



**INSPECTION REPORT ON THE ALLEGED IRREGULARITIES
IN THE PROCUREMENT PROCESSES FOR UNIFIED
MESSAGING AND COLLABORATION SYSTEMS (UMCS)
PROJECT UNDER NITA-UGANDA**

**ENTITY: NATIONAL INFORMATION TECHNOLOGY
AUTHORITY, UGANDA**

COMPLAINANT: INSPECTORATE OF GOVERNMENT

NOVEMBER 2024

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ACRONYMS

AO	-	Accounting Officer
CC	-	Contracts Committee
CG	-	Central Government
PPDA LIMITED	-	Public Procurement and Disposal of Public Assets Authority Limited
NITA-U	-	National Information Technology Authority – Uganda
RCIP 5	-	Regional Communications Infrastructure Program Phase 5
UDAP	-	Uganda Digital Acceleration Project
UGX	-	Uganda Shillings
UMCS	-	Unified Messaging and Collaboration System
WB	-	World Bank

1.0 BACKGROUND

On 29th July 2024, the Authority received a request from the Inspectorate of Government to handle a complaint from a whistleblower pertaining to the fraudulent practices by a one Satya Prabhu with respect to public procurements. The allegations raised pertained to the procurement of Unified Messaging and Collaboration Systems (UMCS) that was undertaken by the National Information Technology Authority Uganda (NITA-U). The specific allegations are as follows:

1. That Mr. Satya Prabhu colluded with NITA-U officials to award the contract for Unified Messaging and Collaboration Systems (UMCS) project to his company (Impiger Technologies Limited) in 2021.
2. That the subsequent procurement for upgrading the same procurement was also awarded to Netcon Technologies India Private Limited, another company owned by Mr. Satya Prabhu, through a direct procurement, at an inflated price between USD 10m to USD 15m, which is three times the original contract cost.
3. That Impiger Technologies Private Limited, Netcon Technologies India Private Limited and Netcon Technologies Africa Limited had been struck off the URSB register but were still being awarded contracts.

2.0 OBJECTIVES OF INVESTIGATION

The investigation was conducted with the view of establishing whether:

1. The two procurement processes for Unified Messaging and Collaboration Systems (UMCS) that were undertaken by NITA-U were regularly carried out;
2. The contract price of the procurement awarded to Netcon Technologies India Private Limited was inflated in comparison to the contract price of the first procurement which was awarded to Impiger Technologies Limited; and
3. Entities irregularly awarded contracts to Netcon Technologies India Private Limited and Netcon Technologies Africa Limited after the companies were struck off the URSB register.

3.0 LAW APPLICABLE

The World Bank Procurement Regulations for IPF Borrowers 2016, 2017, 2018, 2020 and 2023 (First to Fifth Editions)

4.0 SCOPE

The investigation focused on the procurement processes for the Unified Messaging and Collaboration Systems (UMCS) and the consequent contract management.

5.0 METHODOLOGY

- a) Documents retrieval and analysis:** The following documents were retrieved and analyzed:
- i. Procurement action files for the supply, installation and maintenance of a Unified Messaging and Collaboration System (UMCS) for the Government;
 - ii. Procurement action file for the procurement of UMCS Product Support Subscription;
 - iii. Procurement action file for the purchase of 50,000 user licenses with product support for UMCS; and

iv. Contract management files for three UMCS procurements, including addendum 1-3 to the contract for the supply, installation and maintenance of a Unified Messaging and Collaboration System (UMCS) for the Government

b) Interviews; The officials interviewed are indicated in Table 1 below:

Table 1: People interviewed

S/N	Name of interviewee	Title	Entity	Date
1.	Mr. Collin M. Babirukamu	Director E-Government Services	NITA-U	29 th October 2024
2.	Mr. Edmond Macheli	Project Coordinator, UDAP-GOVNET	NITA-U	29 th October 2024
3.	Ms. Jacqueline Musimenta	Procurement Officer, UDAP-GOVNET	NITA-U	29 th October 2024
4.	Mr. Paul Senyange	Project Monitoring Officer	NITA-U	24 th October 2024
5.	Mr. Robert Gumisiriza	Former Head, PDU	NITA-U	23 rd October 2024
6.	Mr. Sathiyarayanan Prabhu	Director	Impiger Technologies Private Limited	17 th October 2024

6.0 SUMMARY OF FACTS

Procurement 1: Supply, installation and maintenance of a Unified Messaging and Collaboration System (UMCS) for the Government – Proc Ref No: NITA-U/RCIP/SUPLS/16-17/00006

- 6.1 The Government of Uganda represented by NITA-U received credit from the International Development Association (World Bank) under the Regional Communications Infrastructure Program Phase 5 - Uganda (RCIP 5) for the procurement of a Unified Messaging and Collaboration System (UMCS) for the Government of Uganda.
- 6.2 On 17th January 2017, the User Department requisitioned for the procurement for supply, installation and maintenance of a Unified Messaging and Collaboration System (UMCS) for the Government of Uganda at USD 2.5 million. The Accounting Officer approved the same on 18th January 2017, following a no objection from the World Bank.
- 6.3 On 25th January 2017, the Contracts Committee approved the procurement. Specifically, the Contracts Committee approved the bidding document, International Competitive Bidding procurement method and an Evaluation Committee comprising Mr. Paul Senyange, Mr. Richard Obita, Mr. Osbert Osamai, Mr. Richard Mugwanya and Mr. Michael Kagube.
- 6.4 The approved bidding document contained the scope of UMCS to include a full unitary system in English language with easy-to-use interface providing rich user experience to assist the Government to carry out the following mail and collaboration functions transcending desktop, laptop and mobile devices:
- a) Messaging;
 - b) Calendaring;
 - c) Contacts Management;
 - d) Corporate Social Media Integration;
 - e) Collaboration including Instant Messaging, Video and Audio Conferencing;
 - f) Migrating systems to the government cloud; and
 - g) Support including training and maintenance during the contract period.
- 6.5 The UMCS was to be installed in two phases to accommodate 3,000 email users in selected Government Entities and scaled up as need arose. The pilot phase was to consist of 650 users from six Entities from Central and Local Governments, while the remaining 2,350 users were to be installed in the second phase.
- 6.6 The bidder was required to provide a scalable and cost-effective system because the intention was to roll UMCS out to the whole Government after the initial 3,000 email seat deployment. To this effect, the bidder was as well required to cost for 10,000, 50,000, 100,000 and 250,000 seats for Central Government and Local Governments.
- 6.7 On 2nd February 2017, the Entity published an Invitation for Bids (IFB) in the New Vision for supply, installation and maintenance of a Unified Messaging and Collaboration System (UMCS) under RCIP. The deadline for submission of bids was 24th March 2017 at 10:30am, with bid

opening to happen on the same day at 10:35am. The Entity required a bid security of USD 60,000 and a bid validity date of 208 days.

6.8 The Entity issued the bidding documents to 28 bidders between 2nd February 2017 and 24th March 2017, with Impiger Technologies being one of these bidders, as shown in Table 2 below:

Table 2: Bidders to whom bidding documents were issued

S/N	Name of the Bidder	Date of Issuance
1.	Shengclang Consult (U) Limited	03/02/2017
2.	Computer Information Systems(U) LIMITED	03/02/2017
3.	Huawei technologies(U) co.Limited	03/02/2017
4	Techno Brain LIMITED	03/02/2017
5.	Impiger Technologies	03/02/2017
6.	Gelostone	06/02/2017
7.	AH Consulting	07/02/2017
8.	Microsoft East Africa Limited	07/02/2017
9.	ZTE Uganda	09/02/2017
10.	Comtel Integrators Africa	09/02/2017
11.	Lantech Africa LIMITED	10/02/2017
12.	Sybyl Limited	10/02/2017
13.	MFI Document solution	13/02/2017
14.	Only intertel Co Limited Seoul Korea	14/02/2017
15.	Jabel Bogere NRD AS	14/02/2017
16.	AOS Limited Kigali Rwanda	14/02/2017
17.	International Business Solution Limited	20/02/2017
18.	The Copycat Limited	21/02/2017
19.	The Giza System	22/02/2017
20.	Besez International	24/02/2017
21.	Outbox (U) Limited	24/02/2017
22.	OTB Africa	24/02/2017

S/N	Name of the Bidder	Date of Issuance
23.	Nnian Solutions LIMITED (TIA HUNDLE) London UK and OTB Africa Limited Kenya	23/02/2017
24.	Avytel and Itatel SPA	28/02/2017
25.	Tech Mahindra	06/03/2017
26.	Vox Telecom	06/03/2017
27.	Emommentum interactive systems	13/03/2017
28.	Future technologies Limited	24/03/2017

6.9 Following a pre-bid meeting held on 15th February 2017, the Entity issued addendum I on 24th March 2017 to among others, increase the bid submission deadline from 24th March 2017 to 6th April 2017. The Entity issued addendum II on 30th March 2017 after making clarifications to a bidder's request. On 4th April 2017, the Entity issued addendum III extending the bid deadline from 6th April 2017 to 20th April 2017.

6.10 On 20th April 2017, the Entity received and opened bids from 10 bidders as shown in Table 3 below:

Table 3: Bids received by the Entity

S/N.	Name of the Bidder	Date of Receipt	Bid Opening Price	Bid Security
1.	ONLY Infortel Co. Limited and Kaoni Co. Limited (JV)	20/04/2017	USD 6,527,900	USD60,000
2.	Italtel-Avytel Global Systems (JV)	20/04/2017	EURO 720,015,038	USD60,000
3.	Tech Mahindra and Mantra Technologies	20/04/2017	UGX 10,291,743.73	USD60,000
4.	EOH and Lantech Africa (JV)	20/04/2017	USD 1,827,294.19	USD60,000
5.	Techno Brain Tanzania/Techno Brain Uganda/Techno Brain India	20/04/2017	USD 1,839,207.76	USD60,000
6.	Computer Information systems	20/04/2017	USD 4,126,231	USD60,000
7.	Impiger Technologies Private Limited and Pravasi Info Technologies Private Limited (JV)	20/04/2017	USD 1,793,373	USD60,000

S/N.	Name of the Bidder	Date of Receipt	Bid Opening Price	Bid Security
8.	AOS Limited /Bridge Soft Inc/UCWARE International / Acuter Technology Limited (JV)	20/04/2017	UGX 1,008,392,360 USD 2,176,692	USD60,000
9.	Lauren Information Technology/ Comtel Africa Integrated (JV)	20/04/2017	USD 2,100,442.42	USD60,000
10.	Microsoft EA	20/04/2017	UGX 15,514,660,255 USD 4,285,817.75	USD60,000

6.11 At evaluation, six firms were failed at the preliminary evaluation stage, namely; ONLY Infotel Co. Limited and Kaoni Co. Limited (JV), Italtel-Avytel Global Systems (JV), EOH and Lantech Africa (JV), AOS Limited /Bridge Soft Inc/UCWARE International /Acuter Technology Limited (JV), Lauren Information Technology/ Comtel Africa Integrated (JV) and Microsoft EA.

