrangements are made with executing and funding agencies before contract award, and the Solicitor General's advice is fully incorporated into contract documents prior to contract signature in accordance with Section 28 of the PPDA Act Cap. 205; and
 - ii. Task User Departments to incorporate adequate provisions for road safety infrastructure, environmental restoration, and community sensitization during project planning and budgeting, and strengthen monitoring of Environmental, Social, Health and Safety (ESHS) obligations to promote sustainability and safeguard completed infrastructure in future projects in accordance with Section 66 of the PPDA Act Cap. 205.
3. Contract Managers should strengthen contract administration in future procurements by preparing comprehensive Contract Management Plans at contract commencement, submitting monthly progress reports, closely supervising contract execution and the Defects Liability Period, and enforcing contractual requirements relating to performance securities, insurance policies, and other contract safeguards throughout the contract lifecycle in accordance with Regulation 52 of the PPDA (Contracts) Regulations, 2023.

1.0 INTRODUCTION

1.1 Background

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 of public assets in Uganda. It was established through an Act of Parliament in 2003. The key objectives of the PPDA are to ensure the application of fair, competitive, transparent, and non-discriminatory and value for money public procurement and public assets disposal standards and practices in Uganda.

Section 8 (1) (j) (ii) of the Public Procurement and Disposal of Public Assets Act Cap. 205 provides for the conduct of contract audits in the course of the execution of an awarded contract.

1.2 Laws Applicable

The audit relied on the provisions of the PPDA Act Cap. 205, Regulations 2023 and Guidelines 2024.

1.3 Objective of the Assignment

The overall objective of the assignment is to assess the attainment of value for money of the contract under audit and compliance to the applicable laws and contractual conditions.

1.3.1 Specific objectives for undertaking the Contract Audits were to:

1. Establish the level of achievement of value for money during contract implementation (economy, efficiency and effectiveness);
2. Assess the adherence to Environmental, Social, Health and Safety (ESHS) requirements; and
3. Assess the overall management of the project in accordance with each party's obligations.

1.4 Scope of Audit

The audit covered the process of contract implementation and management to ensure compliance with the relevant laws, contract terms and conditions and value for money considerations.

1.5 Background of the contract

The Government of Uganda (GoU) through the Ministry of Agriculture, Animal Industry and Fisheries (MoAIF) together with the Ministry of Local Government (MoLG) is implementing a 7-year (2021-2027) National Oil Seed Project (NOSP). The project is funded with a loan by the International Fund for Agriculture Development (IFAD) and the Opec Fund for International Development (OFID).

The major goal of the project is to promote inclusive rural transformation through sustainable development of the Oilseeds sector, thereby improve the livelihoods and resilience of the smallholder farmers engaged in Oilseed production and marketing. NOSP has two mutually interdependent components of:

- (i) Support to the Oilseed Value Chain Development; and
- (ii) Support to market linkage infrastructure serving the Oilseed sector through improvement of local-level public transport infrastructure [Rehabilitation of Community Access Roads (CARs) in selected Districts and Sub-Counties. The CARs are to facilitate the commercialization of the Oilseed sector.

Bulamagi and Nambale Sub-counties in Iganga District were identified to benefit from the project. Accordingly, a contract agreement for construction of CARs was signed between Iganga Local Government and Safe Green (U) Limited. The following key staff in Table 1 were involved in the procurement process:

Table 1: Key Staff involved in the procurement process

No.	Names	Designation
1.	Mr. Bukenya Moses Seguya	Chief Administrative Officer
2.	Eng. Mbatya Wilberforce	Contract Manager
3.	Mr. Kafute Lyalya Silas	Senior Procurement Officer (Head/PDU)
4.	Ms. Namaganda Sauja	Procurement Officer

2.0 METHODOLOGY AND APPROACH

This part of the report outlines the methodology and approach used to execute the assignment. The approach was based upon a two-stage methodological approach to guide the execution of the assignment.

2.1 Methods of Data Collection

2.1.1 Interviews

Direct interviews with staff of the Entity who are involved in the execution of the contract were conducted. These include the Accounting Officer, Head, Procurement and Disposal Unit, Contracts Manager and the District Community Development Officer.

