



**CONTRACT AUDIT REPORT INTO SELECTED  
PROCUREMENTS IN ENTEBBE MUNICIPAL COUNCIL FOR  
THE FINANCIAL YEAR 2024/2025**

**CONTRACTORS:**

- 1. CHINA JIANGXI I INTERNATIONAL CO. LTD**
- 2. ARM PASS TECHNICAL SERVICES LTD**

**NOVEMBER 2025**

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### ACRONYMS

ESHS	-	Environmental, Social, Health and Safety
GCC	-	General Conditions of the Contract
GKMA	-	Greater Kampala Metropolitan Area
GOU	-	Government of Uganda
PPDA	-	Public Procurement and Disposal of Public Assets Authority
PPDA Act	-	Public Procurement and Disposal of Public Assets Act, Cap.205
UGX	-	Uganda Shillings
VAT	-	Value Added Tax

## EXECUTIVE SUMMARY

In the Financial Year 2024/2025, Entebbe Municipal Council entered into contracts for the road construction projects under GKMA as indicated in Table 1 below:

**Table 1: Ongoing contracts in the financial year 2024/2025**

No.	Subject of Procurement	Contractor	Amount (UGX)
1	Upgrade of Sebugwawo -Bunono to Abayita Ababiri Road (4.7) + Kitinda Link (1.4km) to Bituminous Standards	China Jiangxi I international Economic and Technical Co-operation Co. Ltd	40,858,302,073
2	Reconstruction of Kitooro- Kiwafu - Nakiwogo Road	Armpass Technical Services Ltd	22,698,335,250

In accordance with Section 8 (1) (j) (ii) of the PPDA Act, Cap.205, the Public Procurement and Disposal of Public Assets Authority (hereinafter referred to as “PPDA or the Authority”) undertook contract audits into projects in Entebbe Municipal Council funded by World Bank through the Greater Kampala Metropolitan Area(GKMA) Urban Development program -Results for Uganda with an overall objective of assessing the status of contract implementation and verifying that all parties to the contract complied with the requirements and standards set forth in the contract and other attendant regulations and guidelines.

### **The following key exceptions were observed:**

#### **A. Upgrade of Sebugwawo -Bunono to Abayita Ababiri Road (4.7) + Kitinda Link (1.4km) to Bituminous Standards.**

1. Delayed sourcing of the Supervising Consultant by 20 calendar days from the works contract signing date (28<sup>th</sup> May 2025) and by the time of the audit fieldwork conducted on 25<sup>th</sup> June 2025, the consultant had not reported which increases the risk of failure to complete the works within the contractual period.
2. Delayed submission of an advance payment Guarantee by 22 calendar days from contract signature by the contractor, China Jiangxi I international Economic and Technical Co-operation Co. Ltd which in turn could affect the cashflow of the contractor negatively hence affecting preliminary mobilization and commencement of works.
3. Delayed appointment of a contract management team by 27 calendar days from contract signature which increases the risk of ineffective contract monitoring and supervision, thus potentially increasing the risk of contract non-compliance by a provider.
4. Delay by the Entity by 26 calendar days from contract signature to task the Contractor to furnish the Entity with a performance security and environmental & social performance security which rendered the contract ineffective.

## **B. Reconstruction of Kitooro- Kiwafu -Nakiwogo Road**

Delay to pay 20% advance payment to the contractor, Armpass Technical Services Ltd by 97 calendar days from contract signature. This was a breach of the contractual provisions that could potentially increase the risk of compensatory events and further delay achievement of the project timelines

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

### **A. Upgrade of Sebugwawo -Bunono to Abayita Ababiri Road (4.7) + Kitinda Link (1.4km) to Bituminous Standards.**

1. The Accounting Officer should:

- (i) Task the Contract Management Team to adequately document the delay and its impact on the project timelines & costs and devise appropriate mitigation measures with an aim of expediting the works in order to avoid any further delays of the project;
- (ii) In future projects, task the Project Manager to remind the contractor to make timely requests for the advance payment such that funds are disbursed to the contractor on time in order to ensure timely contract execution and good supplier relations in accordance with Regulation 12 (1) (c) of the PPDA (Contracts) Regulation, 2023;
- (iii) Ensure that where the contractor, China Jiangxi I international Economic and Technical Co-operation Co. Ltd fails to furnish the Performance security within the stipulated period, withhold the bid security, annul the contract award decision and award the contract to the next best evaluated bidder in accordance with Regulation 12 (2) and (3) of the PPDA (Contracts) Regulations, 2023; and
- (iv) In order to reduce the risk of ineffective contract monitoring and supervision, appoint timely, a Contract Management Team after contract signing in accordance with Regulation 51(2) of the of the PPDA (Contracts) Regulations, 2023.