6.12 At the technical evaluation, Impiger Technologies Private Limited and Pravasi Info Technologies Private Limited (JV) scored 83, Techno Brain Tanzania/Techno Brain Uganda/Techno Brain India scored 71, Computer Information systems scored 65 while Tech Mahindra and Mantra Technologies scored 62. All the four companies were found to be technically responsive.

6.13 At financial evaluation, the four bidders were scored as indicated in Table 4 below:

Table 4: Results of financial evaluation

Bidder	Amount (USD)	Financial score	Rank
Impiger Technologies Private Limited and Pravasi Info Technologies Private Limited (JV)	1,793,373	50	1
Techno Brain Tanzania/Techno Brain Uganda/Techno Brain India	1,839,207.76	48.7	2
Computer Information systems	2,739,886.95	32	3
Tech Mahindra and Mantra Technologies	2,844,365.78	31	4

- 6.14 Between 15th May 2017 and 11th June 2017, the Entity undertook due diligence of Impiger Technologies Private Limited-India JV with Pravasi Info Technologies Limited to confirm the authenticity of their Manufacturer's Authorization, experience, personnel availability, registration status in the country and bid security. This included a physical visit to the headquarters of Impiger Technologies Private Limited – India in Chennai and their branch office in Coimbatore in India.
- 6.15 This resulted into a due diligence report dated 14th June 2017, where the due diligence confirmed that the bidder had passed post qualification in the legal, technical and financial aspects of the procurement. The due diligence team which comprised of Mr. Paul Senyange, Mr. Richard Obita and Mr. Richard Mugwanya Ssali recommended Impiger Technologies Private Limited-India JV with Pravasi Info Technologies Limited as the Best Evaluated Bidder. They however identified two areas for negotiation with the bidder, namely:
- i) The bidder to customize the UMCS suite to reflect banners and branding as may be desired by the Government agencies using the system; and
 - ii) The bidder to increase the number of licenses from the initial 3,000 users to 10,000 users at contract signing. That this was premised on the fact that the number of Government Entities to utilize the UMCS services had increased beyond what was provided for in the bidding document, following the rationalization strategy by Government.
- 6.16 The due diligence team was guided by one of the bidder's client the client (Indian Coast Guard) that it would be timelier and more cost effective to have more licenses issued to users instead of only for the initial 3,000 users, than later having to go through the same process of acquiring more 10,000 licenses for users.
- 6.17 In their evaluation report signed on 14th July 2017, the Evaluation Committee recommended the award of contract for the design, installation, commissioning and maintenance of the UMCS for the Government of Uganda to Impiger Technologies Private Limited and Pravasi Info Technologies Limited at USD 1,793,373 exclusive of taxes.
- 6.18 On 28th June 2017, the Contracts Committee approved the evaluation report and awarded the contract for the design, installation, commissioning and maintenance of the UMCS for the Government of Uganda to Impiger Technologies Private Limited and Pravasi Info Technologies Limited at USD 1,793,373 exclusive of taxes.
- 6.19 On 26th July 2017, the Entity submitted the evaluation report to the World Bank. The World Bank provided a no objection to the recommendation of the Evaluation Committee to award the contract for the design, installation, commissioning and maintenance of the UMCS for the Government of Uganda to Impiger Technologies Private Limited and Pravasi Info Technologies Limited at USD 1,793,373 (exclusive of taxes) subject to incorporation of two comments raised by the Bank.
- 6.20 On 8th August 2017, the Entity published a Notice of the Best Evaluated Bidder indicating that Impiger Technologies Private Limited and Pravasi Info Technologies Limited was the Best Evaluated Bidder for the design, installation, commissioning and maintenance of the UMCS for the Government of Uganda at USD 1,793,373 (exclusive of taxes). The Entity also provided information as to why the other nine bidders were failed.

- 6.21 On 22nd September 2017, the Solicitor General cleared the contract for the supply, installation and commissioning of the UMCS by Impiger Technologies Private Limited and Pravasi Info Technologies Limited at USD 1,793,373, subject to inclusion of taxes in the final contract price, and indication that the same would be paid by the Government of Uganda.
- 6.22 On 29th September 2017, the Entity entered into a contract with Impiger Technologies Private Limited and Pravasi Info Technologies Limited (Joint Venture) for the supply, installation and commissioning of the UMCS for the Government of Uganda at USD 2,116,180.14 (inclusive of taxes). According to GCC 1.1(e)(x) of the Special Conditions of the Contract, the support and maintenance period was three years from the date of issuance of the Operational Acceptance Certificate. The breakdown of the project cost for 3,000 user licenses as per the price schedule was as indicated in Table 5 below:

Table 5: The breakdown of the project cost for 3,000 user licenses

No.	Description	Total cost (USD)
1.	Supply, installation, testing and commissioning costs	
	UMCS perpetual software license for 3,000 users	680,000
	UMCS implementation consultancy fee, inclusive of expatriate personnel fees and allowances and local personnel fees	398,743
	UMCS customization development and third-party integration inclusive of expatriate personnel fees and allowances for expatriate personnel	143,169
	Training fees – Capacity building and training	63,778
	Sub-Total	1,285,690
2.	Recurrent fees	
	Post implementation maintenance and support of UMCS for 3 years, starting from the day of sign off of the solution, with 24/7 support) inclusive of product manufacture support fee and implementation team support	507,683
	Total	1,793,373 (VAT exclusive)

- 6.23 The contract also contained the service provider's cost breakdown (in USD) for the different bands, namely for 10,000 user band, 50,000 user band, 100,000 User band and 250,000 user band, as indicated in Table 6 below:

Table 6: Cost breakdown for the different bands

Description	10,000 users		50,000 users		100,000 users		250,000 users	
	Unit cost (USD)	Total cost (USD)	Unit cost (USD)	Total cost (USD)	Unit cost (USD)	Total cost (USD)	Unit cost (USD)	Total cost (USD)
UMCS perpetual software License fee for 10,000 – Zimbra Messaging Collaboration suite, Professional Edition	67.73	677,340	31.782	1,589,100	20.88	2,088,000	16.32	4,080,000
UMCS perpetual software License fee for 10,000 – Bitrix24 Bizpace Collaboration Tool Enterprise Edition	45.16	451,560	21.188	1,059,400	13.2	1,392,000	10.88	2,720,000
Total		1,128,900		2,648,500		3,480,000		6,800,000

6.24 On 13th November 2018, Mr. Paul Senyange, the Contract Manager produced a UMCS Pilot phase closure report indicating that Impiger Technologies Private Limited and Pravasi Info Technologies Limited (Joint Venture) completed the roll-out in pilot Entities on 31st October 2018 and had commenced roll-out to second phase Entities in November 2018.

6.25 On 25th March 2019, the Entity issued an Operational Acceptance Certificate to Impiger Technologies Private Limited and Pravasi Info Technologies Limited notifying the service provider that the system (UMCS) supplied was successful and the Entity completed the Operational Acceptance Tests as specified in the contract and taken over the system.

Additional 10,000 user licenses – Addendum 1

6.26 On 26th March 2019, the Project Implementation Team (PIT) held a meeting with the service provider (Impiger Technologies) wherein it was noted that the second phase of the project was in the final stages of implementation. The Chairperson informed the members that World Bank had cleared the procurement of additional 10,000 user licenses, as part of the third phase of the project to satisfy the high demands of roll out of Umail services to MDAs and Local Governments. That the meeting was to discuss the approval of 10,000 user licenses by the World Bank.

6.27 The Chairperson further informed the team that the World Bank guided on the procedure to handle the acquisition of the additional 10,000 user licenses as below:

- i) Hold negotiations with the service provider on the proposed additional work including bringing the additional work further down. And to also explore the use of open-source options to lower the cost of annual subscription to more sustainable levels.
- ii) Enter the contract amendment in STEP to enable the contract extension to be effected-using the contract amendment earlier shared.
- iii) Attach a statement of justification for the extension in the contract amendment, including demonstrating that the agreed unit price for the additional work had been maintained and the lessons learnt in the pilot.
- iv) If there were any changes in the technical specifications of the solution between the pilot and the rollout, this should be reflected in the contract amendment.
- v) NITA U submits the amendment for clearance through STEP.

6.28 In the same meeting, the service provider (Impiger Technologies Private Limited) proposed a cost of USD 1.45m for the 10,000 user licenses to cover supply, implementation and support. The Entity requested the service provider to revise the cost, which the service provider obliged to do after engaging the solution owners Zimbra Inc. and Britix Inc. The service provider committed to provide a response by 5th April 2019.

6.29 On 5th April 2019, Impiger Technologies submitted a quotation for the supply, implementation, training and support of 10,000 user licenses at USD 1,167,961.20 (tax exclusive). The breakdown of the costs is as indicated in Table 7 below:

Table 7: Cost break down for addendum 1 quotation for 10,000 user licenses

No.	Description	Unit cost (USD)	Total cost (USD)
1.	UMCS perpetual software License fee for 10,000 – Zimbra Messaging Collaboration suite, Professional Edition	62.2652	622,652
	UMCS perpetual software License fee for 10,000 – Bitrix24 Bizpace Collaboration Tool Enterprise Edition	17.661	176,610
	Sub-Total for 10,000 licenses		799,261.1
2.	UMCS implementation consultancy fee, inclusive of expatriate personnel fees and allowances and local personnel fees		240,300
3.	Training fees and capacity building		30,000
4	Post implementation maintenance and support of UMCS for 1 year, inclusive of product manufacture support fee and implementation team support		98,400
	Total		1,167,961.20

- 6.30 On 16th May 2019, the Contracts Committee approved addendum 1 to the contract for the supply, installation and commissioning of the UMCS for the Government of Uganda, which had been submitted by the Procurement and Disposal Unit. The addendum was for the provision of 10,000 additional user licenses and issuance of an Operational Acceptance Certificate for the 10,000 users at USD 1,167,961.20 (tax exclusive).
- 6.31 On 4th June 2019, the World Bank provided a no-objection to the amendment of the contract for the supply, installation and commissioning of the UMCS for the Government of Uganda for provision of 10,000 additional user licenses at USD 1,167,961.20.
- 6.32 On 27th May 2019, the Entity submitted addendum 1 to the Solicitor General for approval. On 7th June 2019, the Solicitor General cleared addendum 1 to the contract for supply, installation and commissioning of the UMCS for the Government of Uganda for additional 10,000 licenses at USD 1,167,961.20.
- 6.33 On 11th June 2019, Addendum 1 was signed between NITA-U and Impiger Technologies Private Limited and Pravasi Info Technologies Private Limited at USD 1,167,961.20 (VAT exclusive)
- 6.34 On 31st July 2020, the service provider prepared a project completion report for addendum 1 indicating that all the deliverables as per the addendum had been completed by 5th May 2020. The only pending item was payment of the service provider for implementation and roll-out of 4,000 additional user licenses and training for the same.
- 6.35 On 11th August 2020, the Entity issued an Operational Acceptance Certificate to Impiger Technologies Private Limited and Pravasi Info Technologies Private Limited for addendum 1.