2.1.2 Document Reviews

Documents relating to the contract, from initiation to contract implementation were reviewed in line with the audit tool. These were examined to determine the content and the authenticity of the information. The procurement action file, bidding document, contract, project design document, Bills of Quantities (BoQs) were of particular focus during the documents reviewed. The review of these documents enabled obtaining reasonable evidence and assessment of the level of compliance to the relevant PPDA laws and procedures.

2.1.3 Field Visits/Inspections

A field visit to verify physical progress of works was conducted on 10th April 2026 to confirm the progress and quality of output. This also enabled obtaining evidence whether the specifications /BoQs at contracting were in conformity to implementation status. A three-stage approach that was used to guide the execution of the audit is presented in Table 2 below:

3.0 CONTRACT AUDIT FINDINGS

3.1 Contract Summary

On 19th December 2024, Iganga District Local Government signed a contract with Safe Green (U) Limited for the rehabilitation of 12.9 km of community access roads in Bulamagi and Nambale Sub-Counties, Iganga District under National Oil Seeds Project at UGX 1,175,151,542 inclusive of VAT, provisional sums and contingencies. The project start date was 27th January 2025 with a completion date of 27th September 2025.

Scope of work included:

1. Site Preparation
2. Setting out and site clearing works
3. Earth works
4. Drainage works
5. Gravelling and completion works
6. Tree and Grass planting
7. Borrow pit restoration
8. Preliminary and General items

During the course of execution of the contract audit, the Authority identified a number of exceptions for the attention of management. These findings and recommendations are presented in this section.

3.2 Achievement of value for money during contract implementation (economy, efficiency and effectiveness)

Whereas GCC 12.1 of the contract indicated the intended completion date as eight months from the start date of 27th September 2025, the audit noted that substantial completion was achieved by the 13th October 2025, 16 days after the anticipated completion date. The Defects Liability Period (DLP) was initially set to end on the 27th March 2026 and was extended to 31st May 2026. The project however, registered 0% financial progress against 100% substantial completion.

Implication

Failure to pay for the works certified may attract interest payment to the contractor as provided in GCC 23 of the contract.

Management Response

The contractor requested that all money be paid in one lump sum. The Entity forwarded the request to pay the interim certificate No.1 to the Ministry of Local Government.

Audit Comment

The contract was still under DLP and it is imperative that the contractor was paid for the certified works.

Recommendation

The Accounting Officer should:

- i. Make prompt payment to contractors in accordance to GCC 23 and Regulations 52 (1) (b) of the PPDA (Contracts) Regulations, 2023; and

- ii. Be more proactive in engaging with the executing agency (Ministry of Local Government) in following up on payment of certified certificates.

3.3 Overall management of the project in accordance with each party's obligations

Obligations of the Entity

3.3.1 Failure to adhere to payment obligations

Regulation 52 (3) (iii) of the PPDA (Contracts) Regulations 2023 requires the Contracts Manager to ascertain that the Entity meets all the payment and other obligations in accordance with the terms and conditions of the contract, and whereas General Conditions of Contract (GCC) 23.1 provides that the employer shall pay the contractor the amount certified by the Project Manager within 45 days of the date of submission of the certificate. However, at the time of audit the only certificate that was certified on the 17th April 2026 had not been paid as end of April 2026. This is despite the fact that the contract was under the defects liability period after registering substantial completion. The information details are summarized in Table 3 below:

Table 3: Delayed Payment

No	Date of IPC	IPC Amount Claim (UGX)	Certified Amount (UGX)	Certification Date	Date of Payment
01	17-03-2026	723,281,960	650,953,755	17-04-2026	Not paid
Contract Amount					UGX 1,175,151,542
Payment to April 2026					UGX Nil
Percentage Payment					0%
Percentage Unpaid					100%

Implication

Delayed payment contravenes the Entity's and executing agency's contractual obligations and may attract interest payment in line with GCC 23.1.

