

User Guide

for

**Standard Bidding Document
for Disposal by Public Bidding and
Sale to public officers**

Republic of Uganda

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User Guide for Standard Bidding Document for Disposal by Public Bidding and Sale to Public officers.

Acronyms

Act	Public Procurement and Disposal of Public Assets Act
PPD	Public Procurement and Disposal (of Public Assets)
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal (of Public Assets) Authority
Regulations	PPD Regulations
SBD	Standard Bidding Document

Introduction

Purpose of the Standard Bidding Documents

The purpose of the SBDs is to provide PDEs with standardised documents to be used as models for preparing invitation and contract documents for individual disposal requirements. They contain basic contractual provisions and procedural instructions, which are required by the Government of Uganda in the disposal of public assets through public disposal and sale to public officers, which assist PDEs to comply with the Act and Regulations.

The SBD for Disposal has been designed to:

- (i) simplify the drafting of individual Bidding Documents for the disposal of public assets by Procurement and Disposal Units;
- (ii) minimise the time required by the Contracts Committee to approve Bidding Documents prior to release;
- (iii) reduce Bidders' time and effort in the preparation of bids; and
- (iv) facilitate and simplify the evaluation and comparison of bids and contract (purchase order) award by the PDE.

The SBD contains guidance notes for Bidders only. This User Guide contains all the explanations and notes necessary for PDEs to use the standard documents.

Purpose of the User Guide

This User Guide has been prepared to provide guidance to public officials in the correct use of the Standard Bidding Document (SBD) for Disposal.

Users should ensure that the correct User Guide is referred to. Different User Guides have been produced for each standard document, including those for all Standard Bidding Documents (SBD) for works, services and supplies. Users should refer to the header and footer of each page of the User Guide to check that the correct guide is being referred to.

The information in this User Guide is not legally binding, but Procuring and Disposing Entities (PDE) must comply at all times with the Public Procurement and Disposal of Public Assets Act and Regulations.

This User Guide is not intended for use by Bidders. Notes intended for Bidders are included in the SBD itself. These notes are in italics and should not be deleted when drafting the SBD.

When to Use the SBD for Disposal

The SBD for Disposal is suitable for use under the Public Bidding and Sale to Public Officers disposal methods. It may also be used for procurement under the Direct Negotiations method with appropriate modifications to the document. No formal Bidding Document is required under the other disposal methods. However for disposal by Public Auction a Standard format of the Notification of Auction will be issued in the guidelines.

The SBD for Disposal is designed for reasonably straightforward disposal processes. Particular complex or high value disposals may require the use of an alternative document.

Structure of the Standard Bidding Document

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The SBD is divided into three separate parts and a Preface. Procuring and Disposing Entities are required to use all parts of the Standard Bidding Document to produce individual Bidding Documents for issue to Bidders. The Standard Bidding Document comprises:

Preface

Part 1 Bidding Procedures

Part 2 Description of Assets

Part 3 Contract

Guidance notes on each part are found later in this User Guide, complete with examples, showing how to complete the forms and information. This User Guide also includes an initial section on how to prepare the Bid Notice.

Availability of Electronic Documents

The SBD for Disposal, along with all other SBDs, is provided in electronic form in Microsoft Word 97 by the Public Procurement and Disposal of Assets Authority (PPDA).

- The SBD for Disposal is named SBD-Disp.doc.
- This User Guide is named SBDDispGd.doc.

Customising and Drafting Documents

The PPDA issues Standard Bidding Documents to all PDEs. On receipt of these SBDs, the PDE are permitted to customise the SBDs for use by each PDE. The areas that require customisation by the PDE are shown in curly brackets eg {Insert name and logo of Procuring and Disposing Entity}. This customisation should be a one off function and to enter on the master SBD the following details prior to general issue and use within the PDE;

- the entry of the procuring and disposing entity's name;
- the addition of any official logo or any other form of identification of the PDE.

When customising documents, a PDE shall not alter or amend the content or substance of the standard documentation, including the style and format of the documents, without the prior written approval of the Authority.

The customised standard documents shall be approved by the Contracts Committee for use by the procuring and disposing entity.

The customised standard documents should be available from the Procurement and Disposal Unit.

The customised standard documents shall be used for drafting documents for individual procurement or disposal requirements.

For clarity and the avoidance of doubt-

customisation is the process of completing identification details in the standard documentation issued by the Authority to make it suitable for drafting by the procuring and disposing entity;

drafting is the process of modifying customised standard documentation to make it suitable for a particular procurement or disposal requirement.

