

PPDA/AGAG/803

28th September 2026

The Chief Administrative Officer
Agago District Local Government
P. O. Box 1,
AGAGO.

**RE: BID PREPARATORY REPORT FOR THE PROCUREMENT OF DRILLING OF
A PRODUCTION WELL AND DESIGN OF A PIPED WATER SCHEME IN
ADILANG SUB COUNTY**

Reference is made to the above subject.

The Public Procurement and Disposal of Public Assets Authority (PPDA) on 24th September 2026 conducted a bid preparatory audit for the procurement of drilling of a production well and design of a piped water scheme in Adilang Sub County to be undertaken this FY 2026/2027 under Section 8 (1) (j) (i) of the PPDA Act, Cap. 205.

The objectives of the audit were to:

1. Ensure that procurement planning and initiation processes were conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, Cap. 205, PPDA Regulations, 2023, and Guidelines; and
2. Establish whether the solicitation document was prepared in accordance with the provisions of the PPDA Act, Cap. 205, PPDA Regulations, 2023 and the Guidelines.

The audit exercise involved a review of procurement planning, requisition/initiation process, the Contracts Committee's approval of the solicitation document, procurement method, members of the Evaluation Committee, and bid notice. Key areas of the solicitation document analysed included instructions to Bidders, Bid Data Sheet, Evaluation Methodology and Criteria, Bidding Forms, Statement of Requirements, Special Conditions of Contract and General Conditions of Contract following the PPDA Act, Cap. 205, the Regulations, and Guidelines.

The Authority identified some exceptions for management's attention, and the purpose of this letter is to communicate the findings and recommendations for your attention and action.

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1.0 DRILLING OF A PRODUCTION WELL AND DESIGN OF A PIPED WATER SCHEME IN ADILANG SUB COUNTY – AGAG803/WRKS/26-27/00001

1.1 Ensure that procurement planning and initiation process was conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, Cap. 205, PPDA Regulations, 2023, and Guidelines

1.1.1 Procurement outside the annual procurement plan

Section 60 (10) of the PPDA Act, Cap. 205 states that *“a procurement shall not be carried out outside the procurement plan except in emergency situations”*.

The Authority found that Agago District Local Government commenced the procurement process for drilling of a production well and design of a piped water scheme in Adilang Sub County which is not in the Entity’s annual procurement plan for the FY 2026/2027, contrary to Section 60 (10) of the PPDA Act, Cap. 205.

Implication

Commencing the procurement process for a procurement activity that is not provided for in the Entity’s annual procurement plan is contrary to the requirements of Section 60 (10) of the PPDA Act, Cap. 205. This indicates inadequate forecasting, poor needs assessment by the Entity and may lead to budget arrears.

Recommendations

The Head, Procurement and Disposal Unit should amend the procurement plan of the Entity to include the procurement for drilling of a production well and design of a piped water scheme in Adilang Sub County in accordance with Regulation 4 of the PPDA (Procurement Planning) Regulations, 2023.

1.2 Whether the solicitation document was prepared in accordance with the provisions of the PPDA Act, Cap. 205, PPDA Regulations, 2023 and the Guidelines

1.2.1 Other anomalies in the Solicitation document

The Authority found anomalies in the solicitation document as detailed in Table 1 below.

Table 1: Anomalies in the solicitation document and recommendations

Description	Exceptions noted	Recommendations
Special Conditions of Contract		
A. GCC 44.1	SCC (GCC 44.1 (j)) states, the following events shall also be compensation events: [insert items amounting to compensation events]. However, the items amounting to compensation events are not listed.	The Head, Procurement and Disposal Unit should revise the solicitation document to include the items amounting to compensation events. (Refer to GCC 44.1)
B. GCC 52.1	States that, Performance Securing Declaration should be provided as per attached forms and ESHS Performance Security: A Performance Security and	The Head, Procurement and Disposal Unit should revise this clause clearly and provide for a Performance Securing

Description	Exceptions noted	Recommendations
	the ESHS Performance Security shall not be required. The Performance Security and, if applicable, the ESHS Performance Security shall be for <i>[insert percentage number]</i> of the contract price: N/A	Declaration in line with Guideline: 4/2025 dated 3 rd October 2025
C. Detail Engineering design and Preliminary design. Task 1.11 (TOR)	SCC (GCC 58.1 (j)) Section 8: Special Conditions of Contract, the solicitation document states that no as built drawings or operating and maintenance manuals are required. However, the Terms of Reference state that the drawings shall be prepared according to generally accepted Civil Engineering Standards.	The Head, Procurement and Disposal Unit should revise the solicitation document to require the as built drawings/ operation and maintenance manual since they are provided for in the Term of Reference.

Audit Conclusion

The purpose of this letter is to forward to you the findings of the bid preparatory audit exercise. In order to ensure compliance with the provisions of the PPDA Act, Cap. 205, PPDA Regulations 2023, and Guidelines, the Entity is required to implement the recommendations contained in this letter, and communicate to the Authority the actions taken.



Moses Ojambo

FOR: EXECUTIVE DIRECTOR

c.c.: Chairperson, Contracts Committee
c.c.: Head, Procurement and Disposal Unit