



**THE PUBLIC PROCUREMENT AND DISPOSAL OF
PUBLIC ASSETS AUTHORITY**

**COMPLIANCE INSPECTION REPORT FOR MINISTRY
OF EAST AFRICAN COMMUNITY AFFAIRS**

FINANCIAL YEAR 2020/2021

FEBRUARY 2022

TABLE OF CONTENTS

Acronyms.....	3
EXECUTIVE SUMMARY	4
CHAPTER 1: INTRODUCTION	6
1.1 Background	6
1.2 Objective of the compliance inspection	6
1.3 Structure of the Entity	6
1.4 Scope of the Compliance Inspection.....	6
1.5 Methodology	6
CHAPTER TWO: FINDINGS OF THE AUTHORITY	8
2.1. To establish the level of compliance by the PDE with the general provisions of the PPDA Act, 2003 and Regulations, 2014.....	8
2.2 Compliance with the PPDA Act 2003 and Regulations 2014 in the conduct of procurement and disposal activities.....	9
2.3 Overview of the level of efficiency and effectiveness in contract implementation..	12
CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY	14
3.1 Overall Compliance Inspection Conclusion	14
3.2 Entity's Performance	14
Appendix 1: Findings and rating on the individual contracts reviewed	16
Annex 2: Transaction list for FY 2020/2021	18
Appendix 3: List of the Contracts Committee members	19
Appendix 4: Procurement and Disposal Unit Members	19
Appendix 5: Risk Rating Criteria	19
Table of Figures	
Figure 1: Graphical representation of the cases by value	15
Figure 2: Graphical representation of the cases by number	15

Acronyms

AO	Accounting Officer
CC	Contracts Committee
FY	Financial Year
HPDU	Head, Procurement and Disposal Unit
LPO	Local Purchase Order
MEACA	Ministry of East African Community Affairs
ODB	Open Domestic Bidding
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
RDB	Restricted Domestic Bidding
RFP	Request for Proposals
SBD	Standard Bidding Document
SPLS	Supplies
WRKS	Works

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority carried out a compliance inspection on the procurement and disposal activities of Ministry of East African Community Affairs. The exercise covered a sample of ten (10) procurement transactions carried out during the Financial Year 2020/2021. The compliance inspection exercise involved a review of the procurement system, procurement processes following the Public Procurement and Disposal of Assets Act, 2003 and Regulations, 2014.

From the findings of the compliance inspection exercise, the summary performance of the Entity revealed an aggregate risk rating of **33.2%** which is **satisfactory** performance.

Despite the satisfactory performance the following key exceptions were noted:

Key findings

1. Issuance of bidding documents with inconsistencies in two (2) procurements worth UGX 898,311,108: There were inconsistencies in the solicitation documents issued to providers such as specification by brand and failure to provide for a margin of preference. This affects the principle of competition and fairness.
2. Irregularities during bidding in five (5) procurements worth UGX 313,424,134 for instance in the procurement of supply and installation of Wifi equipment, the Contracts Committee approved a shortlist of three firms, that is Eurasia Business Systems (U) Ltd, CLS Ltd and Kata Technologies and Logistics Ltd, however the bidding document was issued to Kata Technologies Ltd, CLS Ltd and Standard ICT Enterprises Ltd. This indicates lack of transparency in the procurements undertaken.
3. Irregular evaluation of bids worth UGX 399,222,491 for instance in the procurement of printing and designing of UMOJA for 2nd quarter, the best evaluated bidder DDYN Uganda Limited did not submit evidence of fulfillment of obligations to pay taxes and National Social Security as the Entity required but it was evaluated compliant. This may lead to award of contracts to non-compliant bidders, compromises on benefits of maximum competition and risk of financial loss.
4. Signing a contract without the Solicitor General's approval in the procurement of a van by Motorcare Uganda Limited worth UGX 235,120,032. The contract was signed on 18th June 2021. On the same date, the Entity wrote to the Solicitor General seeking approval. However, the letter was received on 22nd June 2021 and there was no evidence that the Solicitor General approved the contract. This exposes the Procuring and Disposing Entity to risk of contract disputes and litigation and makes the contract voidable.
5. Failure to prepare contract implementation plans for all procurements reviewed worth UGX 4,757,600,473 contrary to Regulation 51 (3) of the PPDA (Contracts) Regulations, 2014. This puts contract execution at the risk of failure to meet the contractual requirements thus affecting achievement of value for money.