Additional 10,000 user licenses – Addendum 2

- 6.36 On 4th May 2020, the service provider (Impiger Technologies Private Limited) submitted a quotation of USD 997,000 for another additional 10,000 user licenses after negotiations with the Entity, with the cost broken down as indicated in Table 8 below:

Tale 8: Cost break down for addendum 2 quotation for 10,000 user licenses

No.	Description	Unit cost (USD)	Total cost (USD)
1.	UMCS perpetual software License fee for 10,000 – Zimbra Messaging Collaboration suite, Professional Edition	61.7652	617,652
	UMCS perpetual software License fee for 10,000 – Bitrix24 Bizpace Collaboration Tool Enterprise Edition	16.42488	164,348.80
	Sub-Total for 10,000 licenses		782,000
2.	UMCS implementation consultancy fee, inclusive of expatriate personnel fees and allowances and local personnel fees		215,000

No.	Description	Unit cost (USD)	Total cost (USD)
3.	Training fees and capacity building		N/A
4	Post implementation maintenance and support of UMCS for 1 year, inclusive of product manufacture support fee and implementation team support		N/A
	Total		997,000

- 6.37 On 4th May 2020, the UMCS Project Manager, Mr. Robert Mugwanya wrote an Interna Memo to the Executive Director requisitioning for another additional 10,000 UMCS user licenses. He noted that this was due to the COVID-19 pandemic and the stringent measures that were put in place. That this brought the need to accelerate on boarding of MDAs on UMCS to allow for remote communication and collaboration. He also informed the Executive Director, that the World Bank had given a no objection on 23rd April 2020.
- 6.38 Mr. Richard Mugwanya further informed the Executive Director that the Project Implementation Team had discussed the service provider's proposal to ensure value for money, resulting into a negotiated reduction of the contract cost from USD 1,167,961.20 in addendum 1 to USD 997,000. That this was due to the removal of training costs because NITA-U had developed capacity to train users and administrators, and service provider's agreement to waive off the costs for post implementation support for one year.
- 6.39 Mr. Mugwanya attached a procurement requisition of USD 997,000 and requested for approval of the same. The Director e-Governance Support Services (Head User Department) and the Ag. RCIP Project Coordinator (Ms. Flavia Opio) approved the same online on 11th May 2020. There was no approval seen from the Accounting Officer.
- 6.40 On 12th May 2020, the Contracts Committee approved addendum 2 for additional 10,000 user licenses at USD 997,000.
- 6.41 On 4th June 2020, the World Bank gave a no objection to the amendment of the contract, resulting into addendum 2 for additional 10,000 user licenses at USD 997,000.
- 6.42 On 8th June 2020, the Entity submitted addendum 2 to the Solicitor General for clearance. On 17th June 2020, the Solicitor General cleared addendum 2 to the contract for supply, installation and commissioning of the UMCS for the Government of Uganda for additional 10,000 licenses at USD 997,000 (VAT exclusive).
- 6.43 On 19th June 2020, addendum 2 was signed between NITA-U and Impiger Technologies Private Limited and Pravasi Info Technologies Private Limited at USD 997,000 (VAT exclusive).

Additional 10,000 user licenses – Addendum 3

- 6.44 Following a request for the Entity, Impiger Technologies Private Limited submitted a quote for another additional 10,000 user band inclusive of licenses and support for 10,000 users at USD 782,000 on 2nd September 2021, with costs broken down as indicated in Table 9 below:

Table 9: Cost break down for addendum 3 quotation for 10,000 user licenses

No.	Description	Unit cost (USD)	Total cost (USD)
1.	UMCS perpetual software License fee for 10,000 – Zimbra Messaging Collaboration suite, Professional Edition	61.7652	617,652
	UMCS perpetual software License fee for 10,000 – Bitrix24 Bizpace Collaboration Tool Enterprise Edition	16.42488	164,348
	Total for 10,000 licenses		782,000

- 6.45 On 30th September 2021, Mr. Richard Mugwanya requested NITA-U EXCO through an email to approve acquisition of additional 10,000 user licenses for UMCS for further roll-out to MDAs. He noted that out of the 23,000 user licenses that had been procured, 22,660 had been deployed to 92 MDAs, leaving only 340 deployable licenses. That there were already requests from other MDAs, hence the need to procure additional 10,000 licenses. The EXCO approved this request on 7th October 2021.
- 6.46 On 13th October 2021, the Entity submitted a request to the World Bank for a no-objection to the change request for additional 10,000 UMCS licenses at USD 782,000. The World Bank approved the request on 1st November 2021 after the Entity responded to the concerns raised by the Bank.
- 6.47 In a meeting held on 5th November 2021, the Project Implementation Team was informed of the approval to procure additional 10,000 licenses and the fact that NITA-U would no longer pay roll-out fees since the Entity was already equipped with the skill and knowledge to carry out the function. The team was also informed about project closure and the plan to procure additional 50,000 user licenses under UDAP (Uganda Digital Acceleration Project).
- 6.48 On 11th November 2021, the Contracts Committee approved addendum no. 3 for additional UMCS user licenses at USD 782,000.
- 6.49 On 23rd November 2021, the Entity submitted addendum 3 to the Solicitor General for clearance, On 3rd December 2021, the Solicitor General cleared addendum 3 to the contract for supply, installation and commissioning of the UMCS for the Government of Uganda for additional 10,000 licenses at USD 782,000 (VAT exclusive).
- 6.50 On 15th December 2021, addendum 3 was signed between NITA-U and Impiger Technologies Private Limited and Pravasi Info Technologies Private Limited at USD 782,000 (VAT exclusive).

Second procurement: UMCS Product Support Subscription – Procurement Ref No: NITA/NCONS/2022-2023/00011

- 6.51 On 24th March 2022, the Director, Impiger Technologies Private Limited wrote to the Entity informing them of the upcoming expiry of existing support contracts and the need to renew the UMCS product support subscription and technical support to enable proper support and availability of the UMCS platform.
- 6.52 He also informed the Accounting Officer that the Project Management Team who requested quotations for two options, namely; one year product support and technical support services under local support (option 1) and 3 years cost for the same (option 2). The cost breakdown for option one was USD 348,000 (tax exclusive) while option two was USD 914,807 (tax inclusive).
- 6.53 On 7th November 2022, the User Department raised a request for procurement of UMCS Product Support Subscription at UGX 3,567,747,300. The Accounting Officer approved the requisition on 30th November 2022.
- 6.54 On 3rd February 2023, the Contracts Committee approved the direct procurement of UMCS Product Support Subscription from Impiger Technologies Private Limited. The justification was that the required service and support could only be provided by Impiger Technologies Private Limited, who had already supplied user licenses.
- 6.55 On 3rd February 2023, the Entity issued a bidding document to Impiger Technologies Private Limited for the procurement of UMCS product support subscription under direct procurement. The bidding document indicated the bid closing date as 20th February 2023.
- 6.56 On 20th February 2023, Impiger Technologies Private Limited submitted their bid to NITA-U for the provision of UMCS product support subscription to 33,000 users at USD 569,692.20 (inclusive of 18% VAT).
- 6.57 On 20th March 2023, the Evaluation Committee consisting of Mr. Paul Senyange, Mr. Arthur Munanura, Mr. Evadio Katsigazi, Ms. Sarah Ahura and Mr. Medard Nahurira produced an evaluation report recommending that the contract for UMCS product support subscription be awarded to Impiger Technologies Private Limited at USD 569,69.20, with a total acquisition cost of UGX 3,567,747,300. The Evaluation Committee also proposed negotiations with the bidder to reduce the bid price to within the budget in Form 5 (UGX 3,567,747,300). The negotiation parameters included license quantity, price before taxes and price after all taxes included.
- 6.58 On 25th May 2023, the Contracts Committee approved the negotiation plan and the team.
- 6.59 On 30th May 2023, the Entity held negotiations with the bidder which resulted into reduction of the bid price by USD 64,251 (UGX 237,728,700) from USD 578,259 (UGX 2,139,558,300) to USD 514,008 (UGX 1,901,829,600). This was acknowledged by the bidder in his letter dated 31st May 2023.

- 6.60 On 1st June 2023, the Contracts Committee approved the evaluation report and awarded the contract for provision of UMCS product support subscription to Impiger Technologies Private Limited at UGX 1,901,829,600 (tax inclusive).
- 6.61 On 8th June 2023, the Solicitor General cleared the contract for signature.
- 6.62 On 12th June 2023, the Entity entered into a contract with Impiger Technologies Private Limited for the provision of UMCS product support subscription at UGX 1,901,829,600 to 33,000 users for a period of one year, with the option to be extended by the Entity.
- 6.63 On the same day (12th June 2023), the Accounting Officer appointed Mr. Paul Senyange as the Contract Manager.
- 6.64 On 13th June 2023, the Service Provider issued to the Entity an invoice worth UGX 1,901,829,600 as the UMCS product support subscription fee for 33,000 user licenses for a period of one year. An excerpt of email exchange between the service provider and Zimbra indicates that on the same day (13th June 2023), the service provider placed an order for standard support renewal for 33,000 licenses.
- 6.65 A screenshot from the Zimbra website attached to the invoice indicated that Zimbra updated the Entity's system on 13th June 2024.