It is important that Procuring and Disposing Entities always use the original document to commence drafting a new Bidding Document for each new disposal requirement. The original document should be copied and saved under a new file name, before commencing drafting.

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This User Guide outlines the changes that are permitted during drafting of individual documents and how those changes should be made.

In drafting individual documents, Users should not:

- delete any Section or page breaks,
- make any changes to the headers of the documents,
- make any changes to the footers of the documents.

In order to avoid deleting any section or page breaks, you should ensure that the “Show All” command is switched on, so that the section and page breaks can be seen on screen. The “Show All” command is shown by an icon with the following symbol: ¶.

If this icon does not appear on your screen, you can add it by using the following commands: click on Tools menu, click on Customise, select the Commands tab, select the View category and scroll to find the “Show All” command. Add the icon by dragging it onto your toolbar.

Summary of the Disposal Process for Public Bidding and Sale to Public Officers

The Act and Regulations detail the disposal methods and the full disposal process and rules for each method. Procuring and Disposing Entities must comply with the Act and Regulations at all times.

The relevant parts of the disposal process for the Public Bidding and sale to public officers methods are summarised here as follows:

1. Selection of Bidders;
2. Preparation and Issue of Bidding Document;
3. Bidding Period and Receipt of Bids;
4. Opening of Bids;
5. Evaluation; and
6. Contract Award and placement.

1(a) Selection of Bidders/Public Bidding

Under Public Bidding, the PDE must publish a bid notice, so that bidding is open to all interested bidders. This must use the standard format provided in the Regulations. Guidance notes on completing the bid notice are included later in this User Guide. The Bid Notice must be approved by the Contracts Committee before publication.

The notice must be published in at least one widely read national newspaper or relevant publication. It must also be displayed on the Authority's website and on the PDE's own notice board.

PDE's must comply with the minimum advertising period given in the Regulations before the issue of bidding documents. They should also ensure that bidding documents are finalised and approved before publishing the bid notice, to avoid any delays in the process.

1(b) Selection of Bidders /Sale to Public Officers

Under Sale to Public Officials, the PDU must display a non-public invitation notice, so that bidding is open to all interested public officials. This must use the standard format provided in the Regulations. Guidance notes on completing the invitation notice are included later in this User Guide. The notice must be approved by the Contracts Committee before being displayed.

The notice must be displayed in a minimum of five procuring and disposing entities, at locations, which are freely and easily accessible to all public officers within that PDE. It must also be displayed on the Authority's website. The disposal opportunity is open to all public officials, except for those who are involved in initiating the disposal process, valuing the assets or managing the disposal process; such officers will be considered to have a conflict of interest and will not be eligible to bid.

PDU's must comply with the minimum advertising period given in the Regulations before the issue of bidding documents. They should also ensure that bidding documents are finalised and approved before displaying the invitation notice, to avoid any delays in the process

2. Preparation and Issue of Bidding Document

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The Procurement and Disposal Unit is responsible for the preparation and issue of the Bidding Document and must use the appropriate standard document issued by the PPDA, as this is a mandatory requirement for disposal of Government assets.

In deciding the deadline for submission of bids, the PDE should allow Bidders sufficient time for studying the Bidding Document, inspecting the assets, preparing a responsive bid and submitting the bid. PDEs are required to comply with the minimum bidding periods given in the Regulations. A record must be kept of the issue of documents.

3. Bidding Period and Receipt of Quotations

The Bidder is responsible for preparation and submission of its bid. As the disposal process is relatively straightforward, with evaluation normally based on price only, there should not normally be any requests for clarification from Bidders or any need to amend the Bidding Document. However, during the bidding period, the PDE must ensure that it responds promptly to any requests for clarification from Bidders. Any amendment to the Bidding Document will require the prior approval of the Contracts Committee.

The PDE's main responsibility during the bidding period is to:

- Receive and record sealed bids from Bidders or make a Bid Box available up to the deadline for submission of bids, as required by the Regulations;

- Close bidding at the precise date and time of the deadline and ensure that no late bids are received;

- Keep all bids received secure until the time for bid opening.

4. Opening of bids

The Procuring and Disposing Entity is responsible for the Bid Opening, which is a critical event in the bidding process. The Procuring and Disposing Entity shall appoint experienced Procurement and Disposal Unit staff (accompanied by a Contracts Committee member to witness proceedings) to conduct the Bid Opening. Procuring and Disposing Entity staff must be aware that inappropriate procedures at Bid Opening are usually irreversible and may require cancellation of the Bidding Process with the consequent delays and waste of time and resources. The Bid Opening must follow the rules and procedures given in the Regulations.