The Authority recommends that:

1. The Contracts Committee should critically review all bidding documents submitted by the Procurement and Disposal Unit to ensure that there are no inconsistencies which could lead to misunderstandings between the Entity and the bidders.
2. The Procurement and Disposal Unit should manage the bidding process within the Entity in a fair and transparent manner since such irregularities negatively impact on the reputation of the Entity and may lead to low bidder participation thus impeding competition and achievement of value for money.
3. Evaluation Committees should strictly adhere to the evaluation criteria outlined in the solicitation documents and firms that do not comply should be eliminated in accordance with Regulation 7 (1) of the PPDA (Evaluation) Regulations, 2014.
4. The Accounting Officer should always sign contracts above UGX 200,000,000 million after obtaining the Solicitor General's approval in accordance with the Constitution (Exemption of Particular Contracts from Attorney General's Legal Advice) (Amendment) Instrument, 2014.
5. Contract managers should ensure that contract implementation plans are prepared in accordance with Regulation 51 (3) of the PPDA (Contracts) Regulations, 2014.

CHAPTER 1: INTRODUCTION

1.1 Background

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a compliance inspection exercise on the procurement and disposal activities of Ministry of East African Community Affairs. The exercise covered a sample of ten (10) procurement transactions carried out during Financial Year 2020/2021. The exercise involved a review of the procurement system and procurement processes following the PPDA Act, 2003 and Regulations, 2014.

1.2 Objective of the compliance inspection

The primary objective of the exercise was to provide assurance on full and correct application of the PPDA Act, Regulations and Guidelines by Ministry of East African Community Affairs

The specific objectives were:

1. To establish the level of compliance of the procurement and disposal activities with provisions of the PPDA Act, Regulations and Guidelines.
2. To establish the level of efficiency in the conduct of the procurement and disposal process up to contracting in the Entity.
3. To assess the level of achievement of Value for Money (efficiency, cost and effectiveness) in contract execution.

1.3 Structure of the Entity

Mrs. Edith N. Mwanje, the Permanent Secretary is the Accounting Officer of the Entity.

User Departments

The Entity is subdivided into the following departments:

1. Economic Affairs;
2. Finance and Administration;
3. Production and Infrastructure;
4. Social Affairs; and
5. Political Affairs.

1.4 Scope of the Compliance Inspection

PPDA carried out the procurement and disposal compliance inspection of Ministry of East African Community Affairs from 15th September 2021 to 20th September 2021. The exercise covered a sample of ten (10) procurement transactions worth **UGX 4,757,600,473** conducted during the FY 2020/2021, review of procurement structures and review of the procurement plan performance. The list of sampled transactions is contained in **Appendix 1**.

1.5 Methodology

Ministry of East African Community Affairs was notified about the upcoming exercise on 10th September, 2021. A sample of ten (10) procurement transactions was selected based on stratified random sampling using Contracts Committee minutes, the contracts register and monthly procurement and disposal reports.

Two (2) officers conducted the exercise under the supervision of the Manager Procurement Audit. During the exercise, the team examined records and documents for each of the ten (10)

sampled procurement transactions. The team also reviewed the procurement plan for the Financial Year 2020/2021.

On completion of data collection, members of the team met with various stakeholders such as the Accounting Officer and Procurement and Disposal Unit staff to discuss and get clarifications on some of the preliminary findings. A management letter was issued by the Authority on 8th December 2021 and responses were received on 24th January 2022.

CHAPTER TWO: FINDINGS OF THE AUTHORITY

2.1. To establish the level of compliance by the PDE with the general provisions of the PPDA Act, 2003 and Regulations, 2014

2.1.1 Bidding document

2.1.2 Issuance of bidding documents with inconsistencies

In two (2) procurements worth UGX 898,311,108, there were inconsistencies in the solicitation document issued to providers as indicated in the table below:

Table 1: Bidding documents with inconsistencies

No	Subject of Procurement	PPDA Findings	Management Response
1.	Supply and installation of Wifi equipment Kata Technologies & Logistics UGX 17,051,000	Specification by brand: In Part 3 of the solicitation document: Statement of requirements, the Entity specified that they required 3HP desktop computers, 1 duplex HP laser jet pro printer, 1 desktop monitor HP pavilion 22inches, 1 EPSON ceiling mounted projector.	<i>We regret the anomaly. However, this was only intended for benchmarking purposes and no bidder was eliminated for giving a different brand. Henceforth thorough check shall be done during development of specifications.</i>
2.	Supply and installation of air conditioning system UGX 881,260,108	Failure to provide for a margin of preference. ITB 35.1 stated that a margin of preference shall not apply. Specification by brand. The Entity specified in the bidding document that it required Air cooled / AC units as Toshiba AP6016T8 w/3nr modules as 2Xmap2206T8 or 1x MAP1606T8	<i>Its true ITB 35.1 stated that margin of preference shall not apply. The Entity regrets this omission.</i> <i>It is true that the bidding document specified Toshiba model however this was as a result of using the Toshiba software in designing the central air conditioning system. The evaluation committee further ignored this aspect and considered all models as presented by the bidders respectively, only considering the functional requirements of the units.</i>

Implications

- There is a risk of bidders preparing non-responsive bids and items procured may fail to meet the users' requirements.
- The inconsistencies may lead to disagreements which create unnecessary delays in the procurement process.