Management Response

The contractor requested that all money be paid in one lump sum. The Entity forwarded the request to pay the interim certificate No.1 to the Ministry of Local Government. The request letter is attached as Annexed A.

Audit Comment

The Accounting Officer should be proactive and follow up with the executing agency, the Ministry of Local to effect payment of the certified amount of UGX 650,953,755.

Recommendation

The Accounting Officer should pay the certified amount and should in future ensure that bidders are promptly paid within the prescribed time of 45 days from certification of invoices in accordance with GCC 23.1 and the Entity meets the payment obligations in line with Regulation 52 (3) (iii) of the PPDA (Contracts) Regulations 2023.

3.3.2 Infrequent provision of monthly reports by the Contract Manager

Contrary to Regulation 52(3) (g) of the PPDA (Contracts) Regulations 2023 which requires Contract Managers to provide monthly progress reports, the audit noted that the Contract Manager had prepared only two progress reports as follows; report dated 30th June, 2025 showing work progress at 85%, and report dated 28th February, 2026 showing work progress at 99.9% i.e about four months after issuance of the substantial completion certificate. There were also two Technical Field Reports dated March and November, 2025.

Implication

Infrequent reporting on project progress denies the Accounting Officer and the Entity key information on the project execution.

Management Response

The reports are available and herewith attached for verification as Annex B.

Audit Comment

The reports presented in Annex B are community awareness engagements meetings on prevention of HIV/STDs and prevention of gender based violence by the Community Development Officer and not the contract management progress reports. Other reports are for environmental and social compliance authored by the contractor for endorsement by the District Environment Officer and District Community Development Officer. The Entity and executing agency in future, should budget for funds to facilitate field visits and prepare progress reports.

Recommendation

The Accounting Officer should task the Contract Manager to provide monthly progress reports in accordance with Regulation 52 (3)(g) of the PPDA (Contracts) Regulations 2023.

3.3.3 Non-Adherence to the Solicitor General's Advice

Regulation 6 (1) (f) of the PPDA (Contracts) Regulation 2023 provides for the Attorney General to make necessary approval of the contract before signature. The contract under audit was above the threshold of UGX 200,000,000 that requires the approval of the Attorney General. In the Solicitor General's advice dated 28th November 2024, the Accounting Officer was advised to make adjustments to the Special Condition of Contract (SCC) as follows; inserting SCC 1.3 to provide for the Project Manager, under SCC 12.1 state the actual date of site possession, insertion of SCC 19.0 to include the DLP and under documents forming the contract to include "SG Clearance". The adjustments were not effected in the final contract document.

Implication

The non-adherence to the Solicitor General's advice renders the safeguard inherent in seeking the advice impotent and may result in litigation between the parties to the contract in case of disagreement in interpretations.

Management Response

The Entity regrets the anomaly, the advice is taken and in future there will be adherence to the Solicitor General's advice.

Recommendation

The Authority noted the Entity's response and the Accounting Officer should in future internalize the Solicitor General's advice and incorporate them into the contract before signing.

3.3.4 Failure to address the defects on site during Defects Liability Period

Regulation 52 (1) (b) of the PPDA (Contracts) Regulations 2023 provides for the Contract Manager to ascertain that the provider performs the contract in accordance with the terms and conditions specified in the contract. The certificate of completion was issued on 13th October 2025 with the DLP ending on the 27th March 2026. The DLP was extended to end on 31st May 2026. However, the physical verification conducted on 15th April 2026 showed that the contractor was absent on the project site to make good residual maintenance works and Tree Seedlings planting and replanting.

Implication

Failure to ensure the presence of the contractor on site to make good any residual and uncompleted works during the Defects Liability Period may negate the achievement of ultimate utility value to the project beneficiaries.

Management Response

It is true the contractor had not addressed all the defects under the contract. The Entity wrote a defects rectification letter to the contractor and the DLP period was extended from March, 2026 to June 2026 to enable rectification of the defects. Attached is the letter Annexed C.

Recommendation

The Contract Manager should strengthen oversight and task the contractor to maintain some presence on the site to make good any pending unfinished works and carry out maintenance during the DLP.