Further guidance on bid openings is available in the Regulations or in the User Guide for the SBD for the Procurement of Supplies.

5. Evaluation

The Evaluation Committee is responsible for the evaluation of all bids received and the preparation of an evaluation report. The evaluation must be conducted in accordance with the Regulations and must strictly apply only and all of the evaluation criteria specified in the Bidding Document. Evaluation of bids for disposal is normally based on price only, making the evaluation process simple and quick to complete. In exceptional cases, evaluation is based on price and other factors, in which case the Evaluation Committee should ensure that they have clearly understood the methodology and criteria included in the Bidding Document.

The Evaluation Committee must maintain confidentiality throughout the evaluation process and reject any attempts to distort the outcome of the evaluation.

Negotiations are not normally held for disposal, unless the evaluation involved factors other than price. Therefore, following completion of the evaluation, the evaluation report should be submitted to the Contracts Committee, with a recommendation for contract award to the best

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evaluated bidder. It is important to note that the Contracts Committee's contract award decision is not a contract, but a decision to award a contract to the Best Evaluated Bidder.

6. Contract Award and Placement

No Notice of Best Evaluated Bidder is required for disposal, so following the Contracts Committee's approval of the evaluation report and contract award decision, a contract may be placed.

There is unlikely to be any need to issue a Letter of Bid Acceptance for disposal, as the contract document itself is simple and can be quickly completed and issued. The Procurement and Disposal Unit must draft the contract, using the format and conditions included in the Bidding Document and attaching relevant supporting documentation, and obtain the Contracts Committee's approval prior to issuing it. The issue of the contract to the successful Bidder will normally constitute contract award and formation.

Guidance Notes for the preparation of Bid Notices-Public Bidding

A Bid Notice must be published for Public Bidding and is designed to provide information that enables potential bidders to decide whether to participate in the bidding process. Apart from the essential items listed in the draft below, the Bid Notice should also indicate any important bid evaluation criteria or qualification requirement (for example, a Reservation Scheme). Any other important requirements, such as a requirement for submission of a bid security, should be added.

The Bid Notice is for publication purposes only and is not a part of the Bidding Documents.

Standard Format for Bid Notices

Invitation for Bids for the Sale of [Subject of Disposal]

Disposal Reference number.

The **[insert name of procuring and disposing entity]** intends to sell **[insert description of asset(s)]**. The **[insert description of asset(s)]** are sold on an “as is, where is” basis and the **[insert name of procuring and disposing entity]** will have no further liability after sale. **[Amend if different]**.

The **[insert name of procuring and disposing entity]** now invites sealed bids for the purchase of **[insert description of asset(s)being sold]**.¹

Bidding will be conducted in accordance with the Public Procurement and Disposal of Public Assets Act, 2003 of the Government of Uganda and is open to all bidders. **[Or state eligibility criteria, if any²]**.

Interested bidders may inspect the **[insert description of asset(s)]** at **[insert location for inspection]** on **[insert date(s) for inspection]** from **[insert hours for inspection]**.³

Interested bidders may obtain further information from **[insert name of procuring and disposing entity]** and inspect the bidding documents at the address given below, **[insert address at end of document]** from **[insert office hours]**⁴.

The Bidding Documents in **[insert language]** may be purchased by interested bidders on the submission of a written application to the address below **[state address at the end of document]** and upon payment of a non-refundable fee⁵ of **[insert amount in local currency]** or **[insert amount in specified convertible currency]**. The method of payment will be **[insert method of payment]**⁶. The document will be sent by **[insert delivery procedure]**⁷. No liability will be accepted for loss or late delivery.

Bids must be delivered to the address below at or before **[insert time and date]**. Late bids shall be rejected. Bids will be opened in the presence of the bidders’ representatives who choose to attend at the address below at **[insert time and date]**⁸.

[Insert name of office and name of officer]

[Insert postal address] and/or [Insert street address]

[Insert telephone and facsimile number, indicate country and city code]

Notes

1. A brief description of the assets should be provided, including quantities, location, and other information necessary to enable potential bidders to decide whether to respond to the invitation. Bidding Documents may require bidders to meet specific eligibility or other requirements; such restrictions, should also be included in this paragraph.

