



*The Republic of Uganda*

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**STATEMENT BY THE AG.EXECUTIVE DIRECTOR, PPDA AT THE LAUNCH  
OF THE ANTI-CORRUPTION WEEK IN UGANDA – 28<sup>th</sup> NOVEMBER 2017**

The Right Honourable Prime Minister,  
Honourable Minister of State for Ethics and Integrity;  
Development Partners;  
Heads of the Inter-Agency Forum;  
Accounting Officers and staff of Ministries, Departments and Agencies of  
Government;  
Members of the Private Sector;  
School Children;  
The Media fraternity;  
Ladies and Gentlemen.

It gives PPDA great pleasure to participate in the launch of the Anti-Corruption week in Uganda with the theme ***“Restoring Integrity in Public Service; Regaining Citizen Trust in the Anti-Corruption Fight.”***

The governance of procurement is pivotal to public trust in Government and is a barometer for the quality of public administration, making it a priority target for strengthening in Government. The reforms in procurement sector thus far, have realized some success. However, serious challenges persist including corruption, non-compliance with the

procurement Act and Regulations, un-standardized procurement processes across Procuring and Disposal Entities, continuous delays in delivery of supplies and services, and wastage of resources through uncompetitive and closed purchases.

In 2015, PPDA conducted the 3rd Procurement Integrity Survey. The key findings revealed that the perception index about existence of corruption in public procurement was 71.8%, which was up from 69.8% in the previous survey (2009). The study also revealed that on gratification of public officials for award of public contracts: **59.8% of the bidders had ever gratified public officials to influence wining of tenders.** Bid receipts/Opening; Evaluation of bids; and Contract Award persist to be perceived as the stages most susceptible to corruption and therefore require more oversight to limit such opportunities. Corruption at the evaluation stage leads to numerous complaints that further delay service delivery while corruption in contract management leads to unjustified cost variations, shoddy work and air supply.

Therefore, there is a strong need to promote good governance in public procurement, in particular by identifying the risks, ensuring competition and transparency without compromising on the need for efficiency and effectiveness in the delivery of public services. Unfortunately, because of the large sums of money involved, the system has been targeted by corrupt agents both in the public and private sector.

As part of the reforms to make the public procurement system more efficient and accountable, I am glad to inform you that preparations are underway to have public procurement go online through the roll out of the Electronic Government Procurement (eGP) comprising of all the modules/ stages in

procurement. Key benefits of electronic procurement are: **Efficiency, Transparency, and Accountability.**

Ladies and gentlemen, these are the vehicles to fighting corruption.eGP will solve a lot of our problems such as record keeping, reduced transactional costs as well as providing a clear audit trail that should make the system more accountable. We expect the pilot to be rolled out in the Financial Year 2018/19 in ten (10) Entities which will gradually be rolled out to all Procuring and Disposing Entities. The pilot Entities are:

- a) Public Procurement and Disposal of Public Assets Authority(PPDA)
- b) National Information Technology Authority(NITA-U)
- c) Civil Aviation Authority(CAA)
- d) Kampala Capital City Authority(KCCA)
- e) National Social Security Fund(NSSF)
- f) Uganda National Roads Authority(UNRA)
- g) Ministry of Water and Environment
- h) Ministry of Finance, Planning and Economic Development
- i) Mpigi District Local Government Authority and
- j) Jinja District Local Government Authority

Right Honorable Prime Minister and distinguished members, the system vendor for the eGP has been identified as well as the governance structures of the project have been formed. Key to the success of this project is change management given the huge number of stakeholders of this system. Government of Uganda's leadership and sponsorship role will play a key role in ensuring the smooth implementation of eGP across government.

PPDA has also constituted a task force to closely monitor procurements in the High Spend Entities (HSEs) drawn from the key sectors with the highest procurement budgets with the aim of preventing the incidences of corruption by undertaking more frequent oversight on the risk areas vulnerable to

corruption, improving the budget absorption rate and ultimately resulting into better procurement outcomes.