3.3.5 Haphazard preparation of the Contract Management Plan

Regulation 50 (3) of the PPDA (Contracts) Regulations 2023 provides that upon receipt of the contract, the Contract Manager shall prepare a Contract Management Plan (CMP) using Form 49 and forward a copy of the plan to the Procurement and Disposal Unit for purposes of monitoring. The contract was signed on 19th December 2024 while the Contract Management Plan was prepared on the same day. However, the CMP was not well prepared as the Interim Payment Schedule was not filled in; the date of taking over certificate was stated as 30th April, 2026 yet the anticipated completion date was 27th September 2025; date of substantial performance certificate was stated as 30th April 2026 far from the anticipated completed date of 27th September 2026; dates of return of performance security and DLP were not mentioned. In addition, there was no evidence of monitoring by the Procurement and Disposal Unit (PDU). The uncoordinated information on the CMP raises suspicion that the CMP was compiled in retrospect.

Implication

The causal and uncoordinated information in the preparation of the CMP renders the plan ineffective in guiding the contract manager and the PDU during execution of the contract. This

may result in missed targets and overall project delivery. Moreover, preparing the CMP retrospectively renders the plan a mere formality.

Management Response

The Entity Notes the advice of the auditor with a promise to adherence in future.

Recommendation

The Contractor Manager should in future prepare the Contract Management Plan with due seriousness and enlist the PDU during contract monitoring.

Obligations of the Contractor

3.3.6 Furnishing of the performance security outside the law

Regulation 11 (5) of the PPDA (Contracts) Regulations 2023 provides that a performance security shall not be released by an Entity until all obligations of the provider are fulfilled. On 7th August, 2025 the contractor furnished a performance security from Bank of Baroda worth UGX 117,515,154 representing 10% of the contract value in accordance with SCC 37.1. The performance security was valid until 6th April 2026. Furthermore, contrary to Regulation 11 (4) of the PPDA (Contracts) Regulations 2023 which provides that bid security shall not be released until the performance security is received by the Entity, the contractor furnished a bid security from Equity Bank dated 26th June 2024. This expired and was renewed on 22nd October, 2024, with a new expiry period of 30th March 2025. The performance security was furnished four months and seven days after discharge of bid security. In addition, according to GCC 38 of the contract, the performance security shall be valid until a date 28 days from the date of issue of the defects liability certificate. The extended DLP was due to expire on 31st May 2026. The performance security should have been valid up to 28th June 2026 yet it expired on 6th April 2026.

Implication

Furnishing performance security outside the stipulated time frame and failure to extend performance security exposes the Entity and the executing agency (the MoLG) to the risk of non-performance by the contractor. The Entity and the executing agency will lack the ability to recover funds from the contractor in the event of breach of contract or non-performance of the contract during the DLP.

Management Response

The Entity Notes the advice of the auditor with a promise to adherence in future.

Audit Comment

The Entity should always task contractors to provide performance securities that cover up to and beyond the DLP in order to hold the contractor to perform according to the contractual terms.

Recommendation

The Entity and the executing agency should in future ensure that the contractor furnishes the performance security within the regulatory time frame. The Entity and the executing agency should

also in future ensure extension of the performance security in accordance with Regulations 11 (5) and 52 (1) (b) of the PPDA (Contracts) Regulations 2023 and GCC 38 to protect the Entity and executing agency against non-performance during execution of the contract.

3.3.7 Failure to provide appropriate Insurance Policies

GCC 10.1 and Regulation 36 of the PPDA (Contracts) Regulations 2023 provides that the contractor shall provide, in the joint names of the employer and the contractor, insurance covers by the contractor from the commencement of the works to the end of the defects liability period, the amounts stated in the SCC, for loss and damage to works, equipment, materials in connection with the contract and personal injury or death plus third party. However, the audit noted that the contractor furnished an Insurance Policy No. P/110/2024/0071 dated 10th June, 2024 from Excel Insurance Company Limited. The policy cover was addressed to the contractor only, expiring on the 10th June, 2025.

Implication

Failure to submit appropriate insurance covers exposes the Entity and the contractor to legal suits arising from professional negligence, injury or damage which might arise during the course of the execution of the work.

