



Public Procurement and Disposal of Public Assets Authority

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Our Ref:.....**PPDA/M13/000**.....

Your Ref:.....

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To all Accounting Officers
Central and Local Government Entities

CIRCULAR ON EXTENSION OF BID VALIDITY AND BID SECURITIES

Reference is made to the above subject.

The Authority has noted from the Administrative Reviews handled that Entities neglect to request bidders to extend validity period of the bids, bid securities and bid securing declarations during the procurement process where circumstances arise that require such extensions. The above omission has led to the following:

1. Collapse of the procurement process due to lack of valid bids and bid securities;
2. Deprivation of the right to apply for Administrative Review since the complainant would not qualify as a bidder in the procurement process.

In light of the above findings, the Authority advises as follows:

A. Bid Validity

1. The Entity should in accordance with Regulation 52(5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2014; Regulation 30(3) of the PPDA (Procurement of Consultancy Service) Regulations, 2014 and Regulation 49(5) of the Local Governments (PPDA) Regulations, 2006 request all bidders to extend the bid validity period of their bids where circumstances arise that require the extension.
2. The request for extension should be received by the bidders at least two weeks prior to the expiry of the bids.

3. The request for extension should be in writing to all bidders who submitted bids and should specify the actual extension period i.e. date for which the bids should remain valid.
4. The extension of bid validity by the bidders should be on the letter head of the bidder clearly indicating that the bid has been extended to a specified date as requested by the Entity and should be signed by the authorized representative of the bidder.

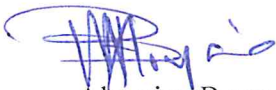
B. Bid Security/ Bid Securing Declaration

1. Where there is a requirement for bid security/bid securing declaration in the procurement, the Entity should also request all bidders to extend the bid securities/ bid securing declarations to a specified date i.e. which is twenty eight days after the extended validity date.
2. The bidders should submit new bid securities from the financial institutions clearly indicating that the securities have been extended to the specified date. In case of the bid securing declaration, the bidder should submit another bid securing declaration indicating that the bid securing declaration has been extended to the specified date.

Please note that the suspension of a procurement process during an Administrative Review before the Entity, the Authority or the PPDA Appeals Tribunal does not affect the request to bidders to extend the bid validity period and bid securities/bid securing declarations.

The Heads of the Procurement and Disposal Units are directed to put in place a mechanism of monitoring the validity of the bids and bid securities, throughout the procurement process to contract signature.

This is to request the Accounting Officer to implement this guidance and to circulate it to the Contracts Committee, user departments and personnel of the Procurement and Disposal Unit.



Aloysius Byaruhanga

Ag. EXECUTIVE DIRECTOR