Recommendations

- The Contracts Committee should critically review the bidding documents submitted by the Procurement and Disposal Unit to ensure that there are no inconsistencies which could lead to misunderstandings between the Entity and the bidders.

- The Head Procurement and Disposal Unit should advise User Departments to desist from use of brand names and define specifications in accordance with functional and performance requirements in order to create fair and open competition in accordance with Regulation 28 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2014.

2.2 Compliance with the PPDA Act 2003 and Regulations 2014 in the conduct of procurement and disposal activities

2.2.1 Irregularities during bidding

This was noted in five (5) procurements worth UGX 313,424,134 as detailed in table 2:

Table 2: Procurements with Irregularities during bidding

No	Subject of procurement	Irregularities noted	Management Responses
1.	Supply and installation of Wifi equipment Kata Technologies & Logistics UGX 17,051,000	The Contracts Committee approved a shortlist of three firms, that is Eurasia Business Systems (U) Ltd, CLS Ltd and Kata Technologies and logistics Ltd, however bidding documents were issued to Kata Technologies Ltd, CLS Ltd and Standard ICT Enterprises Ltd.	<i>The Entity regrets this omission.</i>
2.	Procurement of calendars, diaries and Christmas cards Expression printers and stationers Ltd UGX 45,456,400	While the Entity developed a list of 23 prequalified providers, the shortlist for this procurement included 3 providers, two of whom were not prequalified by the Entity. It was unclear how these were shortlisted	<i>In-line Print Services Ltd and TTB Investments Ltd are prequalified with the Ministry.</i> <i>Expression Printers was sought from the PPDA list of providers.</i>
3.	Printing and designing of UMOJA for 2 nd quarter UGX 6,500,000	There was no evidence that bidders were invited to participate in the procurement and as a result, only 2 bids were received. Failure to obtain at least 3 bids under quotation method contrary to Section 5(2) c of the Fourth schedule of the PPDA Act 2003. The Entity invited three bidders but received one bid.	<i>All the shortlisted bidders were invited, but only two (2) were able to return the bids in the required timelines.</i> <i>We agree, the threshold for the procurement under review was quite small, we thought shortlisting three (3) firms would give fair competition. However, henceforth, we shall shortlist at least five (5) firms to achieve maximum competition in accordance with requirement 43(1) of PPDA Regulation, 2014.</i>
4.	Procurement of a van	There was no evidence that	<i>No response provided</i>

No	Subject of procurement	Irregularities noted	Management Responses
	Motorcare Uganda Limited UGX 235,120,032	shortlisted bidders were invited to participate in the procurement.	
5.	Procurement of assorted stationery UGX 9,296,702	Hayeyema Uganda Limited's bid was signed by Wanyama Nelson, however the Powers of Attorney attached and evaluated were to Leyini Beatrice, this bidder should have been evaluated as non-compliant.	<i>We note this observation. We did not validate the documents in error, which is highly regretted.</i>

Implication

- This indicates lack of transparency in the procurements undertaken.
- This inhibits competition and may hinder achievement of value for money.

Recommendation

The Procurement and Disposal Unit should ensure that Evaluation Committees should strictly adhere to the evaluation criteria outlined in the solicitation documents and firms that do not comply should be eliminated in accordance with Regulation 7 (1) of the PPDA (Evaluation) Regulations, 2014. Such irregularities negatively impact on the reputation of the Entity and may lead to low bidder participation thus impeding competition and achievement of value for money.

