

QUARTERLY NEWS LETTER

ISSUE: 14

Quarterly Newsletter July - September 2024

Events | News | Facts

COME TOGETHER TO WIN GOVERNMENT CONTRACTS



The Minister of State for Youth and Children Affairs, Balaam Barugahara, confers with the Permanently Secretary, Ministry of Gender, Labour, and Social Development, Aggrey David Kibenge, at the PPDA-URF Towers, during the function to launch the guidelines to promote the participation of youth in public procurement.

Inside...

Turamye Counsels on Procurement Procedures

page: 4

PPDA Executive Director meets DHL Regional Director page: 6

PPDA Meets Business
Associations on Local Content
Guidelines
page: 7

High Court upholds PPDA directive Standard Bidding Documents page: 9

Corporate Intrigue page: 10

QUARTERLY NEWS LETTER



The state minister for Youth and Children Affairs, Balaam Barugahara, has challenged the youth to form associations so as to benefit from public procurement opportunities created by government.

Speaking during the official launch of the guidelines for reservation schemes to promote the participation of youth women and persons with disabilities in public procurement, Barugahara implored the youth to "get organized and win tenders".

"The PPDA, (and government), have given us a chance to participate in procurement let us be organized", he added.

In line with its vision, as a dynamic facilitator of the public procurement and asset disposal system for sustainable national development, the PPDA issued guidelines to create avenues for the participation in public procurement of the hitherto

marginalized groups, notably youth, women and persons with disabilities (PWDs).

The issuance of the guidelines that became effective March 18, 2024, is based on the PPDA Act which provides that, for the



better carrying out of the objectives and functions of public procurement, the Authority shall issue and gazette guidelines.

The minister challenged the youth to learn from his experience who, as a youth, 15 years ago, he travelled to China to acquire a manufacturer's authorisation that the electoral commission required for him to participate in the bidding processes.

Highlighting the different development initiatives by government targeting the youth, the minister implored the youth to work hard and not to unduly indulge in demonstrations.

"The government has not ignored you. Get off the streets Stop claiming they are stealing your money when you are not working", he said.

The minister also asked the youth to come together to apply for tenders in their localities.

"Let us win these tenders. Let us build roads", he said adding that if tarmac roads are very expensive they youth can compete for murram rods.

He also challenged the youth who pool resources together for what he called early marriages.

He contended that the youth should instead contribute money for prosperity.

Following the 2021 amendment to the PPDA Act, the Public Procurement and Disposal of Public Assets Authority (PPDA)

QUARTERLY NEWS LETTER

issued and gazetted guidelines to actualize the different provisions among which was one aimed at promoting the participation of registered associations of women, youth & persons with disabilities.

Here are the salient provisions in Guideline 11/2024;

Reservation by all entities of at least 15% of its Annual Procurement Budget for award to registered associations of Women, Youth, and PWDs.

Procurements valued at UGX 30 million or less in Central Government Entities shall be reserved to Registered Associations of Women, Youth, and PWDs and Procurements valued at UGX 10 million or less in Local Government Entities shall been reserved for the same groups.

The Registered associations of women, youth and PWDs are required to submit bid-securing declarations and not bid security to participate in public

The youth MP representing Eastern Uganda Benard Onen Odoi, urged the youth to register and follow the guidelines if they are to benefit from government procurement processes.

procurement. In procurement lingua, bid securing declaration is an undertaking by a bidder, committing to the rules of the process failure of which, the defaulting bidder attract punitive may consequences. Further to this these registered associations of women, youth and PWDs will not require to pay bidding obtain bidding documents and participate in the bidding process.

In terms of registration; Eligible providers under the guidelines include registered associations of Women, Youth, and PWDs. These associations can take various forms, including enterprises incorporated as companies, recognized as firms, registered partnerships, savings and cooperative societies, community-based organizations. Associations of Women, Youth, and PWDs must register with the PPDA Register of Providers to participate in reserved procurements. The registration involves submitting relevant

documents, including certificates of registration of document showing form of associations and national identification cards.

Benard Onen Odoi, the youth MP representing eastern Uganda, who also dabbles as the chairperson of the parliamentary forum on youth hailed the guidelines saying that the launch comes at a time of "celebrating 30 years of affirmative action", for youth empowerment.