Third procurement: Purchase of 50,000 user licenses with product support for Unified Messaging and Collaboration Systems (UMCS) Project - Procurement Ref: NITA-U/UDAP/SUPLS/2023-2024/00029

- 6.66 The National Information Technology Authority (NITA-U) received financing from the World Bank for the Uganda Digital Acceleration Project- Government Network (UDAP-GOVNET).
- 6.67 On 1st January 2024, Mr. Paul Senyange made a system request to EXCO for approval of the purchase of Zimbra messaging licenses (per mailbox, perpetual, 50,000 mailboxes) inclusive of product support subscription license (3 years) for 50,000 users, product subscription licenses fee (3 years) for existing 33,000 users, technical support services for 3 years for 83,000 users and capacity building for NITA-U staff. The EXCO and the Accounting Officer approved this request on 16th January 2024.
- 6.68 Attached to this request was a procurement requisition for the purchase of 50,000 Zimbra messaging licenses (per mailbox, perpetual, inclusive of product support subscription) at USD 3,650,000. The requisition was not signed by the Head User Department and the Accounting Officer.
- 6.69 On 28th February 2024, the Procurement and Disposal Unit made a submission to the Contracts Committee requesting for approval of the direct selection procurement method, choice of provider (Impiger Technologies Private Limited), the bidding document, an Evaluation Committee comprising of Mr. Paul Senyange, Mr. Robert Gumisiriza, Ms. Geraldine Mugumya, Mr. Edward Kayanja and Mr. Joshua Ekayu.

- 6.70 The justifications provided for the direct selection of Impiger Technologies Private Limited were that the company (Impiger Technologies Private Limited) already had an existing contract for UMCS including support and maintenance, which was awarded in accordance with international competitive procedures acceptable to the World Bank. That the procurement of 50,000 user licenses was therefore of a similar nature.
- 6.71 The second justification was that Impiger Technologies Private Limited was the only provider and partner of Zimbra in East and Central Africa. That it would therefore be difficult to get another firm to provide such services in Uganda.
- 6.72 On the same day (28th February 2024), the Contracts Committee approved the request from the Procurement and Disposal Unit.
- 6.73 On 1st March 2024, the World Bank provided a no objection to the direct selection of Impiger Technologies Private Limited and the request for proposal submitted by NITA-U. World Bank also advised that the procurement be carried out in accordance to the Bank's Procurement Regulations and other required procurement steps in a timely manner.
- 6.74 On 4th March 2024, the Entity issued a Request for Proposal to Impiger Technologies Private Limited for purchase of 50,000 user licenses with product support for Unified Messaging and Collaboration Systems (UMCS) Project.
- 6.75 The scope of the assignment was to provide a scalable cost-effective user license to be rolled across select MDAs and Local Governments. The bidder was therefore required to provide cost cost tier user licenses with a perpetual license option. The bidder was further required to provide for:
- i) Zimbra Messaging licenses (per mailbox, perpetual, 50,000 mailboxes;
 - ii) Product support subscription license (3 years) fee for 50,000 users;
 - iii) Product support subscription license (3 years) fee for existing 33,000 users;
 - iv) Technical support services for 3 years (L3&L4) for 83,000 users; and
 - v) Training and capacity building.
- 6.76 The bid submission deadline was 15th March 2024 at 10:00am with bid opening occurring the same day at 10:05am. The Entity further required that bids be submitted with Proposal Securing Declarations.
- 6.77 On 15th March 2024, Impiger Technologies Private Limited submitted their bid to the Entity at 9:56am, and a combined bid opening was conducted on the same day at 10:05am. According to Form 12 for bid opening, Impiger Technologies Private Limited bid for the service at USD 3,628,068.56, with a Bid Securing Declaration.
- 6.78 On 20th March 2024, the Evaluation Committee produced a bid evaluation report recommending Impiger Technologies Private Limited for award of contract at USD 3,628,068.56, after passing evaluation.
- 6.79 On 20th March 2024, the Contracts Committee approved the evaluation report and awarded the contract for purchase of 50,000 user licenses with product support for UMCS project to Impiger Technologies Private Limited at USD 3,628,068.56.

- 6.80 On 25th March 2024, the Contracts Committee approved the draft contract agreement with Impiger Technologies Private Limited for purchase of 50,000 user licenses with product support for UMCS project at USD 3,628,068.56. The draft contract indicated a contract duration of 6 months for implementation and 3 years of support and maintenance.
- 6.81 On 4th April 2024, the World Bank gave a no objection to the award of contract for the purchase of 50,000 user licenses with product support for UMCS project to Impiger Technologies Private Limited at USD 3,628,068.56.
- 6.82 On 5th April 2024, the Entity published a Notification of Intention to Award the contract for purchase of 50,000 user licenses with product support for UMCS project at USD 3,628,068.56, with the successful bidder being Impiger Technologies Private Limited.
- 6.83 On 16th April 2024, the Solicitor General cleared the contract for purchase of 50,000 user licenses with product support for UMCS project at USD 3,628,068.56.
- 6.84 On 19th April 2024, the Entity entered into a contract with Impiger Technologies Private Limited for the purchase of 50,000 user licenses with product support for UMCS project at USD 3,628,068.56. The delivery period as per the Special Conditions of the Contract was six months, within which an inception report, report of the proposed new design, system stress and penetration test report, training report and project closure report should have been produced.
- 6.85 On 22nd April 2024, the Accounting Officer appointed Mr. Paul Senyange as the Contract Manager for the procurement, who prepared a Contract Management Plan for the same on 13th May 2024.
- 6.86 On 3rd May 2024, Impiger Technologies Private Limited provided submitted to the Entity a Performance Guarantee of USD 181,404.
- 6.87 On 8th May 2024, Impiger Technologies Private Limited submitted an invoice for payment of USD 2,902,454.84 (80% of contract sum) for supply an activation of 50,000 additional licenses with product support subscription license (3 years) and supply and activation of product support subscription renewal license of 3 years for existing 33,000 users.
- 6.88 On 13th May 2024, Mr. Paul Senyange, the UMCS Contract Manager prepared an internal memo confirming that Impiger Technologies Private Limited had supplied and activated the support licenses as per the contract and attached confirmation from Synacor that the licenses for Zimra had been activated. He requested for payment of USD 2,902,454.84 (80% of contract sum) as invoiced by the service provider. The Accounting Officer approved the payment to Impiger Technologies Private Limited on 17th May 2024.

7.0 FINDINGS AND CONCLUSION

7.1 Whether the procurement processes for Unified Messaging and Collaboration Systems (UMCS) that were undertaken by NITA-U were regularly carried out

7.1.1 The complainant alleged that Mr. Sathya Prabhu colluded with NITA-U officials to award the contract for Unified Messaging and Collaboration Systems (UMCS) project to his company (Impiger Technologies Limited) in 2021.

7.1.2 He further alleged that the subsequent procurement for upgrading the same procurement was irregularly awarded to Netcon Technologies India Private Limited, another company owned by Mr. Satya Prabhu, through a direct procurement method.

The Entity's response

7.1.3 Mr. Robert Gumisiriza, former Head, Procurement and Disposal Unit, NITA-U stated that all the three UMCS procurements were regularly carried out using the World Bank procurement guidelines for IPF borrowers. The same was confirmed by Mr. Collin M. Babirukamu, Director E-Government Services and Mr. Paul Senyange, UMCS Project Manager who all noted that there was no collusion with Mr. Sathya Prabhu as alleged.

7.1.4 The choice of the direct procurement method for the procurement of 50,000 user licenses was based on the fact that Impiger Technologies Private Limited was the sole provider of Zimbra products in East and Central Africa as confirmed by the manufacturer (Zimbra/ Synacor) in their letter to the Entity (**Annex 1**). That the other justification for the direct procurement was for continuity since Impiger Technologies Private Limited already had an ongoing contract for the supply of 33,000 user licenses under the first contract signed in 2017. The justifications were provided to the World Bank which gave a no objection of the same (**Annex 2**).

7.1.5 The trio refuted the allegation that a UMCS contract was awarded to Impiger Technologies Private Limited in 2021 and that there was an award of a UMCS procurement contract to Netcon Technologies India Private Limited.

PPDA's Findings

7.1.6 In Section 2.2(iii) of Annex IV: Fraud and Corruption of the World Bank Procurement Regulations for IPF Borrowers, 2023, the World Bank defines collusive practice as *an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party.*

7.1.7 Section 6.11 of Section VI: Approved selection methods for Goods, Works and Non-consulting Services of the World Bank Procurement Regulations for IPF Borrowers, 2023 states that: *“An open competitive approach to market is the Bank's preferred approach as it provides all eligible prospective Bidders/Proposers with timely and adequate advertisement of a Borrower's requirements and an equal opportunity to bid/propose for the required Goods, Works, or Non-consulting Services. Any approach, other than open competition, shall be justified by the Borrower.”*

- 7.1.8 According to Section 6.9 (a)(e)(f) of Section VI: Approved selection methods for Goods, Works and Non-consulting Services of the World Bank Procurement Regulations for IPF Borrowers, 2023, the direct selection method may be appropriate under the following circumstances:
- a) *An existing contract, including a contract not originally financed by the Bank, for Goods, Works, or Non-consulting Services, awarded in accordance with procedures acceptable to the Bank, may be extended for additional Goods, Works, or Non-consulting Services of a similar nature, if it is properly justified; no advantage could be obtained through competition; and the prices on the extended contract are reasonable;*
 - e) *Standardization of Goods that need to be compatible with existing Goods may justify additional purchases from the original firm, if the advantages and disadvantages of another brand or source of equipment have been considered on grounds acceptable to the Bank; and*
 - f) *The required equipment is proprietary and obtainable from only one source.*
- 7.1.9 The Authority noted that there were three procurements pertaining to Unified Messaging and Collaboration Systems (UMCS) worth USD 9,420,217.90 that were conducted by NITA U using the World Bank Procurement Guidelines.
- 7.1.10 The first procurement was for the supply, installation and commissioning of a Unified Messaging and Commissioning of a UMCS for Government of Uganda which commenced on 17th January 2017 through a requisition submitted by a User Department, consequently resulting into a contract with Impiger Technologies Private Limited and Pravasi Info Technologies Limited (Joint Venture) at USD 2,116,180.14. The contract included the supply of 3,000 perpetual user licenses with a support and maintenance period of three years. This procurement was conducted under the Regional Communications Infrastructure Program Phase 5 (RCIP5).
- 7.1.11 From this contract, the Authority noted that there were three addenda that were issued by the Entity for the supply of additional 30,000 user licenses worth USD 3,161,961.20 in June 2019, June 2020 and December 2021, with each of the three addenda being for additional 10,000 user licenses, thereby bringing the total number of licenses procured under the same contract to 33,000 licenses worth USD 5,278,141.34 (inclusive of product subscription support, maintenance and training/capacity development).
- 7.1.12 Whereas issuance of the three addenda worth USD 3,161,961.20 varied the contract sum by 171.4%, which would have been irregular under Regulation 55(5) of the PPDA (Contracts) Regulations, 2023 which requires that the cumulative value contract amendments do not exceed the total contract value by 25%, the Authority noted that the World Bank Procurement Regulations for IPF Borrowers does not limit the maximum percentage increment on a contract.
- 7.1.13 The Authority noted that this procurement was carried out using the World Bank Procurement Guidelines, hence the no objections provided by the World Bank. The Solicitor General further cleared the contract on 16th April 2024.
- 7.1.14 The second procurement was for the provision of UMCS Product Support Subscription at UGX 1,901,829,600 to 33,000 users for a period of one year under direct procurement from Impiger Technologies Private Limited. This procurement was initiated on 7th November 2022 and the contract was signed on 12th June 2023. The Authority did not get evidence that there were any irregularities in this procurement that was conducted using Electronic Government Procurement

(EGP). The justification for the direct procurement was acceptable since Impiger Technologies Private Limited had earlier supplied 33,000 user licenses and was the only gold partner for Zimbra in East Africa.