Recommendation

The Contract Manager should in future task the contractor to submit appropriate insurance covers in accordance with GCC 10.1 of the Special Conditions of the Contract and Regulation 36 of the PPDA (Contracts) Regulations 2023.

Management Response

The Entity Notes the advice of the auditor with a promise to adherence in future.

Audit Comment

The Entity should always ensure the contractors provide insurance covers to protect both the Entity and the contractor against legal suits arising from professional negligence, injury or damage which might arise during the course of the execution of the work.

4.0 ADHERENCE TO ENVIRONMENTAL, SOCIAL, HEALTH AND SAFETY (ESHS) REQUIREMENTS

The Instructions to Bidders (ITB) 6 and GCC 6 of the contract provides for the implementation of the contract in a manner consistent with IFAD performance standards on social and environmental procedures. Furthermore, ITB 15 outlines the documents comprising the contract as stated in the Bid Data Sheet (BDS) 15 that include the Environmental, Social, Health and Safety (ESHS) Code. By undertaking to sign the Code, the contractor was required to take all reasonable precautions to maintain the environment, health and safety of the personnel. The following exceptions were noted regarding the same:

4.1 Partial adherence to ESHS on the project site

The adherence to the Code included submission of the Environmental and Social Management Plan (ESMP) that provides for Traffic Management Plan, Water Resource Protection Management

Plan, obtaining permits for opening quarries or borrow pits, and the waste management plan. Other requirements included gender-based violence and sexual exploitation abuse and prevention and occupational health and safety at on the site.

The Authority noted that the contract was under DLP and the contractor was absent on site to handle residual works and accordingly the audit could not establish adherence by the contractor to the ESMP requirements. However, the Contract Manager stated that there was adherence to ESHS Code as provided in the contract. The following exceptions requiring attention by the Entity and executing agency were noted:

4.1.1 Inadequate provision of Warning Sign Posts

The contract was fixed with no flexibility on variations to provide for additional warning sign posts. The Irenzi-Busuwa Road section especially at Buyunga "A" and "B" villages has numerous sharp corners that are a danger to the road users and road side communities. The inadequate provision of warning sign posts was also observed along Buwasa-Sangalo-Luuka Road section with T-junctions at Mwana-Alira village.

4.1.2 Unregulated farming practices

The audit observed unregulated farming practices along the Irenzi-Busuwa Road whereby farming activities extended beyond the road reserves up to the newly constructed storm water channels.

4.1.3 Blockage of cross-culvert by Sugar Cane Trash

The audit noted that Sugar Cane farmers along Kinawanswa-Buyubu Road harvested and left sugar cane Trash on the road side which was washed-off during rains and blocked road culverts. This challenge was pronounced at a swamp in Kinawanswa-Kawungera village, whereby the trash blocked culverts causing storm water to overflow resulting into washing-off the newly laid gravel.

4.1.4 Restoration of Borrow Pits

The borrow pits at Buyunga and Kinawanswa-Kawungera Villages required full restoration by deliberate replanting of vegetation.

4.1.5 Re-plant of Tree Seedlings

Tree seedlings planted along some sections of the roads required replacement as some have weathered.

Implication

The interference by the communities along the drainage channel will reduce the intended life span of the roads, while inadequate provision of warning sign posts increases the risk of accidents that can result into claims for compensation to the Entity and executing agency. Furthermore, interference with water flow in the Swamps goes against the environmental safeguards that were built into the contract.

Management Response

The extra warning signs are going to be considered under the contingency budget during the defects liability period which was extended up to June 2026 since the contractor is still onsite. The DLP has been extended as per letter in Annex C.

Recommendation

The Accounting Officer to take lead in ensuring that all pending works are handled conclusively during the extended Defect Liability Period. The Entity should seek for re-scoping of the works from the executing and funding agencies to provide for additional road furniture [sign posts] and provide adequate budget line to carry out community sensitization on the value of environmental protection through responsible road side cultivation and ownership of the young Tree Seedlings.