## **B. Reconstruction of Kitooro- Kiwafu -Nakiwogo Road**

The Accounting Officer should task the Project Manager to follow up on Armpass Technical Services Ltd in order to ensure timely contract execution since funds for preliminary mobilization and commencement of works have been disbursed in accordance with Regulation 12 (1) (c) of the PPDA (Contracts) Regulation, 2023.

## **CHAPTER 1: INTRODUCTION**

### **1.1. Background**

The Government of Uganda received funds from the World Bank to fund the Greater Kampala Metropolitan Area (GKMA) Urban Development Program. The objective of the program is to improve the institutional capacity in the GKMA for metropolitan coordination and management, and to increase access to improved infrastructure and services.

Entebbe Municipal Council was one of the beneficiary districts and on 8<sup>th</sup> January and 28<sup>th</sup> May 2025, the Municipal Council entered into a contract with Armpass Technical Services Ltd and China Jiangxi International Economic and Technical Co-operation Co. Ltd for the reconstruction of Kitooro- Kiwafu -Nakiwogo Road (4.3km) and upgrade of Sebugwawo -Bunono to Abayita Ababiri Road (4.7) + Kitinda Link (1.4km) to Bituminous Standards at a cost of UGX 22,698,335,250 and UGX 40,858,302,073 respectively with an intended completion period of 18 calendar months.

In line with Section 8 (1) (j) (ii) of the PPDA Act, Cap. 205, the Public Procurement and Disposal of Public Assets Authority conducted a contract audit into the above contracts with an overall objective of assessing the status of contract implementation with emphasis on verification that all parties to the contracts complied with the requirements and standards set forth in the contracts, PPDA Law and other attendant regulations and guidelines.

### **1.2. Objectives of the audit exercise**

The overall objective of the contract audit was to assess the status of contract implementation for the reconstruction of Kitooro- Kiwafu -Nakiwogo Road (4.3km) and upgrade of Sebugwawo - Bunono to Abayita Ababiri Road (4.7) + Kitinda Link (1.4km) to Bituminous Standards with emphasis on verification that all parties to the contract had complied with the requirements and standards set forth in the contract and the provisions of the PPDA law. The specific objectives of the contract audit were to assess:

1. The progress of works with regard to effectiveness of time, quality and cost controls of works undertaken; and
2. Adherence to Environmental, Social, Health and Safety (ESHS) requirements.

### **1.3. Scope of the Audit**

The audit covered the contract implementation and management for the:

1. Reconstruction of Kitooro- Kiwafu -Nakiwogo Road (4.3km); and
2. Upgrade of Sebugwawo -Bunono to Abayita Ababiri Road (4.7) + Kitinda Link (1.4km) to Bituminous Standards.

### **1.4. Audit Methodology**

The Authority adopted the following methodology:

- i. Review of documentation in the procurement action file
- ii. Physical verification of the site
- iii. Debriefing the Entity management on the preliminary findings
- iv. Issuing a management letter to the Entity for official management response
- v. Reporting on findings of the audit and providing recommendations where applicable

### **1.5.Limitation of Scope**

The contract audit was undertaken by Auditors who did not have professional competence in engineering and road construction hence could not give an opinion on the technical quality of the works undertaken. However, the overall responsibility of the quality of works lies with the management of Entebbe Municipal Council and the Contractors.

### **1.6.The applicable laws and legal framework were:**

The applicable laws and legal framework were:

- i. The Public Procurement and Disposal of Public Assets Act, Cap.205;
- ii. The PPDA Regulations;
- iii. The bidding document;
- iv. The signed contract between Entebbe Municipal Council and China Jiangxi International Economic and Technical Co-operation Co. Ltd for the upgrade of Sebugwawo -Bunono to Abayita Ababiri Road (4.7) + Kitinda Link (1.4km) to bituminous standards; and
- v. The signed contract between Entebbe Municipal Council and Armpass Technical Services Ltd for the reconstruction of Kitooro- Kiwafu -Nakiwogo Road