- 7.1.15 The third procurement was for the purchase of 50,000 user licenses with product support for UMCS project at USD 3,628,068.56 from Impiger Technologies Private Limited. The procurement which commenced on 1st January 2024 is currently under implementation with the service provider (Impiger Technologies Private Limited) having already supplied the 50,000 user licenses and received payment for the same. The only pending/ ongoing item from the contract scope is the provision of product support subscription for 3 years starting from 19th April 2024 when the contract was signed.
- 7.1.16 Whereas the complainant raised concerns over the direct procurement from Impiger Technologies Private Limited, the Authority found that the justifications for the use of direct procurement which were approved by the Contracts Committee and the World Bank were sufficient. The justification for continuity sufficed because Impiger Technologies Private Limited had already supplied 33,000 Zimbra user licenses to the Entity under the first procurement which commenced in 2017.
- 7.1.17 To confirm the second justification that Impiger Technologies Private Limited was the only provider and partner of Zimbra in East and Central Africa, the Authority requested for a quotation from Zimbra, but was referred to Impiger Technologies Private Limited as their local partner (**Annex 3**). This is in addition to the letter from the manufacturer (Synacor) to the Entity dated 15th February 2024 confirming authorization of Impiger Technologies Private Limited as a Zimbra provider in East and Central Africa (refer to **Annex 1** above).
- 7.1.18 The Authority did not find any exceptions to indicate that the procurement process for the third procurement was irregularly carried out.

Conclusion

- 7.1.19 Whereas the complainant alleged that Mr. Satya Prabhu colluded with NITA-U officials to award the contract for Unified Messaging and Collaboration Systems (UMCS) project to his company (Impiger Technologies Limited) in 2021, the Authority did not find any evidence to that effect, since the three UMCS procurement processes were properly carried out. The whistleblower did not also adduce any evidence to support this allegation.
- 7.1.20 The Authority did not further find any exceptions with the direct procurement of 50,000 user licenses from Impiger Technologies Private Limited since the justifications were sufficient and were approved by the Contracts Committee and the World Bank. The complainant's allegation that the second procurement (follow up purchase of 50,000 user licenses) was awarded to Netcon Technologies India Private Limited was also false since the contract was awarded to Impiger Technologies Private Limited. Netcon Technologies India Private Limited has not been awarded any contract by NITA-U under the UMCS procurement.
- 7.1.21 The Authority therefore **finds no merit** in this allegation.

7.2 Whether the contract price of the procurement awarded to Netcon Technologies India Private Limited was inflated in comparison to the contract price of the first procurement which was awarded to Impiger Technologies Limited

7.2.1 The complainant alleged that the procurement for UMCS upgrade was awarded to Netcon Technologies India Private Limited at an inflated cost between USD 10m and USD 15m which was three times the cost of the original contract awarded to Impiger Technologies Private Limited.

The Entity's response

7.2.2 Mr. Collin M. Babirukamu, the Director E-Government Services, NITA U (Head of User Department), Mr. Senyange Paul, the UMCS Contract Manager and Mr. Robert Gumisiriza, the then Head, Procurement and Disposal Unit all denied that there was an inflation of cost as alleged.

7.2.3 Mr. Collin M. Babirukamu stated that in 2017, NITA-U purchased Zimbra licenses at USD 31.782 per unit following a competitive bidding process. That seven years later in 2024, the Entity purchased the same license at USD 37.382 per unit. That the variance or increase is lower than normal as license providers annually increase their prices. That in his opinion, the Entity obtained value for money from this procurement.

7.2.4 Mr. Senyange Paul, the UMCS Contract Manager revealed that the increase of USD 5.6 over a period of seven years was due to inflation and the provision of more features under the 50,000 user licenses procurement. That the additional features include ELK log monitoring, notification gateway and email security gateway among others. That in February 2024, the Entity considered market prices for Zimbra and Microsoft Office 365 over a period of five years for 83,000 user band and found that the total cost of ownership of Microsoft office 365 was 930% higher than Zimbra. The total cost of ownership of Zimbra was USD 4,633,380, while Office 365 E1 and E3 were USD 49,800,000 and USD 143,075,400 respectively.

7.2.5 Mr. Edmond Macheli, the Project Coordinator, Uganda Digital Acceleration Project - Government Network (UDAP-GOVNET) revealed that a detailed analysis of the direct procurement and the cost of procuring the 50,000 user licenses was provided to the World Bank who gave a no objection for the same (**Annex 4**).

7.2.6 Mr. Sathiyarayanan Prabhu, the Director, Impiger Technologies Private Limited denied that he inflated the cost of the 50,000 user licenses. He also attributed the 5.6% increase in the unit cost of the user licenses to inflation over the seven years period and the fact that the Entity required licenses with more features.

PPDA's Findings

7.2.7 Section 6.10 (a) of Section VI: Approved selection methods for Goods, Works and Non-consulting Services of the World Bank Procurement Regulations for IPF Borrowers, 2023 states that; *"In all instances of direct selection, the Borrower shall ensure that the prices are reasonable and consistent with the market rates for items of a similar nature."*

7.2.8 The Authority noted that in the bidding documents issued for the supply, installation and maintenance of a Unified Messaging and Collaboration System (UMCS) for the Government (first

procurement initiated in 2017), the Entity requested bidders to quote for 3,000 user licenses as well as for 10,000, 50,000, 100,000 and 250,000 seats for Central Government and Local Governments since the Entity foresaw the need for more user licenses in the future.

- 7.2.9 In its bid, Impiger Technologies Private Limited and Pravasi Info Technologies Limited JV quoted USD 1,793,373 (tax exclusive) for the supply, installation and testing of 3,000 perpetual user licenses and provision of product support for three years. The bidder proposed a combination of Zimbra licenses for mail messaging and Bitrix24 collaboration suite.
- 7.2.10 A breakdown of the cost quoted revealed that the supply of 3,000 Zimbra UMCS software licenses was costed at USD 476,000, implying a unit cost of USD 158.6667 per Zimbra license. Similarly, the cost for 3,000 Bitrix24 Bizspace collaboration tool user licenses was USD 204,000, resulting into a unit cost of USD 68 per license. The bidder further quoted for post implementation maintenance and support for three thousand users for three years, translating into USD 169.2277 for each user for three years. This is what was evaluated and resulted into the contract signed on 27th September 2017 of USD 2,116,180.14 (tax inclusive).
- 7.2.11 The same contract also contained Impiger Technologies Private Limited and Pravasi Info Technologies Limited JV's quotation for the 50,000 user bands at USD 2,648,500, where the bidder costed the supply of 50,000 zimbra licenses at USD 1,589,100 translating into USD 31.782 per license and USD 1,059,400 for Bitrix24 Bizspace collaboration tool user licenses translating into USD 21.188 per license.
- 7.2.12 The Authority noted that the three addenda worth USD 3,161,961.20 pushed the total contract cost for the first procurement from USD 2,116,180.14 (tax inclusive) to USD 5,278,141.34.
- 7.2.13 The procurement of 50,000 user licenses with product support for UMCS that was initiated on 1st January 2024 resulted into a contract of USD 3,628,068.56 with Impiger Technologies Private Limited on 19th April 2024. From analysis of the cost breakdown, the Authority established that the service provided quoted USD 1,869,100 for 50,000 Zimbra user licenses at USD 37.38 per license, USD 1,145,400 for 3 years product support for 83,000 users (USD 690,000 for 50,000 users and USD 455,400 for 33,000 users from the first procurement). This translates into a unit cost of 13.8 dollars product support and subscription per user for three years.
- 7.2.14 A comparison of the costs from the contract signed on 19th April 2024 for 50,000 user licenses and the contract signed on 29th September 2017 revealed an increase of USD 5.598 per Zimbra user license from USD 31.782 in 2017 to USD 37.38 in 2024. The Authority agrees with the Entity and the Director, Impiger Technologies Private Limited that an increment of USD 5.598 in a period 6.5 years is acceptable if inflation is factored in. This is the same reason why the World Bank gave a no objection on the increment.
- 7.2.15 Further comparison of the unit costs for product support and subscription for three years revealed a reduction of the unit costs per user of USD 155.427 from USD 169.2276667 in 2017 to USD 13.8 in 2024.

Conclusion

7.2.16 Whereas the complainant alleged that the contract for the procurement of 50,000 user licenses and product support (what is referred to as the second procurement) was awarded between USD 10m and USD 15m which was three times the cost of the original contract awarded to Impiger Technologies Private Limited, the Authority found that this was not factual.

7.2.17 The contract for the 50,000 user licenses was USD 3,628,068.56 compared to the contract for 33,000 user licenses from the first contract (3 addenda inclusive) which was USD 5,278,141.34. This is not three times the original contract sum as alleged.

7.2.18 The Authority did not find any inflation of the unit costs of the Zimbra user licenses and product support and subscription for three years.