The Permanently Secretary, Ministry of Gender, Labour, and Social Development, Aggrey David Kibenge, speaking at the function to launch the guidelines to promote the participation of youth in public procurement.

"My message to GenZs is that here is an opportunity. Get registered and follow the guidelines", he counselled.

Speaking during the same function the PPDA executive Director, Benson Turamye assured the Minister that the PPDA will support entities to undertake procurement that delivers.

"We shall work with MDAs to monitor the compliance and implementation of these guideline on a quarterly and annual basis. We therefore urge all Accounting Officers to take on the responsibility of implementing the guidelines" he said.

Turamye also noted the starting point for public procurement in government entities is at the planning level adding that the Authority has already issued a circular requiring all entities to submit their

TURAMYE COUNSELS ON PROCUREMENT PROCEDURES



The Executive Director of the Public Procurement and Disposal of Public Assets Authority (PPDA), Benson Turamye, has challenged government officials to handle procurement processes with due adherence to the provisions of the law to avoid complaints from bidders.

Turamye, who was addressing members of contracts committees and heads of procurement and disposal units of selected government agencies, guided that they should undertake the processes with checks and balances.

He also urged them to exercise confidentiality in their work.

"Don't leak information.

Information leaking is spoiling our profession. By the time you finish the process, information is all over the place", he said.

The meeting, held at the PPDA head office was called to apprise the participants form high spend the revised entities on procurement plan template that entities are supposed to use effective the 2024/2025 financial year. The PPDA categorises high entities (HSEs), spend government agencies with an procurement budget worth Uganda shillings 100bn or more.

In 2003, the government enacted the PPDA Act as the principal law

for guiding and regulating public procurement and public assets disposal in Uganda. The Act came into force on 21st February, 2003 and has since been amended twice in 2011 and 2021. In addition to new provisions, the amendments also necessitated the revision of the PPDA Regulations that had been issued in 2014 for central government agencies, and 2006 for local governments.

It is against this background that, after the requisite consultations, new regulations were developed and gazetted on 8th December 2023, and became applicable across all entities effective 5th February 2024.

QUARTERLY NEWS LETTER

Notable among these are the Public Procurement and Disposal of Public Assets (Procurement Planning) Regulations, 2023. These regulations have lent prominence to some planning requirements that were hitherto not so fundamental for PDEs.

The revised procurement plan template provides for multi-year procurements and procurements reserved for local bidders and special interest groups.

Turamye also informed the meeting that there is general concern at the highest levels of government about corruption in public procurement, which he said was a salient topic of discussion during a government retreat for ministers and other senior officials at the national leadership institute in Kyankwanzi in July 2024.

"I was given an assignment to look at how we should stop



Some of the members of contracts committees and heads of procurement and disposal units of selected government agencies that attended the meeting.

corruption even if it means amending the law. If we think corruption is at the evaluation committee, we shall remove them," he said, adding that in Botswana, they have no evaluation committees in their procurement processes.

Turamye also reiterated the government position of

empowering local providers in public procurement through preference and reservation schemes.

"Every bidding document must have provision for preference and reservation. How can we help our providers? It will start at planning", he noted.

While addressing the same meeting, the PPDA Director for Performance Monitoring Dr Aloysius Byaruhanga urged the participants to keep regular engagements with the Authority to address issues that delay service delivery.

"We want to hear from you. Do you have any issues that are curtailing service?", he remarked. Participants enumerated the challenges encountered in implementing the preference and reservation schemes due to conditionalities in some development partners funded projects.

"Financing agreements do not allow preference and reservation



Participants in the meeting enumerated the challenges encountered in implementing the schemes because of conditions in some development partner funded projects, owing to financing agreements not allowing preference and reservation schemes.

PPDA EXECUTIVE DIRECTOR MEETS DHL REGIONAL DIRECTOR



The DHL Regional Director for East and Central Africa, Fatima Sullivan, recently paid a courtesy call on the PPDA Executive Director, Benson Turamye, at his office on the 5th floor of the PPDA-URF towers.

Sullivan who was in Uganda, on what she called her annual tour of countries under her jurisdiction, said that she identified PPDA as an agency that is critical for DHL in advancing Uganda's position in global trade.

