

Our Ref: PPDA/MOWT/016

1st September 2023

The Permanent Secretary
Ministry of Works and Transport
P.O. Box 7174
KAMPALA

BID PREPARATORY AUDIT EXERCISE FOR THE SUPPLY OF ONE (1) FIRE FIGHTING BOAT AND NINE (9) RESCUE BOATS REFERENCE NO. MOWT/SUPLS/23-24/00021

Reference is made to the above subject.

On 15th August 2023, the Public Procurement and Disposal of Public Assets Authority (PPDA) in accordance with Section 7 (j) (i) of the PPDA Act 2003 conducted a bid preparatory audit for the supply of one (1) firefighting boat and nine (9) rescue boats.

The objective of the audit was to establish whether the solicitation document issued to bidders was prepared in accordance with the African Development Bank procurement rules.

The scope of the bid preparatory audit entailed a review of the procurement plan, procurement requisition form and solicitation document. The areas of the solicitation document analyzed were; Instructions to Bidders, Bid Data Sheet, Evaluation and Qualification Criteria, Bidding Forms, Eligible Countries, Fraud and Corruption, Schedule of Requirements, General Conditions of Contract, Special Conditions of Contract, and Contract Forms.

The Authority identified the following exceptions with regard to procurement planning, requisitioning and bidding document preparation for the attention of management.

2.0 To establish whether the solicitation document issued to bidders was prepared in accordance with the provisions of the African Development Bank procurement rules.

2.1 Inadequate requirements in the Bid Data Sheet

The following omissions were observed in the Bid Data Sheet:

- Section II, Bid Data Sheet (ITB 11.1) of the bidding document required bidders to provide a valid trading license (for 2022) where applicable or its equivalent as opposed to asking for a valid trading license for 2023 which is the current year.

- Section II, Bid Data Sheet (ITB 17.2) of the bidding document provided that “representation by an Agent for after-sales services is encouraged” as opposed to making it mandatory which puts the Entity at risk of no transfer of knowledge, accessibility of spare parts and training on how to operate and maintain the boats.

Implication

The Entity is at risk of dealing with bidders who are not authorized to trade in the current year. In addition, failure to provide for representation by an Agent for after-sales services puts the Entity at risk of its staff not being trained on how to operate and maintain the boats.

Recommendation

The Authority recommends that bidders should be requested for an up-to-date valid Trading license for the year 2023 and that the requirement for an Agent for after-sales services is made mandatory. In addition, the preferred Local Agent should be in Kampala or Entebbe for effective training, maintenance and accessibility to spare parts whenever required.

2.2 Ambiguous evaluation criteria

Section III (Evaluation and Qualification Criteria) Part 3.1 (iii) of the bidding document required bidders to furnish documentary evidence satisfactory to the purchaser that demonstrates that similar goods as offered in the bid have been in successful use or operation since 1st January 2021. If the bidder is a JV, the evidence of demonstrated usage of goods supplied in the past shall be in the name of the JV.

The Authority noted that the bidding document did not expressly state the exact documents required or their equivalent as evidence to demonstrate successful usage or operation.

Implication

This may result in ambiguity which may lead to subjectivity at evaluation and deny bidders a chance to prepare responsive bids.

Recommendation

The Authority recommends that the Head, Procurement and Disposal Unit should expressly state the documents required to enable bidders prepare responsive bids.

2.3 Omissions in Section VII (Schedule of Requirements)

The Authority noted that while ITB 14.9 (a)(iii), (b)(ii), and (c)(v) indicated six landing sites on Lake Victoria to which the rescue boats are to be delivered, a discrepancy was observed under Section VII (Schedule of Requirements) which left out one landing site as detailed below;

Table 1: Omitted landing site in the list of Goods and delivery schedule

No.	Sites indicated under List of Goods and Delivery Schedule for Final Destination (Project Site) as specified in BDS	Missing site on Lake Victoria
1.	i) Kaazi landing site ii) Masese Landing site iii) Misonzi Landing site	Lwanika

Implication

The omitted landing site may result in missed deliveries.

Recommendation

The Authority recommends that the Head Procurement and Disposal Unit harmonizes the omitted landing site to avoid any missed deliveries and to enable bidders prepare and submit responsive bids.

2.4 Unclear acronyms stated in the bidding document

The audit noted the use of unexplained acronyms for example MRCC under Section II (Bid Data Sheet) ITB 14.9 (a)(iii), (b)(ii), and (c)(v) of the bidding document.

Implication

This may result into misinterpretation by bidders.

Recommendation

The Authority recommends that all acronyms are well defined for clarity purposes.

The Authority recommends that the above observations are immediately rectified, necessary approvals obtained and bidders notified of the changes before bid closure.

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



Dr. Aloysius M. Byaruhanga (PhD)

FOR: EXECUTIVE DIRECTOR

cc: The Chairman, Contracts Committee
cc: The Head, Procurement and Disposal Unit