7.2.19 The Authority therefore **finds no merit** in this allegation.

7.3 **Whether Entities were irregularly awarding contracts to Impiger Technologies Private Limited, Netcon Technologies India Private Limited and Netcon Technologies Africa Limited after the companies were struck off the URSB register**

7.4 The complainant alleged that Entities were irregularly awarding contracts to Impiger Technologies Private Limited, Netcon Technologies India Private Limited and Netcon Technologies Africa Limited after the companies were struck off the URSB register on 20th July 2023. That the Procurement and Disposal Units were not doing any due diligence to verify whether these companies were struck off the URSB register or not.

7.4.1 To verify this allegation, the Authority retrieved the list of companies that were struck off by URSB on 21st July 2023 for failure to file annual returns.

7.4.2 From the analysis of the register, the Authority did not find the names of Impiger Technologies Private Limited, Netcon Technologies India Private Limited and Netcon Technologies Africa Limited among the companies struck off by URSB (**Annex 5**).

7.4.3 A search on the current status of these companies with URSB revealed that all the three companies are all active and registered (**Annex 6**).

Conclusion

7.4.4 The Authority did not find any evidence to the effect that the three companies have been struck off from the URSB register.

7.4.5 The Authority **finds no merit** in this allegation.

8.0 RECOMMENDATION

Since no merit was found in the allegations raised, the Authority has therefore closed this inspection.

Annex 3



Thursday February 15th, 2024

Via Email

National Information
Technology Uganda (NITA)
Attn: Dr. Hatwib Mugasa
Palm Courts, Plot 7A
Rotary Avenue (Lugigi Bypass)
P.O. Box No. 33151
Kampala – Uganda

RE: Zimbra Authorized Partner for Provision of Licenses in East and Central Africa

Dear Dr. Hatwib Mugasa,

Synacor, Inc., a Delaware, United States corporation, is the owner of the Zimbra email products.

Per your letter dated February 7th, please accept this letter as confirmation that Synacor, Inc. has authorized M/S Impiger Technologies Pvt. Ltd. as Zimbra Provider in East and Central Africa for World Bank's review and No Objection for Direct Selection as Impiger Technologies Pvt Ltd at this time is the only gold partner in that region.

The same information can be verified using our partner portal located at:
<https://www.zimbra.com/connect/partners/find-a-partner/?type=licensed-email-var>.

I trust this letter is satisfactory for the completion of provisioning 50,000 Zimbra licenses under the Uganda Digital Access Program for the Government of Uganda, as represented by the National Information technology Authority – Uganda. Should you have any further inquiries please contact Matthias Kunz at matthias.kunz@synacor.com.

We look forward to working with you.

Thank you.

Cordially,

Drake Harvey
Chief Executive Officer
/cre



Ref: NITA/EG/014

07th February, 2024

The Director Sales,
Zimbra-Synacor Inc,
30 Newman Street, Fitzrovia, London.
United Kingdom.

Email: Matthias.kunz@synacor.com

**CONFIRMATION OF M/S IMPIGER TECHNOLOGIES PVT LIMITED AS YOUR AUTHORIZED PROVIDER
IN EAST AND CENTRAL AFRICA**

The National Information Technology Authority Uganda (NITA-U) representing the Government of Uganda is seeking a provider to supply 50,000 Zimbra user licenses under the Uganda Digital Access Program (UDAP) funded by the World Bank. NITA-U has justified using Direct Selection by stating that Zimbra, the manufacturer, has only one authorized supplier in East and Central Africa.

Therefore, finding another company to provide the required services in Uganda would be impossible. The purpose of this letter therefore, is to kindly request you to write a letter confirming authorizing M/S Impiger Technologies Pvt Ltd as Zimbra authorized provider in East and Central Africa for World Bank's review and No Objection for Direct Selection.

We will appreciate if you provide your response to our letter in a timely manner.

Dr. Hatwib Mugasa

EXECUTIVE DIRECTOR

National Information Technology Authority -
Uganda (NITA-U)

Palm Courts, Plot 7A,
Rotary Avenue (Lugogo Bypass),
P.O. Box 33151, Kampala - Uganda

Office: +256 417 801 049
Email: info@nita.go.ug

Website: www.nita.go.ug

Annex 2

Robert Gumisiriza

From: Caroline C. Koech <ckoech@worldbank.org>
Sent: Friday, 1 March 2024 15:17
To: Edmond Macheli
Cc: Raman V. Krishnan; Robert Gumisiriza; Richard karamagi; Brian Joseph Kayondo; richard.obita@nita.go.ug
Subject: RE: No Objection to Justification for Direct Procurement submitted by NITA-U for Uganda - P171305 - Uganda Digital Acceleration Project - GovNet - UG-NITA-U-377022-GO-DIR - Rollout of Unified M

Dear Edmond

On the basis of the information provided and revised justification, we hereby provide a No Objection for NITA-U to Direct Select M/s Impiger Technologies Pvt Ltd for the above-mentioned activity.

NITA can proceed to invite the bidder to submit their technical and financial bid.

Regards,

Caroline

From: STEP Admin <noreply@worldbankgroup.org>
Sent: Friday, March 1, 2024 1:42 PM
To: Edmond Macheli <edmond.macheli@nita.go.ug>
Cc: Raman V. Krishnan <rkrishnan7@worldbank.org>; Robert Gumisiriza <Robert.Gumisiriza@nita.go.ug>; Richard karamagi <richard.karamagi@nita.go.ug>; Brian Joseph Kayondo <bkayondo@worldbank.org>; Caroline C. Koech <ckoech@worldbank.org>; richard.obita@nita.go.ug
Subject: No Objection to Justification for Direct Procurement submitted by NITA-U for Uganda - P171305 - Uganda Digital Acceleration Project - GovNet - UG-NITA-U-377022-GO-DIR - Rollout of Unified M

Dear Edmond,

This is cleared.

Regards,

Caroline

STEP System Users - [Click here](#)

Bank Users - [Click here](#)

Robert Gumisiriza

From: STEP Admin <noreply@worldbankgroup.org>
Sent: Friday, 1 March 2024 15:15
To: rkishnan7@worldbank.org; ckoech@worldbank.org
Cc: gmunanura@worldbank.org; oodek@worldbank.org;
Robert.Gumisiriza@nita.go.ug; richard.karamagi@nita.go.ug;
bkayondo@worldbank.org; edmond.macheli@nita.go.ug;
richard.obita@nita.go.ug
Subject: Review Request for Invitation to Supplier/Contractor Submitted by NITA-U for Uganda - P171305 - Uganda Digital Acceleration Project - GovNet - UG-NITA-U-377022-GO-DIR - Rollout of Unified M

Robert Gumisiriza- National Information and Technology Authority - Uganda has submitted Invitation to Supplier/Contractor for Uganda - P171305 - Uganda Digital Acceleration Project - GovNet - UG-NITA-U-377022-GO-DIR to the Bank for Review

Dear TTLs,

This is to submit the Invitation to Supplier/Contractor for your review and clearance/No Objection.

Regards,

Robert G.

STEP System Users - [Click here](#)

Bank Users - [Click here](#)

Robert Gumisiriza

From: STEP Admin <noreply@worldbankgroup.org>
Sent: Monday, 4 March 2024 13:52
To: edmond.macheli@nita.go.ug
Cc: rkrishnan7@worldbank.org; Robert.Gumisiriza@nita.go.ug;
richard.karamagi@nita.go.ug; bkayondo@worldbank.org;
ckoech@worldbank.org; richard.obita@nita.go.ug
Subject: No Objection to Invitation to Supplier/Contractor submitted by NITA-U
for Uganda - P171305 - Uganda Digital Acceleration Project - GovNet -
UG-NITA-U-377022-GO-DIR - Rollout of Unified M

Dear Edmond,

The request for invitation of the Provider for the assignment submitted by NITA-U, has been reviewed by the Bank and found to be adequately meeting the requirements. The draft Invitation of the Provider is thus cleared.

NITA-U is required proceed with the next steps in the procurement in accordance with applicable Bank's Procurement Regulations and other required procurement steps in a timely manner.

Best regards

Caroline

STEP System Users - [Click here](#)

Bank Users - [Click here](#)

Robert Gumisiriza

From: STEP Admin <noreply@worldbankgroup.org>
Sent: Friday, 1 March 2024 13:42
To: edmond.macheli@nita.go.ug
Cc: rkrishnan7@worldbank.org; Robert.Gumisiriza@nita.go.ug;
richard.karamagi@nita.go.ug; bkayondo@worldbank.org;
ckoech@worldbank.org; richard.obita@nita.go.ug
Subject: No Objection to Justification for Direct Procurement submitted by NITA-U for Uganda - P171305 - Uganda Digital Acceleration Project - GovNet - UG-NITA-U-377022-GO-DIR - Rollout of Unified M

Dear Edmond,

This is cleared.

Regards,

Caroline

STEP System Users - [Click here](#)

Bank Users - [Click here](#)

Re: Thank you from Zimbra - PPDA - Tonny Canogura

From: Antonio Luccini <antonio.luccini@synacor.com>

To: Tonny Canogura <tcanogura@ppda.go.ug>

Cc: Guhan Subramanian <guhan.subramanian@synacor.com>, Prabhu Sathya <prabhu.sathya@impigertech.com>, Kiran Ravi <kiran.ravi@impigertech.com>

Date: 10/23/2024 5:57 PM

Dear Tonny,

In order to provide you with the best possible service, we have forwarded your contact details to our partner IMPIGER TECHNOLOGIES who will follow up with you.

You should expect to hear back from our partner shortly.

In the event that you do not hear back, please feel free to contact me directly so I can help you with the information you require.