## CHAPTER 2: FINDINGS AND RECOMMENDATIONS

### 2.1 UPGRADE OF SEBUGWAWO -BUNONO TO ABAYITA ABABIRI ROAD (4.7) + KITINDA LINK (1.4KM) TO BITUMINOUS STANDARDS

The summary of the contract is indicated in Table 2 below;

**Table 2: Upgrade of Sebugwawo -Bunono to Abayita Ababiri Road (4.7) + Kitinda Link (1.4km) to Bituminous Standards**

Contract Title	Upgrade of Sebugwawo -Bunono to Abayita Ababiri Road (4.7) + Kitinda Link (1.4km) to Bituminous Standards	
Contract Type	Admeasurement Contract	
Contract Scope	<b>Description</b>	<b>Amount (UGX)</b>
	General and Preliminaries	6,778,834,444
	Drainage	15,729,378,330
	Earthworks and Pavement Layers	4,246,834,022
	Bituminous layers and seals	4,039,318,460
	Ancillary works	1,031,726,426
	Structures	0
	Testing, Tolerances and Quality control	16,180,476
	Dayworks	46,511,744
	Street Lighting	1,088,053,927
	<b>Sub -Totals, Bills</b>	<b>32,976,837,829</b>
	Add: Contingencies (5%)	1,648,841,892
	<b>Sub Total</b>	<b>34,625,679,720</b>
	Add: 18% VAT	6,232,622,350
<b>Total including VAT</b>	<b>40,858,302,073</b>	
Name of the Provider	China Jiangxi I international Economic and Technical Co-operation Co. Ltd	
Type of Contract	Admeasurement Contract	
Original Contract Value exclusive of VAT (UGX)	34,625,679,720	
Original Contract Value inclusive of VAT (UGX)	40,858,302,073	
Contract Signing Date	28 <sup>th</sup> May, 2025	
Site possession date	To be communicated by the Contract Manager	
Actual commencement date	No Commencement yet at the time of the audit	
Original contract period	18 Calendar Months from commencement	
1 <sup>st</sup> Extension of time	N/A	
2 <sup>nd</sup> Extension of time	N/A	
Defects Liability Period	365 days	
Retention	10%	
Project Manager	Nil	
Progress as at 23 <sup>rd</sup> June,2025	Time progress: 4 %	
	Physical progress: 0%	

	Financial progress: 0%		
	Security	Amount (UGX)	Date of Expiry
Performance security worth 5% of the contract price from Stanbic Bank were received on 20 <sup>th</sup> June, 2025. Waiting for confirmation from the bank	Advance Payment Guarantee (25%)	-	-
	Performance Security (4%)	1,385,027,188	14 <sup>th</sup> December,2026
	ES Performance Guarantee (1%)	346,256,797	14 <sup>th</sup> December,2026
Defects liability period	365 Days		
Clerk of Works appointed	N/A		
Insurance cover	-		

### 2.1.1 PROGRESS OF WORKS WITH REGARD TO EFFECTIVENESS OF TIME, QUALITY AND COST CONTROLS OF WORKS UNDERTAKEN FOR THE UPGRADE OF SEBUGWAWO -BUNONO TO ABAYITA ABABIRI ROAD (4.7) + KITINDA LINK (1.4KM) TO BITUMINOUS STANDARDS

The Authority conducted a contract audit into the Upgrade of Sebugwawo -Bunono to Abayita Ababiri Road (4.7) + Kitinda Link (1.4km) to Bituminous Standards with the progress of works assessed in terms of time, cost and quality controls as follows:

#### 2.1.1.1 TIME CONTROL

##### a) Delayed sourcing of the Supervising Consultant

The Authority found that whereas the works contract was signed on 28<sup>th</sup> May 2025, the contract agreement for the supervising consultant (M/s Provisional Engineering Consultants Ltd -PEC) was signed on 16<sup>th</sup> June 2025, 20 calendar days later and by the time of the audit fieldwork on 25<sup>th</sup> June 2025, the consultant had not reported thus affecting the site handover and commencement of works.

At the time of the site visit conducted on 23<sup>rd</sup> June 2025, the Authority found that 4% (29 calendar days) of the contract time had elapsed against a financial progress of 0% and a physical progress of 0%.

##### Implication

Delay in commencement of works increases the risk of failure to complete the works within the contractual period.

