



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

"Procurement That Delivers"

Our Ref: PPDA/UCC/44

18th August 2023

The Executive Director
Uganda Communications Commission
P.O Box 7376
KAMPALA

RE: BID PREPARATORY AUDIT EXERCISE FOR THE PROCUREMENT FOR SUPPLY, DELIVERY & INSTALLATION OF EQUIPMENT & RELATED SOFTWARE FOR THE TESTBED AT UGANDA INSTITUTE OF COMMUNICATION & TECHNOLOGY- PROCUREMENT REFERENCE: UCC/SUPLS/22-23/00153

Reference is made to the above subject.

The Public Procurement and Disposal of Public Assets Authority (PPDA) on 14th August 2023 conducted a bid preparatory audit for the supply, delivery & installation of equipment & related software for the testbed at Uganda Institute of Communication & Technology which is to be undertaken this Financial Year 2023/24. The audit exercise involved a review of procurement planning, requisition/initiation and solicitation document issued to bidders following the Public Procurement and Disposal of Assets Act, 2003, the Regulations, 2014 and Guidelines 2014.

The objectives of the audit were to:

1. Ensure that public procurement planning and requisition was conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, 2003, the Regulations, 2014 and Guidelines 2014; and
2. Establish whether the solicitation document issued to bidders was prepared in accordance with the provisions of the PPDA Act 2003, the Regulations, 2014 and Guidelines 2014.

The Authority identified some exceptions for the attention of management as detailed below:

Objective: To establish whether the public procurement planning and requisition process was conducted in a manner which promotes transparency, accountability and fairness in accordance with the Public Procurement and Disposal of Public Assets Act 2003, the Regulations, 2014 and Guidelines 2014

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

Western Regional Office
RDC's Building, Bishop Stretcher Road,
Opposite BOU Currency Centre, Mbarara-Kabale Road
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: +256-417-432010
Email: guluoffice@ppda.go.ug

Eastern Regional Office
Oval Plaza, Plot 1, Court Road
P.O. Box 2173, Mbale, Uganda
Tel: +256-417-890100
Email: mbaleoffice@ppda.go.ug

1.0 Procurement Planning and Initiation Process

1.1 Delayed initiation of the Procurement

According to the annual workplan for FY 2022/23, the Entity budgeted UGX 600 million for procurement for the supply, delivery & installation of equipment & related software for the testbed at Uganda Institute of Communication & Technology which funds were to be utilised in the 2nd quarter, i.e., October-December 2022. However, the procurement was initiated on 15th June 2023 and it is currently at the bidding stage. The bid notice was published in the New Vision Newspaper of 2nd August 2023 with a bid submission deadline of 31st August 2023. This affected absorption of funds in the Financial Year the items were planned for and money will instead be spent in the FY 2023-24.

Implication

Delayed implementation of planned activities leads to delayed service delivery to the intended beneficiaries.

Recommendation

The Accounting Officer and Management should regularly carry out a review of the implementation of the procurement plan to avoid initiating procurements towards the end of the Financial Year.

2.0 Contradictions in the bidding document issued

The Authority noted that the bidding document in the Bid Data Sheet under ITB 45.1 stated that an advance payment shall be limited to 20% percent of the contract price, in case the bidder proposes it while Special Conditions of Contract under GCC 17.1 stated that *'an advance payment guarantee shall NOT be required'*.

The purpose of this letter is to forward to you the findings from the bid preparatory audit exercise for your implementation.


Hilda K. Mwesigwa

FOR: EXECUTIVE DIRECTOR

c.c. Chairperson, Contracts Committee
c.c. Head Procurement and Disposal Unit