Turamye highlighted the Authority's cardinal role in overseeing and regulating the government entities' engagement with partners like DHL.

"We are a regulator of public

procurement in Uganda. When government agencies are securing partners, they use our rules," he said.

Sullivan, who oversees 28 countries in eastern and southern Africa plus the Indian ocean noted that DHL embarked on a programme to assist and enable trade. She added that unlike other parts of the world, intra Africa trade was dismally low owing to aviation challenges, connectivity and customs procedures.

Sullivan also informed his host that DHL operates in every country in Africa and has been in Uganda since 1986.

Founded in 1969 by Adrian

Dalsey, Larry Hillblom and Robert Lyn, DHL is an international logistics and supply chain company operating in over 220 countries and territories.

DHL prides itself in helping "you cross borders, reach new markets and grow your business. Or simply send a letter to your loved ones".

Sullivan was accompanied by the DHL Uganda Country Manager Joseph A Odole and Steven Kateihwaho the DHL Country Commercial Manager for Uganda



PPDA MEETS BUSINESS ASSOCIATIONS ON LOCAL CONTENT GUIDELINES



Dr Aloysius Byaruhanga, PPDA Director Performance Monitoring (Central Government), giving the remarks at the meeting on behalf of the executive director

As part of the continuing efforts to engage stakeholders, the Authority, recently, organized a Procurement Roundtable to deliberate on implementation of the Local Content Guidelines.

In line with sections 63 and 134 of the PPDA Act, Cap 205 the Authority is authorized to issue guidelines for Preference and Reservations schemes.

Reservation schemes in relation to public procurement are as old as 2018. In 2014, the government of Uganda enacted the Buy Uganda Build Uganda (BUBU) policy. The BUBU policy as per its stated mission is "to support the production, purchase, supply, and consumption of local goods and services". Thus in 2018, the PPDA issued the guidelines on preference and reservation

schemes. The Preference and Reservation schemes, both in 2018 and Guideline 12/2024 issued recently, in a way, actualize the national BUBU policy.

Section 63 specifically provides that a public procurement shall

be subject to a reservation scheme in order:

- To Promote the use of local expertise and materials;
- promote To the participation of local communities local or organizations including registered small and medium enterprises and business ventures:
- To apply specific technologies; or
- To promote the participation of registered associations of women youth and persons with disabilities.

It was against this background Authority organized the Roundtable about the subject. It brought together, among others, stakeholders from Uganda Manufacturers Association, Uganda National Association of Building and Civil Engineering Private Contractors, sector foundation, Uganda Small Scale



A section of the business community that attended the round-table at the PPDA head office for an engagement on implementation of local content guidelines.



PPDA Manager, Local Content, Ronald Tumuhairwe makes a presentation about the salient issues on the Local Content Guidelines

Industries Association (USSIA), Uganda Institution of Professional Engineers and Federation of Small and Medium Enterprises-Uganda (FSME).

While opening the roundtable, Dr. Aloysius M. Byaruhanga, the Director Performance Monitoring on behalf of the Executive Director underscored the importance of local content in public procurement

"Local content is not merely a policy requirement; it is a strategic initiative aimed at fostering economic growth by ensuring that our public procurement processes support the development of local industries," Byaruhanga said.

He added that "by prioritizing local suppliers and manufacturers, we are not only

enhancing the capacity of Ugandan businesses but also creating jobs, fostering innovation, and building a more resilient and sustainable economy which is in line with NDPIII objective to promote the private sector."

The participants welcomed the initiative by the PPDA to deliberate with them on matters affecting the implication of the schemes. They also shared make concerns that the undertaking hitches. get Prominent about these is the spirit of EAC integration.

While the Local Content guidelines recognize East African Community citizens, allowing them to favorably compete with indigenous Ugandans in bidding for contracts/tenders, the gesture is not reciprocated in the other partner states. Ugandans cannot bid for contracts, say in Kenya and Tanzania. The claimed this creates unfavorable and unfair business environment.