##### Management Response

*Management acknowledged the Authority's observation and explained that the delay in signing of the Engineering Consultant's Contract for the said project arose out of the following;*

- *It took a month from the date the draft contract was forwarded to the office of the Solicitor General and its final approval.*

- *Upon approval of the contract, the consultant had reservations of signing the contract citing unfavorable contract terms which was later resolved and the Entity proceeded to sign the contract.*

### **Recommendation**

The Authority takes note of the Entity's response and recommends that the Accounting Officer should task the Contract Management Team to adequately document the delay and its impact on the project timelines and costs, and devise appropriate mitigation measures with an aim of expediting the works in order to avoid any further delays of the project.

#### **2.1.1.2 COST CONTROL**

##### **a) Delayed submission of an advance payment Guarantee by the contractor.**

The Authority found that by the time the audit was conducted on 23<sup>rd</sup> June 2025, the Contractor had just submitted his request for an advance payment guarantee to the Entity on 18<sup>th</sup> June 2025, a delay of 22 calendar days from contract signature.

### **Implication**

Failure to submit an advance payment guarantee by the contractor delays remittance of the advance payment which in turn could affect the cashflow of the contractor negatively hence affecting preliminary mobilization and commencement of works.

### **Management Response**

*The Management noted the Authority's observation and explained that at the time of audit, the Contractor being a foreign firm hadn't finalized with their request for advance payment thus the Entity could not proceed to effect the payment and as at the date of the management response, the contractor had submitted the request for advance payment, pending funds disbursement by the Ministry of Kampala and Metropolitan Area, which is also another impeding factor in the payment process.*

**Authority's comment:** Noted the Entity's response however, there was no evidence provided to support the management response.

### **Recommendation**

In future projects, the Accounting Officer should task the Project Manager to remind the contractor to make timely requests for the advance payment such that funds are disbursed to the contractor in order to ensure timely contract execution and good supplier relations in accordance with Regulation 12 (1) (c) of the PPDA (Contracts) Regulation, 2023.

##### **b) Failure to task the Contractor to furnish the Entity with a Performance and Environmental Security.**

The Authority found that the contractor China Jiangxi I international Economic and Technical Co-operation Co. Ltd had not furnished the Entity with a Performance and Environmental Security worth UGX 1,385,027,188 and UGX 346,256,797 respectively. This was contrary to GCC 61.1 of the Special Conditions of Contract which provided that "The Performance Security worth 4% of the contract price and ES Performance security of 1% shall be required".

### **Implications**

- The Entity has no recourse for non-performance of the contract by China Jiangxi I International Economic and Technical Co-operation Co. Ltd.
- Without the Performance and Environmental Security, the contract remains ineffective.

### **Management Response**

*The Management noted the Authority's observation and explained that the contractor has since submitted the Performance and Environment Security.*

**Authority's comment:** Noted the Entity's response however, there was no evidence provided to support the management response.

### **Recommendations**

1. The Accounting Officer should ensure that where the contractor fails to furnish the Performance security within the stipulated period, withhold the bid security, annul the contract award decision and award the contract to the next best evaluated bidder in accordance with Regulation 12 (2) and (3) of the PPDA (Contracts) Regulations, 2023.
2. The Accounting Officer should ensure that copies of Performance and Environment Securities are maintained on contract management file and originals kept in safe custody by the Municipal Treasurer in accordance Regulation 52 (3) (vii) of the PPDA (Contracts) Regulations, 2023 if required in the contract.

### **2.1.1.3 QUALITY CONTROL**

#### **a) Delayed appointment of a contract management team**

The Authority found that by the time of the audit i.e., as at 23<sup>rd</sup> June 2025, the Accounting Officer had not appointed a Contract Management Team to effectively monitor and supervise the contract, hence a delay of 27 calendar days from the date of contract signature contrary to Regulation 51(2) of the of the PPDA (Contracts) Regulations, 2023.

### **Implications**

- Persons deemed to be responsible for roles of the contract management team may not legally be held responsible for any shortcoming due to failure to formally appoint a Contract Management Team.
- Absence of a contract management team increases the risk of ineffective contract monitoring and supervision, thus potentially increasing the risk of contract non- performance by a provider.

### **Management Response**

*The Management noted the Authority's observation and explained that the Entity has since appointed the project management team*

**Authority's comment:** Noted the Entity's response however, there was no evidence on appointment provided to support the management response.

**Recommendation**

In order to reduce the risk of ineffective contract monitoring and supervision, the Accounting Officer should ensure that a Contract Management Team is appointed after contract signing in accordance with Regulation 51(2) of the of the PPDA (Contracts) Regulations, 2023 with copies of appointments kept on contract management file.