Adherence to Local Content

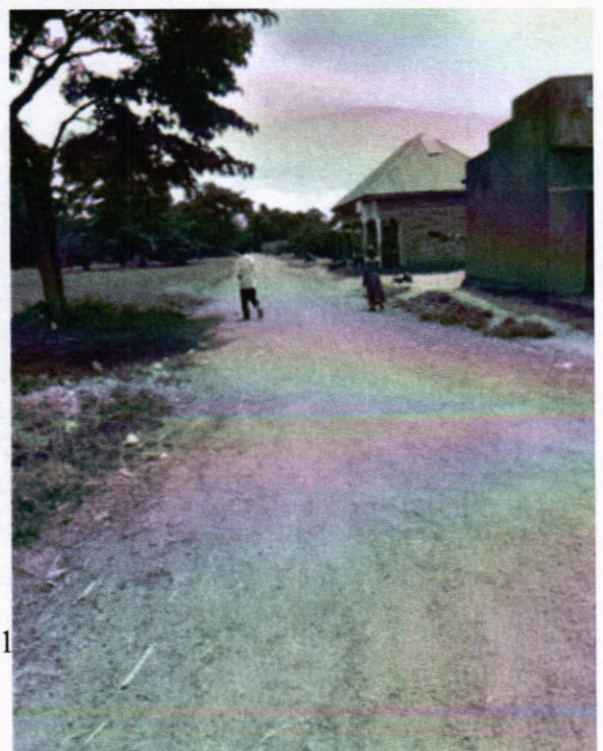
The Authority noted no exception as regards promotion of local content.

5.0 CONCLUSION

The road construction project recorded substantial completion and the DLP ended on the 31st May 2026. The contractor maintained the road during the DLP. Other exceptions noted included failure to prepare all the monthly reports, failure by the contractor to extend the performance security, failure to receive appropriate insurance policies, inadequate provision of warning sign posts and non-compliance by the community with some aspects of the ESHS Code of Conduct by conducting farming activities that interfere with the roads.

6.0 PHYSICAL VERIFICATION PICTURES

Below are the Pictorials from the Field verification

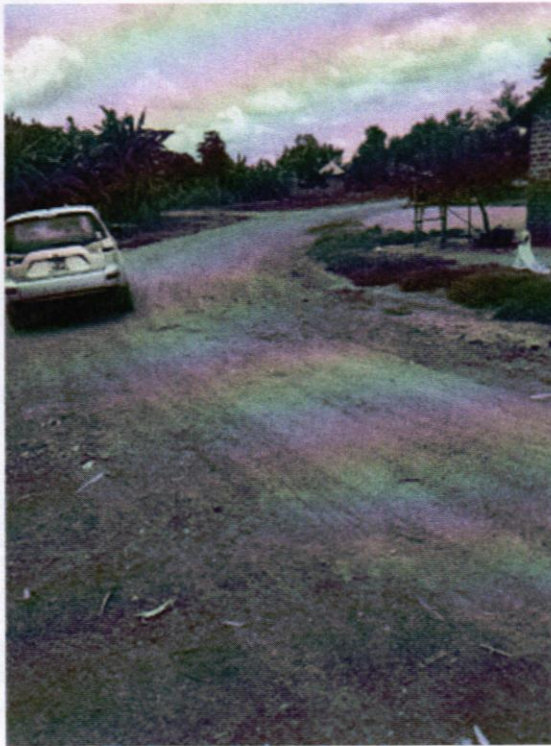




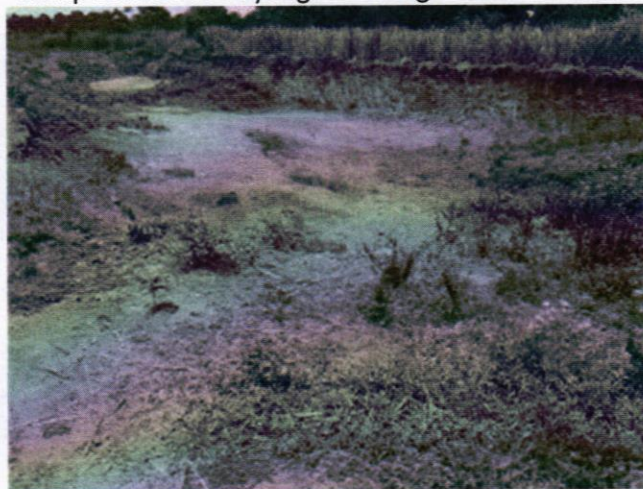
Rice growing activity up to the road side channel and culvert at Irenzi-Kabugo swamp resulting into silt blockage of water flow



