



PPDA/UEGCL/48

9th August 2024

The Chief Executive Officer
Uganda Electricity Generation Company Limited
P.O. Box 75831

KAMPALA

BID PREPARATORY AUDIT EXERCISE FOR THE LEASING OF MOTOR VEHICLES AND SUV STATION WAGON FOR KARUMA HYDRO POWER PLANT (KHPP) PROC REF: UEGCL/SPLS/23-24/20042

Reference is made to the above subject.

On 1st August 2024, the Public Procurement and Disposal of Public Assets Authority (PPDA) in accordance with Section 7 1 (j) (i) of the PPDA Act Cap. 205 conducted a bid preparatory audit for the Leasing of Motor Vehicles and SUV Station Wagon for Karuma Hydro Power Plant (KHPP).

The objectives of the audit were to:

1. Establish whether the public procurement planning and requisitioning processes were conducted in accordance with the PPDA Act Cap 205, PPDA Regulations 2023 and PPDA Guidelines; and;
2. Establish whether the solicitation document issued was drafted in a manner which promotes transparency, accountability and fairness to the bidders in accordance with the provisions of the PPDA Act Cap 205, PPDA Regulations 2023 and PPDA Guidelines.

The scope of the bid preparatory audit entailed a review of the procurement requisition form, solicitation document and bid notice as well as the approvals of the Contracts Committee. The areas of the solicitation document analyzed were; Instructions to Bidders, Bid Data Sheet, Evaluation Methodology and Criteria, Bidding Forms and the Special and General Conditions of Contract.

The Authority identified the following exceptions with regard to the procurement planning and requisition processes and the solicitation document for the attention of management.

Page 1 of 2

HKM/En/ok

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1.0. Whether the public procurement planning and requisitioning processes were conducted in accordance with the PPDA Act Cap 205, PPDA Regulations 2023 and PPDA Guidelines

1.1 Unrealistic procurement timelines

The procurement initiation form indicated that the date the leasing agreement was required was 26th July 2024; however, the advert was ran in the Newspapers on Thursday July 25th 2024.

2.0. Whether the solicitation document issued to bidders was drafted in a manner which promotes transparency, accountability and fairness to the bidders in accordance with the provisions of the PPDA Act Cap 205, PPDA Regulations 2023 and PPDA Guidelines

2.1 Failure to request for valid documentation

Eligibility criteria under 3.2 (c) stated that bidders should submit “a copy of the bidder’s Trading license or equivalent and a copy of the Bidder’s Certificate of Registration or equivalent for bidders not currently registered with the Authority”. The Entity should state that the Trading license should be “current” to avoid subjectivity during evaluation.

2.2 Delivery and completion schedule

The bidding document did not indicate the full address of the place of delivery. GCC 26 did not state the address of the Headquarter offices to avoid confusion during delivery.

2.3 Repetition in the bidding document.

There was repetition noted in the bidding document. GCC 16.3 stated “*the payment period shall be*” twice in the same statement.

Recommendation

The Entity should address the issues raised in this issue letter at the pre- bid meeting/ site visit where applicable and report to the Authority on the same.

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



Simon Businge

For: EXECUTIVE DIRECTOR

cc: Chairperson, Contracts Committee
cc: Head, Procurement and Disposal Unit