The matter of Government agencies delaying in paying contractors raised. was also Someone claimed he had a KCCA invoice dating back to 2021. This, they said, makes business enterprises struggle to meet tax obligations and NSSF remittances. This ultimately, according to the participants affects their participation in public procurement as they cannot present certificates from both **URA** and NSSF

Dr. Byaruhanga assured participants that these are pertinent issues which will be deliberated upon in different force.

to create a competitive put

HIGH COURT UPHOLDS PPDA DIRECTIVE ON STANDARD BIDDING DOCUMENTS

In a ruling on Friday, 23rd August 2024, Justice Musa Sekaana, of the High Court, upheld the PPDA directive in a circular, that required amendment of the standard bidding documents to provide for 'Supplier/Distributor Authorisation Form' instead of just the 'Manufacturer's Authorisation Form'.



Uthman Segawa, Director Legal and Board Affairs

Background

Until 2nd November 2023, bidding documents issued by the Government of Uganda Procuring and Disposing Entities (PDEs) to bidders participating in procurements for supplies of equipment and products, required a bidder to submit a manufacturer's authorization.

The Authority issued Circular No. 7 of 2023 on 2nd November 2023 that provided for a number of changes in the revised Standard Bidding Documents including permitting a bidder to submit a bid with authorization from a supplier, or a distributor of the supplies where a Manufacturer's Authorization cannot be obtained.

Providers who had hitherto monopolized the business on basis of the Manufacturer's Authorization were riled by the circular and they sued both the PPDA and the Executive Director Benson Turamye.

The Applicants, who are representatives of motor vehicle manufacturers, asked court to quash the directive issued by the PPDA. Court concurred with the PPDA and the circular now stands.

The effect of the court decision now, is that bidders who are authorised by suppliers or distributors can participate in a bidding process. The requirement for a Manufacturer's Authorisation Form previously limited participation to only bidders that were directly authorised by manufacturers.

In their argument, the applicants averred that there should be no alternative to a Manufacturer's Authorisation Form in the automotive industry because it compromises the quality of supplies and undermines the value for money principle in the procurement processes. They further argued that the circular, if it remains in place, it will perpetuate illegality through false claims at the expense of dealers who are genuinely authorised by manufacturers.

In Court, the PPDA legal team, led by the Director Legal and Board Affairs, Uthman Segawa, argued that its mandate includes issuing and updating the Standard Bidding Documents to improve procurement efficiency and competition. The team asserted further, that the Circular was intended to encourage and promote competition which is one of the principles of public procurement.

The court agreed with the arguments of the PPDA and held that the Circular was important to the procurement exercise by opening it up to all potential providers. It stated that the decision of the PPDA was well informed and intended to uphold the principle of competition in the procurement process which in turn helps to ensure value for money. The court found that in amending the Standard Bidding Document, other competitors would be added to the bidding process for the supply of motor vehicles which would break the monopoly erstwhile enjoyed by the Applicants.

CORPORATE INTRIGUE

I remember as little children, the extent to which some kids would go to simply get something they wanted, even if it meant hurting innocent friends in the process. Tears were always the definite end after such betrayal. As we have grown older, such things have continued to happen in families, among friends and acquaintances and sadly, in the work place too. Interestingly it is not a very new phenomenon. Here look! It actually has a name.

Corporate intrigue is the unpleasant machinations in an organization, normally relating to power struggles, conflicting and competing interests, and the pursuit of personal or financial gain. It can involve a whole lot of not-so-funny stuff backstabbing, such as, fault-finding, scheming, slander and gossip, manipulation, and deception. Lord knows this is just the start of how bad it can get, depending on the extent to which one may be willing to go. Ambition, greed, and the desire for control or favour are the usual driving forces.

This intrigue can occur at any level of an organization, from the highest levels of management to the lowest ranks of the workforce. But here is the thing, the level of damage cannot be over emphasized or



Bridgette Teddy Opany Senior Officer- Human Resources/PPDA

underestimated. It messes up relations in the work-place and the damage definitely impacts on the work processes and all else there- in. However, there's hope as it turns out there are ways to actually avoid or deal with the intrigue.

Unfortunately, I don't have any "20 steps to fight corporate intrigue" but I do have an idea of how to wade through it without letting it break you. Here are a few tips that I hope might be useful.