The theme this year is premised on the need to restoring public confidence; ie **“Restoring Integrity in Public Service; Regaining Citizen Trust in the Anti-Corruption Fight,”** communicating the importance of citizen participation in the fight against corruption and also allowing the anti-corruption agencies share their achievements and synergize to ensure service delivery to our people. Corruption is the abuse of entrusted power for private gain. Corruption has always been perceived as being at a high level in Uganda by Transparency International. *Last year when PPDA made a statement at this event, Uganda ranked **139<sup>th</sup> least corrupt nation out of 175 countries in 2015. In 2016, Uganda faired badly at 151<sup>st</sup> position out of 175 countries*** according to the Corruption Perceptions Index reported by Transparency International. We need to work together to improve our ranking.

All public officers and PPDA staff must behave and act according to our ethical values. An internal mechanism is in place to report any complaints or corrupt acts at [ed@ppda.go.ug](mailto:ed@ppda.go.ug). or Hotline +256717888333. The Authority has also opened up Regional Offices in Gulu and Mbarara for easy access of complainants.

PPDA’s contribution to strengthening Transparency includes the new legal standards that require PDEs to publish their procurement plans, bid opportunities and contract awards on the Government Procurement Portal (GPP). PPDA is also holding Procurement Barazas in partnership with Civil Society Organizations at the regional level to disseminate to the public our findings from procurement audits and thus stimulate the public demand for accountability of public leaders. As reported above, **60% of the bidders had**

**ever gratified public officials to influence wining of tenders.** So who are these public officials being gratified? We need to fight and stop this evil.

To ensure that the public is not discouraged from reporting corruption there is need to have effective sanctions when fraudulent or corrupt acts are investigated and established. The Authority has powers under the PPDA Act to suspend providers from engaging in public procurement contracts due to engaging in unethical practices such as failure to implement a contract, submitting forged documents/misrepresenting facts or defrauding the Entity through provision of substandard or shoddy works. Over 120 providers have been suspended by PPDA to-date. It is not enough to sanction the private sector, disciplinary measures including administrative and criminal sanctions should also be enforced against errant and corrupt public officers.

Another measure to address conflict of interest and influence peddling in public procurement is the limitation/prohibition on public officers providing services to Government. Members of the Contracts Committees, staff of Government Entities, and line Ministers are not allowed to conduct business with the Government institution in which they are employed or responsible for. This is intended to eliminate influence peddling, encourage competition, fairness and hence achieve value for money.

It is therefore clear that as stakeholders in the fight against corruption we need to develop and implement different tools and procedures relating to prevention, detection and sanction of corruption in public procurement. We also need to adopt a multi-agency approach since different skills are necessary components of a comprehensive approach. The capacity building efforts should not only cover the anti-corruption agencies but also the different stakeholders in the public and private sector: This is aimed at reducing the rate of abuse of public funds in the name of ignorance of the law.

As you are already aware, the President has interested himself in the performance of the public procurement system. And as a result, the PPDA Act is currently being amended in order to improve on the efficiency and effectiveness of public procurement. Therefore, there is a strong need to promote good governance in public procurement, in particular by identifying the risky stages and plugging the gaps at those stages, ensuring competition and transparency without compromising on the need for efficiency and effectiveness in the delivery of public services.

The Authority is thankful to the following partners with whom it works closely in the fight against corruption: Inspectorate of Government, Office of the Auditor General, Directorate of Ethics and Integrity, Directorate of Public Prosecutions; Criminal Investigations and Intelligence Directorate, Uganda Revenue Authority, Ministry of Finance, Planning and Economic Development, Development Partners like GIZ, DFID (through SUGAR programme), USAID (through GAPP), World Bank, and Civil Society Organizations like Uganda Debt Network, Anti-Corruption Coalition of Uganda, Uganda Contracts Monitoring Coalition, Transparency International - Uganda, and so forth.

I thank the organizers and sponsors of this event and wish us all a successful Anti-Corruption Week.

**FOR GOD AND MY COUNTRY**

Benson Turamy

**AG. EXECUTIVE DIRECTOR**

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