**2.1.2 ADHERENCE OF ENVIRONMENTAL, SOCIAL, HEALTH AND SAFETY (ESHS) REQUIREMENTS**

During physical verification the Audit team found that works had not yet commenced therefore, we couldn't ascertain adherence to the ESHS requirements. However, documentation such as the Environment Impact Assessment report and appointment letters for the Municipal Level Grievance Redress Committee were on file.

## 2.2 RECONSTRUCTION OF KITOORO- KIWAFU -NAKIWOGO ROAD (4.3KM)

The summary of the contract is indicated in Table 3 below:

**Table 3: Contract Summary for the reconstruction of Kitooro- Kiwafu -Nakiwogo road (4.3km)**

<b>Contract Title</b>	Reconstruction of Kitooro- Kiwafu -Nakiwogo Road (4.3km)		
<b>Contract Type</b>	Admeasurement Contract		
Contract Scope	<b>Description</b>	<b>Amount (UGX)</b>	
	General and Preliminaries	2,987,363,585	
	Drainage	7,139,038,773	
	Earthworks and Pavement Layers	3,406,679,982	
	Bituminous layers and seals	2,752,796,547	
	Ancillary works	1,773,387,274	
	Structures	214,465,560	
	Testing, Tolerances and Quality control	29,325,000	
	Dayworks	16,826,450	
	<b>Sub-total, Bills</b>	<b>18,319,883,171</b>	
	Add: Contingencies (5%)	915,994,159	
	Add: 18% VAT	<b>3,462,457,919</b>	
	<b>Total Including VAT</b>	<b>22,698,335,250</b>	
Name of the Provider	Armpass Technical Services Ltd		
Type of Contract	Admeasurement Contract		
Original Contract Value exclusive of VAT (UGX)	19,235,877,330		
Original Contract Value inclusive of VAT (UGX)	22,698,335,250		
Contract Signing Date	8 <sup>th</sup> January, 2025		
Site possession date	23 <sup>rd</sup> May, 2025		
Actual commencement date	28 <sup>th</sup> February, 2025		
Commencement Order date	13 <sup>th</sup> January, 2025		
Original Contract End Date	18 Calendar Months from commencement		
Defects Liability Period	365 days		
Retention	10%		
Project Manager	Nanfuka.B. Christine		
Progress as at 23 <sup>rd</sup> June,2025.	Time progress:19 %		
	Physical progress: 2.5%		
	Financial progress: 30%		
Advance Guarantee Securities KCB Bank dated 20 <sup>th</sup> January,2025 and confirmation being 21 <sup>st</sup> March,2025	<b>Security</b>	<b>Amount (UGX)</b>	<b>Date of Expiry</b>
	Advance Payment Guarantee (20%)	3,847,175,466	20 <sup>th</sup> January,2027
	Performance Security	769,435,093	6 <sup>th</sup> July,2026

With confirmation from the bank dated 9 <sup>th</sup> January ,2025	ES Performance Guarantee	192,358,773	6 <sup>th</sup> July,2026
Defects liability period	365 Days		
Clerk of Works appointed	N/A		
Insurance cover		21,159,465,063	6 <sup>th</sup> March 2026
Supervising Consultant: Ardent Services Ltd			
Project Implementation Team appointed on 18 <sup>th</sup> March 2025			
i. Eng. Christine Nanfuka - Project Manager			
ii. Ms. Juliet Muyonjo -Coordinator GKMA -UDP			
iii. Dr. John Kalyesubula -Medical Officer of Health			
iv. Mr. Dan Musisi -Senior Environment Officer			
v. Mr. Dawood Sengonzi -Principal Community Development Officer			
vi. Mr. Simon Kabanda -Senior Physical Planner			
vii. Mr. Dan Lutaaya Fred -Senior Assistant Town Clerk			
viii. Mr. Victor Monday -Road Supervisor			
ix. Mr. Samson Ssemakula - Production Officer			


## **2.2.1 PROGRESS OF WORKS WITH REGARD TO EFFECTIVENESS OF TIME, QUALITY AND COST CONTROLS OF WORKS RECONSTRUCTION OF KITOORO-KIWAFU -NAKIWOGO ROAD**

### **2.2.1.1 TIME CONTROL**

At the time of the site visit conducted on 23<sup>rd</sup> June 2025, the Authority found that 19% of the contract time had elapsed against a financial progress of 30% and a physical progress of 2.5%.