1. Don't be the start of it! Whatever the case, do not be the beginning of bad relations. If you are like me then it is super hard to stay still or quiet when provoked (but that's a chat for another day), but I'd safely say; be the provoked one, not the one to provoke. Think of who you might hurt in the process and stay back. Whatever you do, do not be the beginning of the problem.

- 2. Make some friends: I know most of us like to play safe by not making any friends in the workplace, at all. But no one is an island and you can't have or be everything. You would be amazed by how good relations with colleagues might go a long way in saving you when a dagger is aimed at your back. Ask me over a tea or coffee and I might even have a few examples from wherever.
- 3. Be the wiser party: When it gets less rosy and stuff comes at you, it is important that you always choose to be the better person. Take the higher road and do not be tempted to stop to the level the other person is at. Not everyone is raised ghetto-style so you might not be able to run through the gutter and it is never worth it. Be a 'prince against a rogue' and maintain your decency and composure. I am not suggesting this comes with ease but when you think of how it makes you look crawling in the mud with another party (it doesn't even matter who they are) you can choose to walk away from the drama and play the fool.
- 4. Ignore: It is simple. Play deaf and blind. So much that someone wonders what's wrong with you? Do you know how pleasant it is to keep feeling and looking great so much that the conflicting party wonders "what on earth is wrong with him? Does he now know what I did to him?" That, my friend, is perfect victory. Unless the issue is really huge, walk away from reacting.

QUARTERLY NEWS LETTER

- 5. Prove them wrong: You might not easily do this, to the already biased minds. But to the more objective ones, you will have no difficulty proving where the problem actually is. The former doesn't matter.
- 6. Be professional and civil: Whatever happens always remember to keep doing your job and serving the clientele...who might include the person breeding the intrigue. But if you get paid to
- serve, you serve even the devil's relatives, no? And you strive to serve them excellently because that is what puts food on the table at the end of the day. Not the drama.
- 7. Be able to present evidence. If you believe that the information circulated is baseless or untrue, be able to provide proof. The best form of defence is to back up your claims with hard evidence. This is a nut that no one can crack, no matter who they are. They may be able to twist and turn facts but the truth will be evident. Don't say what you cannot prove. Not even in your own defense.

I am beginning to sound like a 'Senga' (Paternal Aunt) at a Traditional Marriage ceremony so I won't give any more tips as these, if ardently applied should so an excellent job helping you survive in situations of intrigue.







PRESS STATEMENT ON GUIDELINE FOR PROCUREMENT OF GRAINS AND GRAIN PRODUCTS

DATE: 27th August 2024

Ladies and Gentlemen,

Government has overtime worked towards controlling and improving the quality of grain and grain products traded on the Ugandan and Regional markets. This is in tandem with the National Grain Trade Policy of 2015 that requires all public entities to procure grain and grain products from providers certified by Uganda National Bureau of Standards (UNBS).

Uganda's grain and grain products form a major commodity traded within the East African Community and beyond. However, our products been rejected across the frontiers due to poor post-harvest management practices that lead to contamination with aflatoxins, among other quality issues. Therefore, there is need to enforce compliance to grain and grain product standards to protect human and animal health and to promote cross border trade.

Accordingly, Uganda National Bureau of Standards (UNBS) has developed various standards for a range of grains and grain products It has certified over 630 providers across the country for maize products with production capacities estimated at over 217,000 tons per month. The list of the certified providers is accessible on the UNBS portal, unbs.go.ug

To ensure adherence to these standards, the PPDA has issued Guideline No. 13 of 2024 on Procurement of Grain and Grain Products from Providers Certified by Uganda National Bureau of Standards.

The main thrust of this guideline is that all government entities shall procure grain and grain products from providers certified by UNBS.

The issuance of the guidelines is anchored on section 134 of the PPDA Act Cap 205 which empowers the PPDA to issue and gazette guidelines for the better carrying out of the functions of public procurement in the country.

The guideline is available on the PPDA web portal and is to be distributed to all Accounting Officers who are responsible for distributing copies of to the contract's committees and members of the procurement and disposal units of their respective entities.

The guideline shall apply to all government procuring and disposing entities from 23rd August 2024 save for primary and secondary schools that will apply it from January 2025.