Rice field causing stagnant water likely to weaken the road foundation at Irenzi – Kabugo swamp



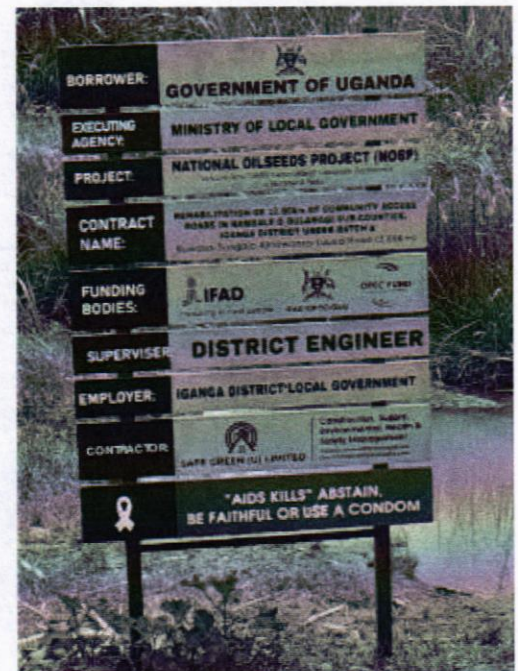
Sharp corners at Buyunga 'B' village without



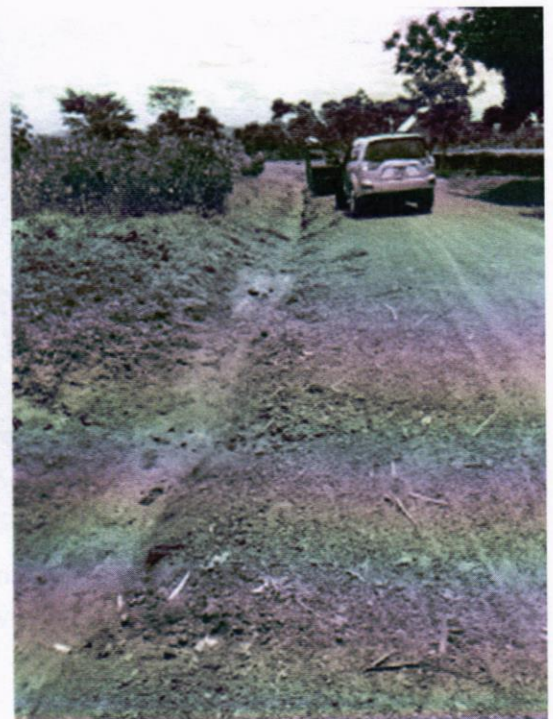
Borrow pit at Buyunga village left to natural restoration process



f 16



Construction sign post for Buwasa – Luuka road (3.85km)