2.2.2 Irregularities during evaluation of bids

In two (2) procurement transactions worth UGX 399,222,491, irregularities were observed in the evaluation process as indicated in the table below:

Table 3: Procurement transactions with irregularities at evaluation

No.	Subject of procurement	Irregularities	Management Response
1.	Printing and designing of UMOJA for 2 nd quarter UGX 6,500,000	<ul style="list-style-type: none"> • DDYN Uganda Limited the BEB did not sign the Code of Ethical Conduct. • The best evaluated bidder DDYN Uganda Limited submitted a PPDA certificate that expired on 31st December 2019. (The bid submission date was 12th November 2020) the bidder should have been eliminated at the preliminary evaluation stage. • The BEB did not submit evidence of fulfilment of obligations to pay tax. The 	<i>The Entity regrets this anomaly.</i>

No.	Subject of procurement	Irregularities	Management Response
		bidder did not submit a tax clearance certificate as required by the evaluation criteria.	
2.	Re-partitioning works for new MEACA Offices at Kingdom Kampala UGX 392,722,491	Irregularities at evaluation: ITB 14.1 (i) (d) required bidders to submit an average annual turnover of construction works over the last 5 years, UGX 900,000,000, Kingdom Kampala indicated an average turnover of UGX 803,907,254 and it was evaluated compliant.	<i>It's true the bidder provided an annual turnover of UGX. 803,907,254 instead of the required UGX. 900,000,000. However, since the works to be executed costed only UGX. 392,722,491. The evaluation team realised that it would not be fair to fail the bidder since they had the capacity to do the works.</i>

Implication

Unfairness during evaluation leads to contract award to non-compliant bidders and compromises on benefits of maximum competition.

Recommendations

- Evaluation Committees should strictly adhere to the evaluation criteria outlined in the solicitation documents and firms that do not comply should be eliminated in accordance with Regulation 7 (1) of the PPDA (Evaluation) Regulations, 2014.
- The Accounting Officer should caution the Evaluation Committees that evaluated the above procurements for the irregularities noted.

2.2.3 Signing a contract without the Solicitor General's approval

In the procurement of a van by Motorcare Uganda Limited worth UGX 235,120,032, the contract was signed on 18th June 2021. On the same date, the Entity wrote to the Solicitor General seeking approval. However, the letter was received on 22nd June 2021 and there was no evidence that the Solicitor General approved the contract.

Implication

This exposes the Procuring and Disposing Entity to risk of contract disputes and litigation.

Management Response

In the procurement of a van by Motor Care (U) Ltd, the Solicitor General approved the contract.

Recommendation

The Authority noted the Entity's response however the approval from the Solicitor General was not submitted for consideration. Therefore the Authority recommends that the Accounting Officer should always sign contracts above UGX 200,000,000 million after obtaining the Solicitor General's approval in accordance with the Constitution (Exemption of Particular Contracts from Attorney General's Legal Advice) (Amendment) Instrument, 2014.

2.2.4 Missing records

In the following three (3) procurements worth UGX 3,174,219,032, the Authority was unable to access some procurement records as indicated in the table below:

Table 4: Procurements with missing records

No.	Subject of procurement	Contract Value (UGX)	Missing records	Management response
1.	Supply and installation of Wifi equipment	17,051,000	No payment records	<i>No response</i>
2.	Provision of office accommodation	2,922,048,000	No payment records	<i>No response</i>
3.	Procurement of a van	235,120,032	<ul style="list-style-type: none"> Approval by the Solicitor General Appointment of a Contract Manager 	<i>The Entity regrets the anomaly.</i>
	Total	3,174,219,032		

Implication

This affects the audit trail and proper accountability of the activities conducted.

Recommendation

The Head Procurement and Disposal Unit should ensure that all procurement records are maintained on their respective action files in accordance with Section 31(o) of the PPDA Act 2003.

2.3 Overview of the level of efficiency and effectiveness in contract implementation**2.3.1 Failure to prepare contract implementation plans**

Contract implementation plans were not prepared for all procurements reviewed worth UGX 4,757,600,473 contrary to Regulation 51 (3) of the PPDA (Contracts) Regulations, 2014.

Implication

Failure to prepare contract implementation plans puts contract execution at the risk of failure to meet the contractual requirements in a way that achieves value for money for the Entity.

Recommendation

Contract Managers should ensure that contract implementation plans are prepared in accordance with Regulation 51 (3) of the PPDA (Contracts) Regulations, 2014.

Management Response

No response

Table 5: Procurements without progress reports

Subject	Contractor	Amount (UGX)	Management Response
Supply and installation of Wifi equipment	Kata Technologies & Logistics Ltd	17,051,000	<i>No response</i>
Procurement of a van	Motorcare Uganda Limited	235,120,032	<i>Delivery of the van was also within the specified period. The contract</i>

Subject	Contractor	Amount (UGX)	Management Response
			<i>was signed on 18th June 2020 and vehicle inspection report was on the 11th August 2020.</i>
Printing and designing of UMOJA for 2 nd quarter	DDYN Uganda Limited	6,500,000	<i>Delivery of Umoja Materials was affected by the lockdown.</i>
Total		304,127,432	

Implications

- This raises doubts on whether there was effective supervision of the contracts.
- This exposes the Procuring and Disposing Entity to risks in case of any defects.