The progress of the works is as shown in Figure 1 below:



Description of works	Progress /status	Pictorial evidence
	<p data-bbox="354 471 537 585">Sign post for the contractor was erected</p> <p data-bbox="363 879 483 993">Drainage works ongoing</p>	 <p>The pictorial evidence consists of three photographs. The top photo shows a signpost for 'Armpass Technical Services Ltd PROJECT OFFICE' on a dirt road. The middle photo shows a deep drainage trench with 'DANGER' tape across it. The bottom photo shows several workers in safety gear standing near a CAT excavator at a construction site.</p>

### 2.2.1.2 COST CONTROLS

#### a) Delay to pay 20% payment advance payment to the Contractor

The Authority found that the Entity delayed payment to the contractor, Armpass Technical Services Ltd with UGX 3,847,175,466(20%) of the advance payment effected on 30<sup>th</sup> April 2025 which was a delay of 97 calendar days from contract signature.

This was contrary to GCC 60.1 of the Special Conditions of Contract which provided that an advance payment equivalent to 20% of the accepted contract price was to be paid within 30 calendar days of the submission of an acceptable “an unconditional, irrevocable and on demand insurance bond.

**Implications**

Delayed payment by the Entity to the contractor was a breach of the contractual provisions which could potentially increase the risk of compensatory events and further delay achievement of the project timelines.

**Management Response**

*The Management noted the Authority's observation and explained that the contractor attached a bank guarantee to their letter dated 22<sup>nd</sup> January, 2025 requesting for payment of advance contrary to GCC 60.1 of the Special conditions of contract, which required the contractor to submit an insurance bond.*

*The Project manager in a letter dated 17<sup>th</sup> February 2025 communicated to the Contractor to comply to this provision by submitting an unconditional, irrevocable and on demand insurance bond.*

*Further to that, there was delay in the release of funds from Ministry of Finance, Planning and Economic Development, and Ministry of Kampala and Metropolitan Area, where the entity received the funds on 29<sup>th</sup> April, 2025.*

**Recommendation**

The Authority takes notes of the Entity's response and advises that an insurance bond or bank guarantee are all acceptable guarantees. Therefore, the Accounting Officer should task the Project Manager to follow up on Armpass Technical Services Ltd in order to ensure timely contract execution since funds for preliminary mobilization and commencement of works have been disbursed in accordance with Regulation 12 (1) (c) of the PPDA (Contracts) Regulation, 2023

### **CHAPTER 3: AUDIT CONCLUSION**

#### **A. UPGRADE OF SEBUGWAWO -BUNONO TO ABAYITA ABABIRI ROAD (4.7) + KITINDA LINK (1.4KM) TO BITUMINOUS STANDARDS.**

In the implementation of contract for the upgrade of Sebugwawo -Bunono to Abayita Ababiri Road (4.7) + Kitinda Link (1.4km) to Bituminous Standards worth UGX 40,858,302,073 by China Jiangxi I international Economic and Technical Co-operation Co. Ltd. The Authority noted the following:

1. At the time of the site visit conducted on 23<sup>rd</sup> June 2025, the Contractor, China Jiangxi International Economic and Technical Co-operation Co. Ltd had a physical progress of 0%, against a financial progress of 0% and yet 4% of the contract time had elapsed. The project is at risk of delays therefore the Accounting Officer should task the Project Manager to strengthen contract monitoring and supervision so that the works are completed within the stipulated time, cost and of quality in order to realize the project's objective.

#### **B. RECONSTRUCTION OF KITOORO- KIWAFU -NAKIWOGO ROAD (4.3KM)**

In the implementation of the contract for the reconstruction of Kitooro- Kiwafu -Nakiwogo Road (4.3km) by Armpass Technical Services Ltd worth UGX 22,698,335,250, the Authority noted the following:

1. The contractor, Armpass Technical Services Ltd was within the contractual time period given that the contract is expected to expire in August 2026. At the time of the site visit conducted on 23<sup>rd</sup> June 2025, 19% of the contract time had elapsed against a financial progress of 30% and a physical progress of 2.5%. Given the contract lapse time, there is slow progress of works by the contractor which could lead to the eventual delay and implementation of the entire project. The Entity should review the project progress against the time, cost and quality of works before the expiry of the contract.

In light of the above. the Accounting Officer should implement the Authority's recommendations herein and task the Project Manager to strengthen contract monitoring and supervision so that the works are completed within the stipulated time, cost and of quality in order to realize the project's objective.