EVELYN ANITE (MP)

State Minister of Finance for Investment and Privatization

PPDA - URF Towers Plot 39 Nakasero Road P.O.Box 3925, Kampala Uganda Tel: +256-414-311100 Email: info@ppda.go.ug



PPDA FACTS, FIGURES AND TITBITS





The Uganda Law Reform Commission, in exercise of its mandate to revise and update the Law prepared the 7th Revised Edition of the Principal Laws of Uganda which commenced on 1st July, 2024.

It consolidates all Acts of Parliament from independence up to 31st December, 2023 into a single Statute Book popularly referred to as "the Red Volume."

Accordingly:

The PPDA Act which was previously cited as PPDA Act, 2003 was assigned a new Chapter number of Cap. 205. It is contained in Volume IX which consolidates laws relating to Insurance and Statutory Bodies.

In this 7th revised Edition, the commission consolidated and incorporated all amendments to the PPDA Act and renumbered the sections for easy reference.

- Some provisions have been removed. For instance, what was previously Section
 1 is now Section 2.
- Numbers for sections that were repealed have also been removed. For example,
 Section 15A and 54 that had been repealed were removed.
- Sections that had capital letters as part of the numbering have been renumbered and there is no use of the capital letters.
- The overall effect of the renumbering is that sections that were originally 99, are now 135 but the content is still the same.
- This is to advise as follows:
 - i. Cite the PPDA Act as PPDA Act Cap. 205 and not the PPDA Act, 2003.
 - ii. Use the right sections as referred to in Cap. 205.
 You may access a copy with these new changes on the Act the PPDA portal,

https://www.ppda.go.ug/download-reports/legal/ppda-act/

LEISURE PAGE Sagaciously Speaking

■ Don't choose Comfort at the age of Labour, so that you won't Labour at the age of Comfort.

Anonymous

■ A child who decides to attack the unknown must know that the weapons of the unknown are unknown...

Anonymous

■ You don't go back to look for your hat when you escape from the Lion's den

Anonymous

■ Neither a borrower nor a lender be; for loan oft loses both itself and friend, and borrowing dulls the edge of husbandry.'

Hamlet by William Shakespeare

- The Earth is littered with the ruins of empires that believed they were eternal.

 Camille Paglia, American academic, social critic and feminist.
- The most important thing in communication is hearing what isn't communicated Peter F. Drucker (1909-2005) Austrian American management consultant, educator, and author
- People who don't take risks generally make about two big mistakes a year. People who do take risks generally make about two big mistakes a year.

Peter F. Drucker

■ It is more productive to convert an opportunity into results than to solve a problem - which only restores the equilibrium of yesterday."

Peter F. Drucker

This is no Laughing Matter



Unlike the stomach, the brain doesn't alert you when it's empty. Instead, it alerts those around you.



There is nothing quite so useless, as doing with great efficiency, something that should not be done at all.



Peter F. Drucker

Anonymous

"You have too much lack of wisdom", is the same as saying "You're stupid".



PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS AUTHORITY

"Procurement That Delivers"

PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS AUTHORITY (PPDA)

Head Office

PPDA - URF Towers Plot 39 Nakasero Road P.O.Box 3925, Kampala Uganda Tel: +256-414-311100 Email: info@ppda.go.ug

Eastern Regional Office

Oval Plaza , Plot 1, Court Road , P.O. Box 2173, Mbale, Uganda. Tel: +256-417-890100 <u>Email: mbal</u>eoffice@ppda.go.ug

Western Regional Office

Plot 2, Western Bypass Link, Kamukuzi Hill, Mbarara, P.O. BOX 1353, Mbarara, Uganda. Tel: +256-417-733800 Email: mbararaoffice@ppda.go.ug

Northern Regional Office

Plot 1, Lower Churchill Drive P.O. Box 999, Gulu, Uganda Tel: +256-471-432010 Email: guluoffice@ppda.go.ug

EDITOR

Cris Magoba,

Manager - Corporate and Public Affairs Public Procurement and Disposal of Public Assets Authority (PPDA) Email: cmagoba@ppda.go.ug Tel: +256 414 311 128

© 2023 rights reserved

No part of this publication may be reproduced, utilised in any form or by any means - electronic, mechanical, including photocopying, recording or by any information storage and retrieval system - without the prior written permission of PPDA