Recommendation

The Accounting Officer should task the Heads of User Departments and Contract Managers to ensure that contracts are implemented within the contractual terms and conditions in accordance with Regulation 53 of the PPDA (Contracts) Regulations, 2014.

CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

This section presents the scores per area assessed under different inspection questions.

3.1 Overall Compliance Inspection Conclusion

The performance of Ministry of East African Community Affairs for the Financial Year 2020/21 was **satisfactory** with overall weighted average risk rating of **33.2%**.

3.2 Entity's Performance

The risk rating was weighted to determine the overall risk level of the Entity. The weighting was derived using the average weighted index as shown below:

Table 6: Summary of Performance

Risk category	No.	No. %	Value (UGX)	Value%	Weights	Total weighted Average	
						By No	By Value
High	3	30	250,916,734	5.4	0.6	18	3.24
Medium	1	10	17,051,600	0.4	0.3	3	0.12
Low	6	60	4,489,632,739	94.2	0.1	6	9.4
Satisfactory	0	0	0	0	0		
Total	10	100	4,757,600,473	100	1	27	12.8

$$\text{Performance by Number} = \frac{27 \times 100}{60} = 45\%$$

$$\text{Performance by Value} = \frac{12.8 \times 100}{60} = 21.3\%$$

$$\text{The average weighted risk rating} = \frac{45 + 21.3}{2} = 33.2\%$$

Table 7: The risk rating is as follows:

Risk Rating	Description of Performance
0-20%	Highly Satisfactory
21-50%	Satisfactory
51-80%	Unsatisfactory
81-100%	Highly Unsatisfactory

Figure 1: Graphical representation of the cases by value

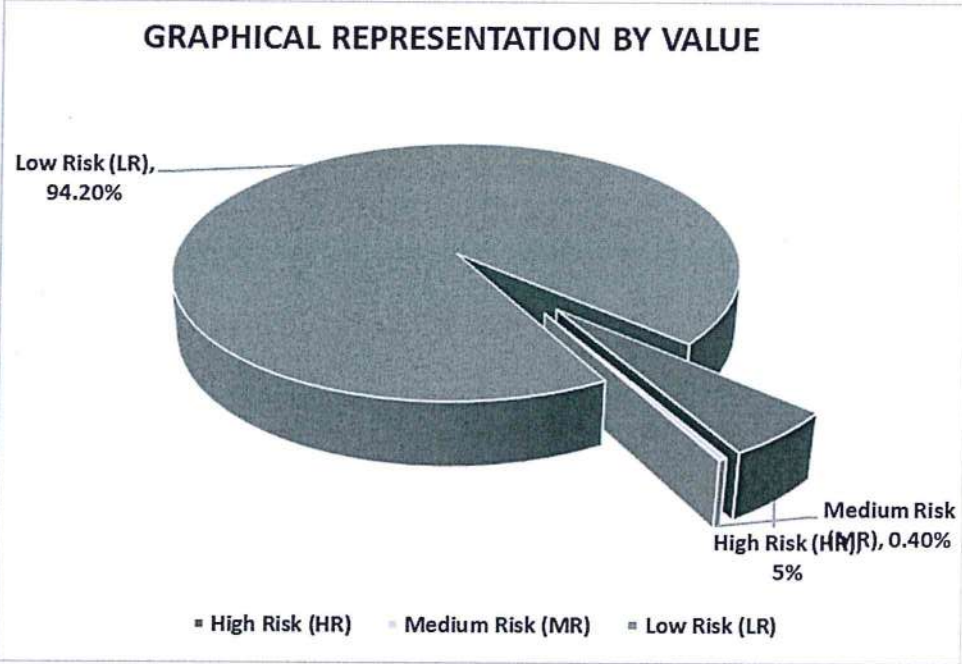
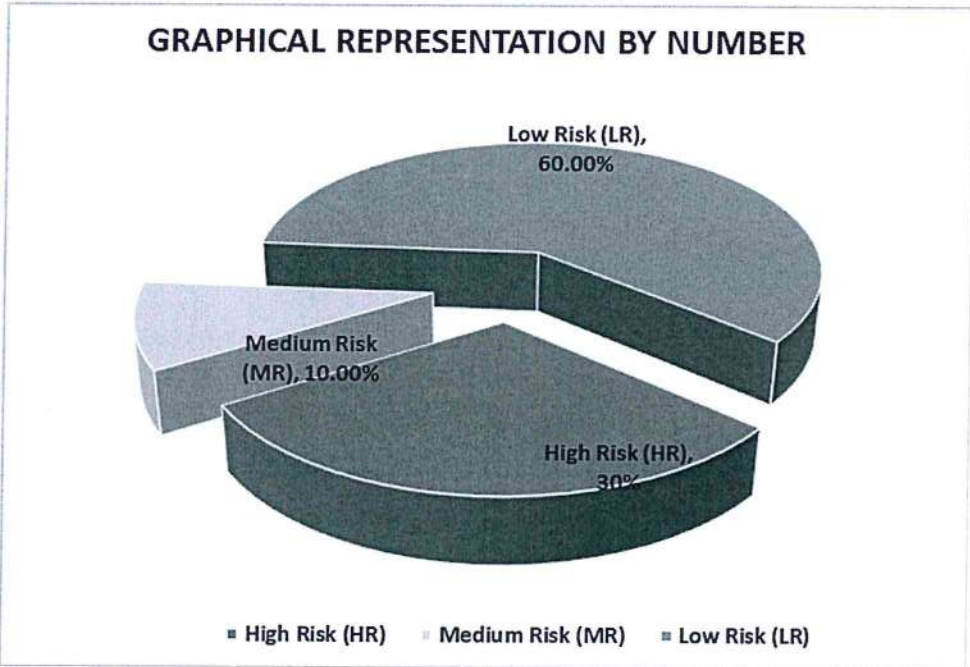