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2. Occasionally, contracts may be subject to a reservation scheme that would restrict eligibility to a particular group of Bidders or countries. When this is the case, it should be mentioned in this paragraph.
3. Bidders are normally required to bid for the assets at their own risk, without any warranty being offered by the Procuring and Disposing Entity. Therefore, the opportunity to inspect the assets is important and reasonable access should be granted.
4. For example: 09:00 to 12:00 hours.
5. The fee, to defray printing and mailing/shipping costs, should be nominal. The SBD for disposal is short, so if no fee is to be charged ensure that this is stated.
6. For example, cashier's check, direct deposit to specified account no., etc.
7. The delivery procedure is usually airmail for overseas delivery and surface mail or courier for local delivery. If urgency or security dictates, courier services may be required for overseas delivery.
8. The place for bid opening may not necessarily be the same as that for issuance of documents or for bid submission. If they differ, each address must appear at the end of this paragraph and be numbered; as, for example, (1), (2), (3). The text in the paragraph would then refer to address (1), (2), etc. Only one place and its address may be specified for submission, and it should be near the place where bids will be opened. Addresses should not be PO Boxes where physical submission or collection of a document is required.

Guidance Notes for the preparation of the Invitation Notice-Sale to Public Officers.

A non public Invitation Notice must be displayed for Sale to Public Officers and is designed to give all interested public officers the opportunity to bid and to provide information that enables potential bidders to decide whether to submit a bid.

The Invitation Notice is for publication purposes only and is not a part of the Bidding Document.

Standard Format for Invitation Notice

**Sale to Public Officers
Invitation for Bids for the Sale of [insert Subject of Disposal]**

Disposal Reference number: **[insert disposal reference number]**

The **[insert name of Procuring and Disposing Entity]** intends to sell **[insert description of asset(s)]**. The **[insert description of asset(s)]** are sold on an “as is, where is” basis and the **[insert name of Procuring and Disposing Entity]** will have no further liability after sale.

The **[insert name of Procuring and Disposing Entity]** now invites sealed bids for the purchase of **[insert description of asset(s)being sold]**.

Bidding will be conducted in accordance with the Public Procurement and Disposal of Public Assets Act, 2003 of the Government of Uganda and is open to all public officials, who have not been involved in the valuation or disposal process.

Interested officials may inspect the **[insert description of asset(s)]** at **[insert location for inspection]** on **[insert date(s) for inspection]** from **[insert hours for inspection]**.

The Bidding Documents may be obtained by interested officials on the submission of a written application to **[insert office number]**.

Guidance Notes on the Preface Section

This Section of the Standard Bidding Document comprises two pages, which are simply the cover sheets to the Bidding Document. Only the first page of the Preface requires any inputs or text changes as illustrated below.

**{Procuring and Disposing Entity
Crest or Logo}**

Republic of Uganda

{Name of Procuring and Disposing Entity}

**Bidding Document
for Disposal**

Subject of Disposal: [Insert general description of assets to be sold].

Disposal Reference [Insert the Disposal Reference number]

Disposal Method: [Insert Public Bidding or sale to public officials unless the document is being modified for use under another method, such as Direct Negotiations]

Date of Issue: [Insert official release date of the Bidding Document to Bidders]

Guidance Notes on Part 1, Bidding Procedures

The Bidding Procedures section informs Bidders of the procedures that will regulate the disposal process and gives them instructions on preparing their bid. The Bidding Procedures section **will not form a part of the Contract**.

The SBD includes standard text outlining the procedures and instructions normally used, but the details relevant to each individual disposal process must be specified in the relevant spaces e.g. the date and time of the deadline for submission of bids. **No clause should be left blank.**

Additional details of the disposal procedures to be used or additional special instructions for Bidders can be added if required. For example, if evaluation is to be based on price and other factors, additional sections detailing the eligibility requirements and/or other evaluation criteria must be added.

In exceptional cases, the standard wording given in Part 1 may be amended or deleted, if it is not appropriate to the particular disposal requirement. However, procurement staff must ensure that any amendments comply with the Act and Regulations and should draw the attention of the Contracts Committee to the changes when seeking approval of the document.

Part 1 Bidding Procedures should be prepared by the PDU prior to the issue of the Bidding Document.

This Guide provides information to the Procuring and Disposing Entity on how to enter all information required by the standard text in Part 1. A copy of Part 1 that summarises all information to be provided is included overleaf. Guidance notes on completion are shown **[in bold in square brackets]**.

Bid Submission Sheet

The Bid Submission Sheet provides a standard form for Bidders to complete and include as part of their bid.

All information required on the Bid Submission Sheet is to be completed by Bidders. The Procuring and Disposing Entity **is not required to input or change any information** in the Bid Submission Sheet and it is therefore not included in this User Guide.

Instructions to the Bidders on completing the form are given at the top of the form in italics and should not be deleted by the Procuring and Disposal Entity.