The contact details for our Partner are:

IMPIGER TECHNOLOGIES

Plot 46, Lugogo House,
Lugogo Bypass, Kampala

Uganda, Africa

+256 759990800

kiran.ravi@impigertech.com

prabhu.sathya@impigertech.com

Kind regards,



Antonio Luccini

EMEA Channel Sales Manager

Zimbra | A Synacor Product

Office 102 - 30 Newman St, Fitzrovia, London W1T 1PT

m: +44 (0) 7428085075

 This image cannot be displayed.  This

ONE SYNACOR – INTEGRITY – FIERCE RESOLVE – DELIVER EXCELLENCE

From: "Tonny Canogura" <tcanogura@ppda.go.ug>

To: "Guhan Subramanian" <guhan.subramanian@synacor.com>

Cc: "antonio luccini" <antonio.luccini@synacor.com>

Sent: Wednesday, 23 October, 2024 10:55:39

Subject: Re: Thank you from Zimbra - PPDA - Tonny Canogura

****This message originated outside of Synacor - please click with care!****

Good morning

1. 50,000 users with product support
2. Zimbra Enterprise Collaboration - Professional
3. Self hosted
4. Currently using zimbra

Kind Regards,

Tonny Canogura
Senior Officer
Performance Monitoring (PM-C)

PPDA - URF Towers | Plot 39, Nakasero Road
P. O. Box 3925, KAMPALA, Uganda
Gen: +256-414-311100
Email: tcanogura@ppda.go.ug




PPDA Uganda | PPDA Uganda
@PPDAUganda | info@ppda.go.ug

Web: www.ppda.go.ug

"Procurement That Delivers"

From: Guhan Subramanian <guhan.subramanian@synacor.com>
To: "tcanogura@ppda.go.ug" <tcanogura@ppda.go.ug>
Cc: "antonio.luccini@synacor.com" <antonio.luccini@synacor.com>
Sent: 10/23/2024 12:30 PM
Subject: Thank you from Zimbra - PPDA - Tonny Canogura

 This image cannot be displayed.

Dear Tonny,

Thank you for your pricing inquiry in Zimbra.

- As you have mentioned 10,001 - 50,000 mailboxes, Could you please provide us with the exact number of mailboxes you are looking for?
- Are you interested in the professional or standard edition? (Please refer to the product comparison in the attachments)
- Are you looking for an on-premise environment (self-hosted) or a hosted option?
- What are you using for email today?

I look forward to hearing from you.


Kind Regards,

Guhan Subramanian


Zimbra | A Synacor Product

Office 102 - 30 Newman St, Fitzrovia, London W1T 1PT

m:+17163623417

 This image cannot be displayed. This

ONE SYNACOR – INTEGRITY – FIERCE RESOLVE – DELIVER EXCELLENCE

 This image cannot be displayed.

This message and any attachment may contain information that is confidential and/or proprietary. Any use, disclosure, copying, storing, or distribution of this e-mail or any attached file by anyone other than the intended recipient is strictly prohibited. If you have received this message in error, please notify the sender by reply email and delete the message and any attachments. Thank you.

Tonny Canogura
Senior Officer
Performance Monitoring (PM-C)

PPDA - URF Towers | Plot 19, Nakasero Road
P. O. Box 3925, KAMPALA, Uganda
Gen: +256-414-311100
Email: tcanogura@ppda.go.ug

PPDA
Public Procurement and Performance Directorate
of Public Works and Infrastructure


PPDA Uganda
@PPDAUganda
info@ppda.go.ug

PPDA Uganda
PPDA Uganda
info@ppda.go.ug

Web: www.ppda.go.ug

"Procurement That Delivers"

From: Guhan Subramanian <guhan.subramanian@synacor.com>
To: "tcanogura@ppda.go.ug" <tcanogura@ppda.go.ug>
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- Are you looking for an on-premise environment (self-hosted) or a hosted option?
- What are you using for email today?

I look forward to hearing from you.



Kind Regards,

Guhan Subramanian

Zimbra | A Synacor Product

Office 102 - 30 Newman St, Fitzrovia, London W1T 1PT

m:+17163623417

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ONE SYNACOR – INTEGRITY – FIERCE RESOLVE – DELIVER EXCELLENCE

Re: Thank you from Zimbra - PPDA - Tonny Canogura

From: Antonio Luccini <antonio.luccini@synacor.com>
To: Tonny Canogura <tcanogura@ppda.go.ug>
Cc: Guhan Subramanian <guhan.subramanian@synacor.com>
Date: 10/23/2024 2:36 PM

Dear Tonny,



thanks for your prompt response. I have just called you but unfortunately no response.

Can we have a call tomorrow to discuss further, please?

I look forward to hearing from you.

Kind regards,

Antonio Luccini
EMEA Channel Sales Manager
Zimbra | A Synacor Product
Office 102 - 30 Newman St, Fitzrovia, London W1T 1PT
m: +44 (0) 7428085075

 This image cannot be displayed.  This

ONE SYNACOR – INTEGRITY – FIERCE RESOLVE – DELIVER EXCELLENCE

From: "Tonny Canogura" <tcanogura@ppda.go.ug>
To: "Guhan Subramanian" <guhan.subramanian@synacor.com>
Cc: "antonio luccini" <antonio.luccini@synacor.com>
Sent: Wednesday, 23 October, 2024 10:55:39
Subject: Re: Thank you from Zimbra - PPDA - Tonny Canogura

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Good morning

1. 50,000 users with product support
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4. Currently using zimbra

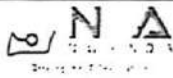
Kind Regards,

We look forward to the clearance and no objection of the TORs and the justification for the Direct Selection method to enable NITA-U to proceed with the procurement process and also update the Procurement Plan in STEP.

Thank you

Richard Obita

Director Technical Services



Palm Courts, Plot 7A, Email: richard.obita@nita.go.ug

Rotary Avenue (Lugogo Bypass) Mobile: +256732952213

P.O. Box 33151,

Website: www.nita.go.ug

Kampala -Uganda

From: Raman V. Krishnan <krishnan7@worldbank.org>

Sent: Wednesday, November 22, 2023 4:51 PM

To: richard.obita@nita.go.ug

Cc: NITA -EXCO <nitaexco@nita.go.ug>; Paul Senyange <paul.senyange@nita.go.ug>; Robert Gumisiriza <Robert.Gumisiriza@nita.go.ug>; Ocheng Kenneth Kaunda Odek <odek@worldbank.org>; Josephine Mulimira <josephine.mulimira@nita.go.ug>; Madeleine. W. Mugisa <madeleine.mugisa@nita.go.ug>; Caroline C. Koech <ckoech@worldbank.org>; Justina Kajange <jkajange@worldbank.org>; julian.rweju@nita.go.ug; collin.babirukamu@nita.go.ug

Subject: RE: TORs for the Unified Messaging and Collaboration System (UMCS) Licenses

Importance: High

Dear Richard, Collin,

We discussed the need for market sounding to better estimate and recalibrate the licensing cost. And also that at the conclusion of Task 3, the activity will realize the payment of \$2.9M as per the projections discussed.

- Rollout of Unified Messaging & Collaboration Services to 50,000 User in MDAs/ LGs - \$2.9M

With these changes incorporated, the ToR is cleared. Please submit this through STEP so that the single-source justification can be cleared to expedite the procurement.

Many thanks,

_Raman & Carol

From: Richard Obita <richard.obita@nita.go.ug>
Sent: Tuesday, November 14, 2023 6:08 AM
To: Raman V. Krishnan <rkrishnan7@worldbank.org>
Cc: NITA -EXCO <nitaexco@nita.go.ug>; Paul Senyange <paul.senyange@nita.go.ug>; Robert Gumisiriza <Robert.Gumisiriza@nita.go.ug>; Josephine Mulimira <josephine.mulimira@nita.go.ug>; Madeleine. W. Mugisa <madeleine.mugisa@nita.go.ug>; Caroline C. Koech <ckoech@worldbank.org>; Justina Kajange <jikajange@worldbank.org>; julian.rweju@nita.go.ug
Subject: FW: TORs for the Unified Messaging and Collaboration System (UMCS) Licenses

[External]

Dear Raman,

Please find attached the TORs for the purchase of 50,000 Unified Messaging and Collaboration System (UMCS) licenses and the justification for the Direct Selection Method for your approval and no objection.

Attached are the following documents for your ease of reference

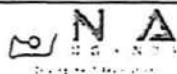
1. Final Approved TOR
2. Justification for direct selection in line with continuity of service
3. Performance of Impiger under RCIP (Operational Acceptance Certificate for Main contract, Completion certificates for Addendum 1&2)
4. ExCO Approval
5. UMCS current usage statistics
6. Concept Note

We look forward to the clearance and no objection of the TORs and the justification for the Direct Selection method to enable NITA-U to proceed with the procurement process accordingly.

Thank you

Richard Obita

Director Technical Services



Palm Courts, Plot 7A, Email: richard.obita@nita.go.ug

Rotary Avenue (Lugogo Bypass) Mobile: +256732952213

Website: www.nita.go.ug

P.O. Box 33151,

Kampala -Uganda



NITA Service Desk



From: Richard Obita <richard.obita@nita.go.ug>
Sent: Tuesday, November 14, 2023 2:00 PM
To: 'Raman V. Krishnan' <rkrishnan7@worldbank.org>
Cc: NITA -EXCO <nitaexco@nita.go.ug>; 'Robert Gumisiriza' <robert.gumisiriza@nita.go.ug>; 'Collin Mugasha Babirukamu' <collin.babirukamu@nita.go.ug>; 'Madeleine. W. Mugisa' <madeleine.mugisa@nita.go.ug>; 'Paul Senyange' <paul.senyange@nita.go.ug>; 'Caroline C. Koech' <ckoech@worldbank.org>; 'oodek@worldbank.org' <oodek@worldbank.org>; 'Justina Kajange' <jkajange@worldbank.org>
Subject: TORs for the Unified Messaging and Collaboration System (UMCS) Licenses

Dear Raman,

Please find attached the TORs for the purchase of 50,000 Unified Messaging and Collaboration System (UMCS) licenses and the justification for the Direct Selection Method for your approval and no objection.