Figure 2: Graphical representation of the cases by number



Appendix 1: Findings and rating on the individual contracts reviewed

No.	HIGH RISK CONTRACTS	REASONS FOR HIGH RISK
1.	MEACA/SUPLS/20-21/00049 Printing and designing of UMOJA for 2 nd quarter Provider: DDYN Uganda Limited Contract Value: UGX 6,500,000	<ul style="list-style-type: none"> • There was no evidence that bidders were invited to participate in the procurement and as result only 2 bids were received. • Failure to obtain at least 3 bids under the Quotation method contrary to Section 5(2) c of the Fourth schedule of the PPDA Act 2003. The Entity invited three bidders but received one bid. • DDYN Uganda Limited the BEB did not sign the Code of Ethical Conduct • The BEB submitted a PPDA certificate that expired on 31st December 2019. (the bids were submitted on 12 Nov 2020) the bidder should have been eliminated at the preliminary stage of evaluation • The BEB did not submit evidence of fulfilment of obligations to pay tax. The bidder did not submit a tax clearance certificate as required by the evaluation criteria
2.	MEACA/SUPLS/20-21/00090 Procurement of a van Provider: Motorcare Uganda Limited Contract Value: UGX 235,120,032	<ul style="list-style-type: none"> • There was no evidence of Contracts Committee approval of the procurement method, shortlist of bidders or evaluation committee. • Signing a contract without the Solicitor General's approval in the procurement of a van by Motorcare Uganda Limited worth UGX 235,120,032. The contract was signed on 18th June 2021. On the same date, the Entity wrote to the Solicitor General seeking approval. However, the letter was received on 22nd June 2021 and there was no evidence that the Solicitor General approved the contract.
3.	MEACA/SUPLS/20-21/00032-1 Provision of assorted stationery Provider: Jova Accessories Ltd Contract Value: UGX 9,296,702	<ul style="list-style-type: none"> • There was no evidence of appointment of a Contract Manager. • Whereas Jova Accessories Ltd issued the Entity with a tax invoice of UGX 9,296,702 tax inclusive on 15th June 2021, the provider was paid UGX 9,581,542 causing a financial loss of UGX 284,840

NO	MEDIUM RISK CONTRACTS	REASONS FOR MEDIUM RISK
1.	Supply and installation of Wifi equipment Provider: Kata Technologies & Logistics Contract Value: UGX 17,051,000	<ul style="list-style-type: none"> • Specification by brand: In Part 3 of the solicitation document: Statement of requirements, the Entity specified that they required 3HP desktop computers, 1 duplex HP laser jet pro printer, 1 desktop monitor HP pavilion 22inches, 1 EPSON ceiling mounted projector. • Kata Technologies and Logistics Ltd, the BEB did not sign the bid submission sheet or the Code of Ethical Conduct, or the bid securing declaration or the price schedule.
No.	LOW RISK CONTRACTS	REASONS FOR LOW RISK
1.	MEACA/SUPLS/20-21/00047	<ul style="list-style-type: none"> • While the Entity developed a list of 23 prequalified