[Input of Information to be completed by Procuring and Disposing Entity]

PART 1: BIDDING PROCEDURES

Disposal Reference Number: **[Insert Disposal Reference Number, ensuring it is the same on all pages of the document]**

Subject of Disposal: **[Insert a brief description of the disposal e.g. “vehicles” or “computer equipment”].**

A. General

Scope of Bid: **[insert name of Procuring and Disposing Entity]** hereinafter called the “Procuring and Disposing Entity”, invites bids for the purchase of the assets described in Part 2, Description of Assets.

This disposal process will be conducted in accordance with the Public Bidding disposal method or Sale to Public Officers method contained in the Government of Uganda’s Public Procurement and Disposal of Public Assets Act and Regulations, 2003 and the procedures described in Part 1: Bidding Procedures.

Any resulting contract shall be subject to the terms and conditions detailed in Part 3: Contract.

Lots and Items: The assets are divided into lots and/or items, as listed in Part 2, Description of Assets. Bidders shall be permitted to bid for individual or multiple lots and/or items according to the following rules: **[amend as required, depending on whether there is more than one item or lot]**

1. Bidders must bid for complete lots only. Bids for partial lots shall be rejected.
2. Bidders may bid for any individual lot or combination of lots.

[Amend the rules on lots and items as required. For example, the PDE may be willing to accept bids for partial lots or may wish to limit the number of lots or items purchased by any one Bidder].

In case of sale to public officers the following paragraph should be included in the bidding document

[Limits on purchase: Public Officers shall not be permitted to purchase more than one similar item. Public Officers may bid for more than one similar item, but in the event that they are the best evaluated bidder for more than one such item, they shall be required to indicate their preferred item and shall be awarded a contract for that item only.

Corrupt Practices: It is the Government of Uganda’s policy to require that Procuring and Disposing Entities, as well as Bidders, Providers and Buyers observe the highest standards of ethics during disposal and the execution of contracts. In pursuit of this policy, the Government of Uganda represented by the Public Procurement and Disposal of Public Assets Authority (herein referred to as the Authority);

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
 - (i) “corrupt practice” includes the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the disposal process or in contract execution; and

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- (ii) “fraudulent practice” includes a misrepresentation of facts in order to influence a disposal process or the execution of a contract to the detriment of the Procuring and Disposing Entity, and includes collusive practices among Bidders prior to or after bid submission designed to establish bid prices at artificial, non competitive levels and to deprive the Procuring and Disposing Entity of the benefits of free and open competition;
- (b) will reject a recommendation for award if it determines that the Bidder recommended for award has engaged in corrupt or fraudulent practices in competing for the Contract;
- (c) will suspend a Provider or Buyer from engaging in any public procurement and disposal proceeding for a stated period of time, if it at any time determines that the Provider or Buyer has engaged in corrupt or fraudulent practices in competing for, or in executing, a Government contract.

Code of Ethical Conduct: In pursuit of the policy defined above, the Government of Uganda requires representatives of both the Procuring and Disposing Entities and of Bidders, Providers and Buyers to adhere to the relevant codes of ethical conduct. The Code of Ethical Conduct for Bidders and Providers is available from the Authority and Bidders are required to indicate their acceptance of this Code through the declarations in the Bid Submission Sheet.

B. Bidding Document

Bidding Document: The Bidding Document consists of the following Parts, which should be read in conjunction with any addenda issued:

- Part 2 Bidding Procedures
- Part 3: Description of Assets
- Part 4: Contract

The Bid Notice/Invitation Notice are not part of the Bidding Document.

At any time prior to the deadline for submission of bids, the Procuring and Disposing Entity may amend the Bidding Document or extend the deadline for submission of bids by issue of addenda. Addenda will be issued in writing to all Bidders who obtained the Bidding Document directly from the Procuring and Disposing Entity.

Clarification of Bidding Document: Any queries regarding this Bidding Document should be addressed to the Procuring and Disposing Entity at the following address and no later than the date indicated below.

Address: **[insert full address for clarifications, including a contact name]**

Latest Date: **[insert latest date on which clarifications will be accepted. This date should give Bidders sufficient time to study the Bidding Document and inspect the assets, but should not be too close to the deadline for bid submission].**

Any clarifications will be issued to all Bidders who obtained the Bidding Document directly from the Procuring and Disposing Entity.

C. Preparation of Bids

Preparation of Bids: You are advised to carefully read the complete Bidding Document, including the Conditions of Contract in Part 3: Contract, before preparing your bid.