Attached are the following documents for your ease of reference

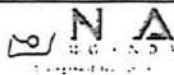
1. Final Approved TOR
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5. UMCS current usage statistics
6. Concept Note

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Thank you

Richard Obita

Director Technical Services



Palm Courts, Plot 7A, Email: richard.obita@nita.go.ug

Rotary Avenue
(Lugogo Bypass) Mobile: +256782952213

Website: www.nita.go.ug

P.O. Box 33151,

Kampala -Uganda



N.A
Service Desk

011-256782952213 | 011-256782952213

N.A

Response Matrix to WB comments raised on 29th November 2023

No.	Comment	Response
1	<p>This is for 50K subscribers. The indicative price was given under the RCIP-5 contract 5 years before. The new price increased slightly. What is the rationale for price increase and what is the percent increase with respect to the option that was quoted under the previous RCIP-5 contract?</p>	<p>The indicative price was given in mother contract 6 years ago. The new price increased slightly due to market forces and inflation. In 2017, a unit price of USD 31.782 was given per user license. From the market survey in 2023, a unit price of USD 37.382 per user license was quoted indicating an increment of USD 5.6.</p> <p>The percent increase with respect to the option that was quoted under the previous RCIP-5 contract is 17.6%</p>
2	<p>If the license is perpetual, do you still need subscription license (3 Years) fee for 50K along with License purchase - \$690,000.00</p>	<p>User License cost is different from product support subscription cost. The latter is optional but with consequences. We need product subscription license (3 years) because of the following;</p> <p>Customers under a perpetual license must pay 20% support during the first year, and thereafter can elect annually whether to renew Support and Maintenance. Such customers must be under a current Support agreement to be eligible to receive any minor updates including security patches/updates, major updates or new versions. Customers who choose to not renew their Support at the time of the annual renewal may subsequently resume Support, and have access to product updates and upgrades, by</p>

		<p>paying the "true up amount" back to the time of non-renewal.</p> <p>An additional reinstatement fee may also be applied. For example, if the customer fails to renew for 6 months, in order to resume Support, the customer must pay 18 months (6 months of unpaid support + 1 year of support from date of renewal) to get back on the Support and Maintenance plan. Please reference the Zimbra Maintenance & Support Terms and Conditions for official information on Support Terms and Conditions:</p> <p>http://www.zimbra.com/support/support-offerings</p>
3	<p>Subscription license fee (3 Years) for existing 33k (Renewal is due July 2024) for \$455,400.00 – is the renewal fee consistent with what was quoted under the RCIP-5 contract?</p>	<p>Under RCIP-5 contract, the most recent renewal fee for Subscription license fee (1 Year) for existing 33k was USD 569,692.20 for 1 year running from June 2023 to June 2024. The renewal fee seems consistent as it is now USD 455,400.00 for 3 years meaning price is discounted due to a longer support period.</p>

Response matrix to World Bank comment raised on 14th December 2023

'It is not clear if the proposed new Contract will adopt the same rates from the previous contract. Please provide an analysis for the components of the new contract in comparison to the existing contract to proof that rates are the same'.

In 2017, bidders were required to provide a scalable and cost-effective system because the intention was to roll UMCS out to the whole of Government after the initial 3,000 email seat deployment. Therefore, bidders provided two cost tier tables, one for Central Government and the other for Local Government, indicating for how much it would cost per user to roll out to 10,000, 50,000, 100,000 and 250,000 seats or provide the cost of perpetual license option which offers unlimited seats.

The table below highlights the cost provided by the best evaluated bidder for the various user bands in 2017;

Cost of Various bands (1-year standard support inclusive) in USD				
<u>Category</u>	<u>Number of Users</u>	<u>Total Cost</u>	<u>Unit cost of License</u>	
BAND 1	3,000	\$ 1,793,373		
BAND 2	10,000	\$ 1,128,900	Zimbra \$67.73	Bitrix \$45.16
BAND 3	50,000	\$ 2,648,500	Zimbra \$31.782	Bitrix 24 \$21.188
BAND 4	100,000	\$ 3,480,000	Zimbra \$20.88	Bitrix 24 \$13.92
BAND 5	250,000	\$ 6,800,000	Zimbra \$16.32	Bitrix \$10.88

Table showing breakdown for procurement of 50,000 user licenses after conducting market survey

No.	Item	Existing Contract Cost	New Contract cost	Unit Cost new contract	Unit Cost old contract	Variance
1	Zimbra Messaging Collaboration Suite – Full suite version (per mailbox, perpetual, 50,000 mailboxes). * The indicative price was given in mother contract 5 years before. The new price increased slightly.	\$ 1,589,100	\$1,869,100	\$37.38	\$31.78	\$5.6
2	Product Support Subscription license (3 Years) fee for 50,000 users *It's a mandatory by Zimbra and it should be procured along with an initial license purchase of 50,000		\$690,000			
3	Product Support Subscription license fee (3 Years) for existing 33,000 users. *Renewal is due July 2024	\$914,807	\$455,400			-\$459,407
4	Technical Support services for 3 Years	\$507,683	\$614,348.80			\$106,665.8

(L3&L4) fee by Impiger Consultants: •Re-Architecting the entire UMCS platform as required. •Training and capacity building of NITA team under New platform •Support for initial 3 months during the enrollment/rollout of MDA's •Technical Training on the NEW UMCS platform •24x7 technical assistance for Severity 1 issues 7 days a week, 52 weeks a year.	*For 3,000 users				
Total		\$3,628,848			

Summary Analysis of the Figures above:

The indicative price was given in mother contract 6 years ago. The new price increased slightly due to market forces and inflation. In 2017, a unit price of USD 31.782 was given per user license. From the market survey in 2023, a unit price of USD 37.382 per user license was quoted indicating an increment of USD 5.6. The percent increase with respect to the option that was quoted under the previous RCIP-5 contract is 17.6%, which is acceptable to NITA-U.

Under RCIP-5 contract, the most recent renewal fee for Subscription license fee (1 Year) for existing 33k was USD 569,692.20 for 1 year running from June 2023 to June 2024 and the proposed fee for 3 years was \$914,807. From the market survey in 2023, product support subscription for 50,000 users is \$690,000 in addition to product support subscription for existing 33,000 users which is

\$455,400. There is a decrease in product support subscription prices when compared to what was quoted under the previous RCIP-5 contract due to bulk purchase hence economies of scale and discounts.

The technical support price that was given in mother RCIP-5 contract 6 years ago for 3,000 users is **\$507,683.** From the market survey in 2023, technical support for 50,000 users is **\$614,348.80.** This represents a savings of **\$106,665.8** yet the number of users has increased by 47,000.

Conclusion

From the analysis above, it is clear that the proposed new Contract (based from market survey of 2023) has adopted the same rates from the previous contract in some circumstances factoring in inflation for the past 6 years. In some circumstances, the market survey rates seem favorable than they were 6 years ago considering that we are purchasing a 50,000-user band. In addition, the manufacturer (Zimbra) has only one authorized supplier in East and Central Africa as seen below. It is therefore very difficult to get another firm to provide the above services in Uganda, hence justification for sole provider.

Enclosed: Evidence of Single Supplier in Uganda

The screenshot shows the 'Value Added Resellers - Zimbra' page. It lists three suppliers with their contact information and partner levels:

Supplier Name	Phone	Country	Website	Partner Level
ilger.com S.r.l.	+39 0521 618591	Italy	www.ilger.com	ilger.com
Impiger Technologies Pvt Ltd	+256 393215290	Uganda	www.impiger.com	
Inova Tecnologias LTDA	+55 11 50901234	Brazil	www.inovatec.com.br	IN VA

Robert Gumisiriza

From: STEP Admin <noreply@worldbankgroup.org>
Sent: Friday, 29 December 2023 17:30
To: richard.obita@nita.go.ug
Cc: oodek@worldbank.org; rkrishnan7@worldbank.org;
Robert.Gumisiriza@nita.go.ug; josephine.mulimira@nita.go.ug;
bkayondo@worldbank.org; ckoech@worldbank.org
Subject: No Objection to Procurement Plan submitted by NITA-U for Uganda -
P171305 - Uganda Digital Acceleration Project - GovNet

No-Objection to Procurement Plan

Dated: Dec 29, 2023

Version 7

Dear Richard Obita;

We have reviewed the draft Procurement Plan (PP) for the above-mentioned Project, submitted to the Bank on 2023/12/21. Based on the information provided, the Bank has no objection to the Activities marked as "Cleared" in the Procurement Plan. After publication of the procurement plan you may commence implementation of these Activities.

Procurement Plans processed through this system will be automatically published in the World Bank's external [website](#) upon receiving the Bank's No Objection and will be archived under the version number indicated above.

Best Regards

Raman V. Krishnan

Senior Digital Development Specialist

STEP System Users - [Click here](#)

Bank Users - [Click here](#)



ANNEX 6

REGISTRATION NUMBER / RESERVATION NUMBER	ENTITY NAME	ENTITY TYPE	STATUS	RES / REG / INC / DIS DATE
80020001418947	IMPIGER TECHNOLOGIES (U) LTD	COMPANY	Registered	2018-11-14 03:00
80010001022062	IMPIGER TECHNOLOGIES PRIVATE LIMITED	COMPANY	Registered	2016-02-02 03:00
80030800217559	IMPIGER SOLUTIONS LLP	Business Name	Registered	2023-08-07 00:00
80020002706826	IMPIREACHT LTD	COMPANY	Registered	2020-09-25 03:00
80010000418149	LIMPIRETEK LIMITED	Company	Struck Off	
80010000581830	SIMPIO TECH (U) LIMITED	COMPANY	Registered	2011-01-13 03:00
80010000283728	IMPIREX ENTERPRISES LTD	Company	Struck Off	
G240917-0746	FIMPIRE MICRO FINANCE LTD	Company	Reserved	2024-09-17 00:00
80010000169023	GALIMPITAWA ENTERPRISES LTD	Company	Struck Off	
80020001041135	KIMPIKENS MOBILE SOLUTION	Business Name	Registered	
80020001366269	MPIGI EXPORT AND IMPORT CO. LIMITED	Company	Registered	
80010000231211	MPIGI EXPORT AND IMPORT COMPANY LTD	Company	Struck Off	
80030868790490	KIMPIYA HOT SPA	Business Name	Registered	2024-06-11 00:00



REGISTRATION NUMBER / RESERVATION NUMBER	ENTITY NAME	ENTITY TYPE	STATUS	RES / REG / INC / DIS DATE
80010000655079	NETCOM-UGANDA-LTD	Company	Struck Off	
80020001655965	NETCON TECHNOLOGIES AFRICA LIMITED	COMPANY	Registered	2019-03-01 03:00
80010003165884	NETCO-INVESTMENTS-LTD	Company	Struck Off	
80010003529673	NETCONSUM COMPUTERS	Business Name	Registered	
80020001943575	NETCON TECHNOLOGIES INDIA PRIVATE LIMITED	COMPANY	Registered	2007-03-23 03:00
80020000313957	NETCORE-INVESTMENTS-LIMITED	Company	Struck Off	
80010000551972	NETCOM GENERAL SUPPLY LIMITED	Company	Registered	
80010002604285	NETCOM PALACE	Business Name	Registered	
80010000561067	NETCOM-INTERNATIONAL-COMPANY-LIMITED	COMPANY	Struck Off	2010-09-02 03:00
G240506-2496	NETCOM INTERNATIONAL COMPANY LIMITED	Company	Reserved	2010-09-02 00:00
80010003211696	NETCOM SERVICES	Business Name	Registered	