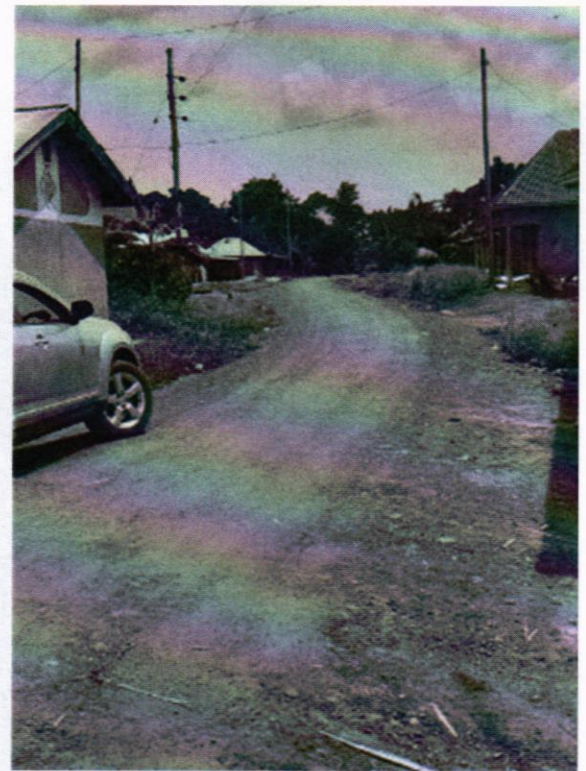


Murram section around Buwasa village. Farmers cultivate up to the drainage channel leading to channel silting





Construction sign post for Kinawanswa – Buyubu road (3.05km)



Good quality murrum at Kinawanswa Town Council



Apart from rain water refill the borrow pit at Kinawanswa – Kawangera is planted with Banana plant



The sugarcane trash at Kinawanswa – Kawangera swamp resulting in over flow damaging the new road



Severe blockage of the water flow at
Kinawanswa – Kawangera swamp due to
sugarcane at adjacent farm



Another culvert at Kinawanswa – Kawangera
swamp blocked by trash



Severe damage to the road due to sugarcane trash at
Kinawanswa – Kawangera swamp

APPENDIX 1 CONTRACT SUMMARY

The contract summary is tabulated below:

Table 1: Summary of contract details

Employer	<i>GoU represented by MoLG</i>
Funding Agency	<i>IFAD and OPEC and GoU for taxes</i>
Design Consultant	<i>NA</i>
Design Review Consultant	<i>NA</i>
Contract Manager	<i>Eng Mbatya</i>
Supervision Consultant	<i>NA</i>
Contract sign date	<i>19th December, 2024</i>
Contract Sum for the Supervising Consultant	<i>NA</i>
Commencement date	<i>27th January, 2025</i>
Contract period for the Consultant	<i>NA</i>
Works Contractor	<i>Safe Green [U] Limited</i>
Works Contract No	<i>MoLG/NOSP/IGANGA/WORKS/2023-24/00032/LOT-34</i>
Works Contract Amount	<i>UGX 1,175,151,542</i>
Contract Period	<i>8 Months</i>
Date for Completion	<i>27th September, 2025</i>
Revised Date for Completion	<i>NA</i>
Amount certified or approved for payment to date (As per IPCs)	<i>UGX 650,953,755 Net of Taxes</i>
Physical progress reported	<i>100%</i>
Financial progress	<i>0%</i>
Time progress	<i>100% [Under defect liability period]</i>
Scope of Works 1. Site Preparation 2. Setting out and site clearing works 3. Earth works 1. Drainage works 2. Gravelling and completion of works 3. Tree and grass planting 4. Borrow pit restoration 5. Preliminary and general items	

APPENDIX II

DETAILED SCOPE OF WORKS

Scope	Details
Road Works	The length of 12.9 km long. The project is to upgrade to gravel Standard District Class III Road. The basic cross geometry consists of a total 7.3m carriageway including shoulders
Pavement/surfacing	The project pavement layers consist of gravel wearing course of class III with a gravel width of 4.5m compacted to the required compaction standard. The works consist upgrading to a class III standard district road. Bush clearing width of 11m-12m, travel course of 4.5m and 100mm thick compacted
Bridge and Drainage Structures	Cross drainage structures constructed from prefabricated reinforced concrete pipe culvert ranging from 600mm to 1200mm. The structures backfilled in layers with approved material as required
Ancillary Works	The project ancillary works mainly include the installation of project bill boards, Grass, Shrubs and Tree planting as erosion protection measures
Implementation of Health Safety and Environmental protection Plan/Social Action Plan	Strategies for implementation plan covering traffic management for communities' safety, water resource protection plan to prevent contamination of drinking water, protection of fragile ecosystems diversity and wetlands, boundary marking to prevent conflict with local communities, consent and permits prior to opening borrow pits, gender-based violence and sexual exploitation and abuse, and grievance redress committees.