Inspection of Assets: Potential Bidders may inspect the assets prior to preparing bids, at the following location and at the following time and date:

Address for inspection: **[insert full address for inspection of the assets]**

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Date(s) for inspection: **[insert date or dates for inspection. Bidders are unlikely to bid without having had the opportunity to inspect the assets, so more than one date should be offered if possible, to avoid restricting competition]** (day, month and year).

Time(s) for inspection: **[insert times for inspection of the assets, which should normally be a range e.g. 09.00 to 12.00 hours]** (local time).

Documents Comprising the Bid: You are requested to bid for these items by completing, signing and returning:

1. the Bid Submission Sheet in this Part;
2. the List of Assets and Price Schedule in Part 2, with prices completed for all items or lots for which you are bidding;
3. **[add, amend or delete as required. Normally the documents listed at 1 and 2 should be sufficient. However, if evaluation is based on factors other than price, additional documents may be required e.g. evidence of eligibility]**

The standard forms in this Bidding Document may be retyped for completion but the Bidder is responsible for their accurate reproduction.

Validity of Bids: The bid validity required is **[Insert the number of days of the required validity period. This is normally done in multiples of 30 days i.e. 30, 60 or 90]days.**

Currency of Bids: Bids may be priced in Uganda Shillings or any other freely convertible currency. **[amend if the rules on currency of bid are different e.g. if all bids are required to be in Uganda Shillings. Consideration should be given to the likely location and nationality of Bidders in considering the rules on currency].**

Bid Security: A Bid Security **[insert “shall” or “shall not”]** be required. The Bid Security shall be for a value of **[insert currency and amount if a bid security is required or delete this sentence if none is required]** and shall be in the form of either a demand guarantee, an irrevocable letter of credit or a cashier’s or certified cheque. **[A bid security may be required for high value disposals. The PDE may add a standard format for bid securities, based on those in the SBDs for procurement, if it thinks necessary].**

Copies of Bid: The Bidder shall prepare one original and **[insert number of copies, which should be based on the number required for evaluation]** copies of the bid, which shall be marked “ORIGINAL” or “COPY” as appropriate. In the event of any discrepancy between the original and the copies, the original shall prevail.

Signing of Bids: The original and all copies of the bid shall be typed or written in indelible ink and shall be signed by a person duly authorised to sign on behalf of the Bidder. All pages of the bid shall be signed or initialled by the person signing the bid. **[Add any particular requirements, such as a particular document evidencing authority to sign for high value requirements].**

D. Submission and Opening of Bids

Sealing and marking of Bids: Bids should be sealed in a single envelope, clearly marked with the Disposal Reference Number above, the Bidder’s name, the name of the Procuring and Disposing Entity and a warning not to open before the date and time of the bid opening. Envelopes should be sealed in such a manner that opening and resealing cannot be achieved undetected.

Submission of Bids: Bids should be submitted to the address below, no later than the date and time of the deadline below. Late bids will be rejected.

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Date of deadline: **[Insert date of deadline giving the day, month and year e.g. 30th June 2003]** (day, month and year).

Time of deadline: **[Insert time of deadline and identify a.m. or p.m. e.g. 11:00 a.m.]** (local time).

Address: **[Insert address for submission of bids. The address should be a physical address, not a PO Box address, as the PDE must be able to verify whether bids were received on time and reject any late bids].**

Opening of Bids: The Procuring and Disposing Entity shall conduct the bid opening in the presence of Bidders' representatives who choose to attend, at the address, date and time below. A record of the opening will be posted on the Procuring and Disposing Entity's Notice Board within one working day of the opening.

Date of opening: **[Insert date of opening giving the day, month and year e.g. 30th June 2003]** (day, month and year).

Time of opening: **[Insert time of opening and identify a.m. or p.m. e.g. 11:00 a.m.]** (local time).

Address: **[Insert address for public opening of bids. The address should be a physical address, not a PO Box address, and must be suitable for the number of Bidders expected to attend].**

E. Evaluation of Bids

Evaluation of Bids: The evaluation of bids shall be based on price only. **[Amend to based on price and other factors where appropriate – see Regulations for guidance on when other factors may be included in the evaluation].**

[Where evaluation is based on price and other factors, insert the following sections, as appropriate:

Eligibility Criteria: You are required to meet the following criteria to be eligible to participate in this disposal process:

1. have the nationality of one of the following eligible countries: **[insert appropriate positive or negative list of countries or regions for any reservation scheme or delete this criteria if not appropriate]**
2. **[insert any other eligibility criteria]**

Other Evaluation Criteria: The other evaluation criteria and their method of application are as follows:

1. **[insert other evaluation criteria or delete this section if not required. Also insert the method of application, which should be on a pass or fail basis wherever possible. The PDE must consider how it will evaluate any other criteria and insert any required documentation under "Documents Comprising the Bid" above e.g. the PDE may require a methodology from Bidders as to how they intend to keep an asset in working or order or steps to be taken to maintain public access].**

2.