NO	MEDIUM RISK CONTRACTS	REASONS FOR MEDIUM RISK
	Procurement of calendars, diaries and Christmas cards Provider: Expression printers and stationers Ltd Contract Value: UGX 45,456,400 Method: Quotation method	providers, the shortlist for this procurement included 3 providers two of whom were not prequalified by the entity. It was unclear how these two were shortlisted. <ul style="list-style-type: none"> Whereas the Entity attached Form 49 (Contract Management Plan), the plan was not signed by the Contract Manager Sam Walusimbi.
2.	MEACA/SRVCS/2019-2020/0002 Provision of office accommodation Method: Open Domestic Bidding. Provider: Kingdom Kampala	<ul style="list-style-type: none"> Failure to conduct market assessment. No payment records
3.	MEACA/SUPLS/20-21/00086 Supply and installation of Wi-fi equipment Provider: CLS Limited Contract Value: UGX 9,936,780 Method: Quotation method	<ul style="list-style-type: none"> No evidence of Contracts Committee approval of the evaluation report. Whereas the Entity attached Form 49 (Contract Management Plan), the plan was not signed by the Contract Manager Sam Walusimbi.
4.	MEACA/SUPLS/2020-2021/00004: Supply and installation of air conditioning system Method: Open Domestic Bidding. Provider: Kingdom Kampala Limited Contract Value: UGX 881,260,108	<ul style="list-style-type: none"> Failure to provide for a margin of preference. ITB 35.1 stated that a margin of preference shall not apply. Specification by brand: The Entity specified in the bidding document that it required Air cooled/AC units as Toshiba AP6016T8 w/3nr modules as 2Xmap2206T8 or 1x MAP1606T8.
5.	MEACA/WRKS/20-21/00040 Re-partitioning works for new MEACA Offices at Kingdom Kampala Method: Restricted Domestic Bidding Contract Value: UGX 392,722491 Kingdom Kampala Limited	Irregularities at evaluation: ITB 14.1 (i) (d) required bidders to submit average annual turnover of construction works over the last 5 years, UGX 900,000,000, Kingdom Kampala indicated an average turnover of UGX 803,907,254 and it was evaluated compliant.
6.	MEACA/SUPLS/20-21/032-2 Procurement o of assorted stationery Provider: Hayeyema Uganda Limited Contract Amount: UGX 238,208,960	The bid was signed by Wanyama Nelson, however the Powers of Attorney attached and evaluated were to Leyini Beatrice, this bidder should have been evaluated compliant.

Annex 2: Transaction list for FY 2020/2021

No	Reference Number	Subject of Procurement	Procurement Method	Provider	Contract value (UGX)	Risk Rating
1.	MEACA/WRKS/20-21/00040	Re-partitioning works for new MEACA Offices at Kingdom Kampala	Restricted Domestic Bidding	Kingdom Limited Kampala	392,722,491	Low
2.	MEACA/SUPLS/2020-2021/00004;	Supply and installation of air conditioning system	Open Domestic Bidding.	Kingdom Limited Kampala	881,260,108	Low
3.	MEACA/SRVCS/2019-2020/0002	Provision of office accommodation	Open Domestic Bidding.	Kingdom Kampala	2,922,048,000	Low
4.	MEACA/SUPLS/20-21/00090	Procurement of a van	Open Domestic Bidding	Motorcare Limited Uganda	235,120,032	High
5.	MEACA/SUPLS/20-21/00049	Printing and designing of UMOJA for 2 nd quarter	Request for quotation	DDYN Limited Uganda	6,500,000	High
6.	MEACA/SUPLS/20-21/00085	Supply and installation of Wifi equipment	Request for quotation	Kata Technologies &Logistics	17,051,000	Medium
7.	MEACA/SUPLS/20-21/00032-1	Provision of assorted stationery	Request for quotation	Provider: Jova Accessories Ltd	9,296,702	Medium
8.	MEACA/SUPLS/20-21/00047	Procurement of calendars, diaries and Christmas cards	Request for quotation	Provider: Expression printers and stationers Ltd	45,456,400	Low
9.	MEACA/SUPLS/20-21/00086	Supply and installation of wi-fi equipment	Request for quotation	Provider: CLS Limited	9,936,780	Low
10.	MEACA/SUPLS/20-21/032-2	Procurement of assorted stationery	Open Domestic Bidding	Hayeyema Limited Uganda	238,208,960	Low
		Total			4,757,600,473	