Evaluation of Price: The Procuring and Disposing Entity shall correct any arithmetic errors in the bids, convert the bids to a common currency and rank bids to determine the highest priced bid.

Evaluation Currency: The currency of evaluation will be **[insert currency for evaluation e.g. Uganda Shillings]** Bids in other currencies will be converted to this currency for evaluation

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purposes only, using the exchange rates published by the Bank of Uganda on the date of the submission deadline.

Best Evaluated Bid: The best evaluated bid shall be the highest priced bid and shall be recommended for award of contract, subject to any reservations regarding failure to meet the official valuation or reserve price. **[This wording will apply if evaluation is based on price only. If other factors are included in the evaluation, alternative wording may be required e.g. “the highest priced bid, which is eligible and passes the evaluation of the other criteria above”].**

[Negotiations are not normally permitted under disposal, but may be held where the evaluation is based on price and other factors and there is a need to negotiate any of the conditions of sale. Where negotiations may be held, insert the following:

Negotiations: The Procuring and Disposing Entity may hold negotiations with the best evaluated bidder. **Negotiations shall not relate to the price of the bid.]**

Right to Reject: The Procuring and Disposing Entity reserves the right to accept or reject any bid or to cancel the bidding process and reject all bids at any time prior to contract award.

F. Award of Contract

Award of Contract: Award of contract shall be by placement of a Contract in accordance with Part 3: Contract.

Guidance Notes on Part 3, Description of Assets

The Description of Assets informs Bidders of the assets which the Procuring and Disposing Entity is selling. **The Description of Assets, with prices completed by the successful bidder will form part of the Contract.**

Part 2 Description of Assets should be prepared by the PDU and/or the person responsible for the assets, prior to the issue of the RFQ Document.

It is important to note that the descriptions of the assets are provided for information purposes only and that the Procuring and Disposing Entity gives no guarantee of the accuracy of the description. The Bidder bears all risk for the condition of the assets, which is why the opportunity to inspect the assets is given. However, the PDE should seek to give as accurate a description of the assets as possible and should in no circumstances seek to mislead Bidders or give the impression that an asset is in better condition than it actually is.

Contents of the Description of Assets

The Description of Assets normally consists of two parts:

1. the List of Assets and Price Schedule;
2. the Description of Assets (if required).

In drafting these two sections of the document it is important to ensure that the list of items and the item numbers are the same in both parts. The following sections provide guidance on how to prepare each of these parts.

The second part, the Description of Assets, can be omitted if the assets to be described are very simple and can adequately be described in the List of Assets and Price Schedule.

List of Assets and Price Schedule

The purpose of the List of Assets and Price Schedule is to:

- (a) briefly describe the assets that the Procuring and Disposing Entity is selling; and
- (b) provide a standard form, on which Bidders should complete their prices, facilitating both the preparation of bids by Bidders and the evaluation of prices by the PDE.

As a part of the Description of Assets, the List of Assets and Price Schedule completed by the successful Bidder **will form part of any resulting Contract.**

The PDU should insert the disposal reference number at the top of the List of Assets and Price Schedule, ensuring that it is the same as on all other pages of the document. Where more than one lot is included, the lot number and name should be included and a separate List of Assets should be prepared for each lot. Where there is only one lot, the lot references can be deleted.

Complete the first two columns as follows:

- Column 1: Item No – number all items sequentially i.e. 1, 2, 3 etc.
- Column 2: Brief Description of Assets – give a brief description of each item. This does not need to be detailed, as a fuller description can be given on the Description of Assets form.

An example is given below.

Item No	Brief Description of Asset	Price
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1	Mitsubishi Pajero, 1995, Registration number xxxxxx	
2	Toyota Landcruiser, 1996, Registration number xxxxxx	

The **Price column and currency of bid should be left blank**, to be completed by the Bidder. Similarly, the signature block at the bottom of the List of Assets and Price Schedule should be left blank for the Bidder's authorisation or signature.

Description of Assets Form

The purpose of the Description of Assets form is to provide a more detailed description of the assets being sold.

As a part of the Statement of Requirements, the Description of Assets form **will form part of any resulting Contract**.