Appendix 3: List of the Contracts Committee Members

No	Name	Job Title	Position	Department
1.	Musiige Sam	Principal Commercial Officer	Chairman	Economic Affairs
2.	Bonabaana Molly	Senior Human Resource Officer	Secretary	Finance and Administration
3.	Tayebwa William	Principal Environment Officer	Member	Production and Infrastructure
4.	Iwumbwe Ali	Principal Economist	Member	Finance and Administration
5.	Henry Obbo	State Attorney (Ministry of Justice and Constitutional Affairs)	Member	Ministry of Justice and Constitutional Affairs

Appendix 4: Procurement and Disposal Unit Members

No	Name	Qualification	Position in PDU
1.	Ojiambo Ronald	MBA (Procurement)	Senior Procurement officer
2.	Nabukenya Zamu	Masters in Procurement	Procurement Officer

Appendix 5: Risk Rating Criteria

RISK	DESCRIPTION	AREA	IMPLICATION
HIGH	Such procurements were considered to have serious weaknesses, which could cause material financial loss or carry risk for the regulatory system or the entity's reputation. Such cases warrant immediate attention by senior management. Significant deviations from established policies and principles and/or generally accepted industry standards will normally be rated "high".	Planning: Lack of or failure to procure within the approved plan	This implies emergencies and use of the direct procurement method which affects competition and value for money.
		Bidding Process: Use of wrong/inappropriate procurement methods, failure to seek Contracts Committee approvals and usurping the powers of the PDU.	This implies use of less competitive methods which affects transparency, accountability and value for money.
		Evaluation: Use of inappropriate evaluation methodologies or failure to conduct evaluation.	This implies financial loss caused by awarding contracts at higher prices or shoddy work caused by failure to recommend award to a responsive bidder.
		Record Keeping: Missing procurement	This implies that one cannot

RISK	DESCRIPTION	AREA	IMPLICATION
MEDIUM	Procurements that were considered to have weaknesses which, although less likely to lead to material financial loss or to risk damaging the regulatory system or the entity's reputation, warrant timely management action using the existing management framework to ensure a formal and effective system of management controls is put in place. Such procurements would normally be graded "medium" provided that there is sufficient evidence of "hands on management control and oversight" at an appropriate level of seniority.	files and missing key records on the files namely; solicitation document, submitted bids, evaluation report and contract.	ascertain the audit trail namely; whether there was competition and fairness in the procurement process.
		Fraud/forgery: Falsification of Documents	This implies lack of transparency and value for money.
		Contract Management: Payment for shoddy work or work not delivered.	This implies financial loss since there has been no value for money for the funds spent and the services have not been received by the intended beneficiaries
		Planning: Lack of initiation of procurements and confirmation of funds.	This implies committing the Entity without funds thereby causing domestic arrears.
		Bidding Process: Deviations from standard procedures namely bidding periods, standard formats, use of PP Forms and records of issue and receipts of bids, usage of non-pre-qualified firms and splitting procurement requirements.	This implies lack of efficiency, standardisation and avoiding competition.
		Procurement Structures: Lack of procurement structures	This implies lack of independence of functions and powers and interference in the procurement process.
		Record Keeping: Missing Contracts Committee records and incomplete contract management records.	This implies that one cannot ascertain the audit trail namely; whether the necessary approvals were obtained in a procurement process.
		Contract and Contract Management: Failure to appoint Contract Supervisors, failure to seek the Solicitor General's approval for contracts above UGX. 200 million and lack of notices of Best	This leads to unjustified contract amendment and variations which lead to unjustified delayed contract completion and lack of value for money. Bidders are not

RISK	DESCRIPTION	AREA	IMPLICATION
		<p>Evaluated Bidders.</p> <p>Failure by the Entity to incorporate in the solicitation document aspects of gender, social inclusion, environment, health and safety.</p> <p>Aspects of gender, social inclusion, environment, health and safety not covered by the contractor during contract implementation.</p>	<p>given the right of appeal.</p>
LOW	<p>Procurements with weaknesses where resolution within the normal management framework is considered desirable to improve efficiency or to ensure that the business matches current market best practice. Deviations from laid down detailed procedures would normally be graded "low" provided that there is sufficient evidence of management action to put in place and monitor compliance with detailed procedures.</p>	<p>Planning: Lack of procurement reference numbers.</p> <p>Bidding Process: Not signing the Ethical Code of Conduct</p>	<p>This leads to failure to track the procurements which leads to poor record keeping.</p> <p>This leads to failure to declare conflict of interest and lack of transparency.</p>

SATISFACTORY

Relates to following laid down procurement procedures and guidelines and no significant deviation is identified during the conduct of the procurement process based on the records available at the time.