The PDU should insert the procurement reference number, and any lot details, at the top of the page. There should be a separate Description of Assets form corresponding to each List of Assets completed. The PDU, with assistance from the person responsible for the assets, should complete the item numbers, ensuring that they are the same as on the List of Assets, and detailed description of the assets. For simple low value items a short description is usually sufficient. However, the description should typically include the following details, where relevant:

- a general description of the item, including make, models, sizes, colours, age etc;
- any particular identifying features;
- the location of the asset and the location for collection of the asset if this is different;
- the asset reference number and any other identifying references, such as the registration number and chassis number for vehicles or serial number of computers;
- the quantity of the item, where a single "item" consists of a group of items;
- any additional items or accessories which are specifically included or excluded from the sale e.g. spares parts, consumables or cables, a printer or monitor to be sold with a computer etc;
- all documentation to be provided by the PDE, such as user guides, manuals, handbooks, registration certificates, licences etc;
- any information about the condition of the asset, such as "in working order" or details of previous maintenance or services.

Guidance Notes on Part 4, Contract

The Contract section informs Bidders of the contract type and conditions that will apply to any resulting contract.

Contract Agreement Form

The initial details to be completed on the Agreement (names, addresses, dates, contract price) are specific to the successful Bidder and therefore should be left blank for inclusion in the Bidding Document.

As disposal requires a relatively simple contract, separate General and Special Conditions of Contract are not included as they are for procurement contracts. A single set of “General Conditions of Contract” are included, with any amendments to be included in the Agreement itself. Therefore, the clauses which modify the General Conditions of Contract will need to be completed with the details relevant to the particular disposal requirements, prior to issuing the Bidding Document, so that Bidders can see the conditions which will apply to any resulting contract. The Agreement will prevail over the GCC.

Normally, there should only be two clauses to complete as follows:

The location of the assets is **[insert full details of the location from which the assets must be collected]**.

The official to contact to arrange collection of the assets is **[insert name of official responsible for the handover of assets]**.

Other clauses can be added, where the PDE wishes to modify any of the General Conditions of Contract or additional conditions, not covered by the GCC are required. Further details are given below in the commentary on the GCC.

General Conditions of Contract

The General Conditions of Contract (GCC) contain standard provisions that have been designed to remain unchanged and **to be used without modifying their text. The GCC** are Contract documents and, therefore, **are a part of the Contract**.

Any details which need to be specified for a particular disposal process and any modifications which need to be made to the GCC must be made in the Agreement form.

The following notes provide an explanation of the main clauses of the GCC and highlight conditions which might need to be modified for a particular disposal process, through the inclusion of a relevant clause in the Agreement. The GCC are reproduced in full overleaf, with explanatory notes shown **[in bold in square brackets]**.

[Commentary on the General Conditions of Contract]

**General Conditions of Contract
for the Disposal of Public Assets**

1. Definition of Assets

The assets subject to this contract are as defined in the attached Description of Assets.

[No amendment should normally be required for this clause, but it is important that the Description of Assets is attached to the contract, at contract award stage].

2 Condition of Assets

The Procuring and Disposing Entity shall sell the assets on an “as is, where is” basis and shall offer no warranty or guarantee as to the condition of the assets.

The Buyer shall assume full responsibility for the assets from the date and time of transfer and shall bear all costs and risks associated with the assets thereafter.

[No amendment should normally be required for this clause. However, in exceptional circumstances, the PDE may wish to offer a warranty on the assets, where the increase in price received for the assets is likely to be greater than any costs associate with providing the warranty. This should be done through an amended clause in the Agreement].

3. Payment

The Buyer shall make payment to the Procuring and Disposing Entity of the full Contract Price, as defined in the Agreement, within two weeks of the date of the Agreement. The Procuring and Disposing Entity shall issue a receipt for the payment.

[A standard payment period of within two weeks of the date of the Agreement is given, but may be increased or decreased in the Agreement at the PDEs discretion. Normally the period should be relatively short, as payment must be completed before the assets can be transferred to the Buyer. Longer periods may be required for high value assets, where the successful Bidder may have financial arrangements to make in order to make payment].

Payment shall be made by any method acceptable to the Procuring and Disposing Entity and shall be considered to have been made on the date that it is credited to the Procuring and Disposing Entity’s account.

[If payment by a particular method is required, this clause can be amended in the Agreement].

The Procuring and Disposing Entity may terminate this contract if the Buyer has failed to pay the full Contract Price within one week of the due date for payment.

[A standard period of one week for termination for failure to pay is given, but may be increased or decreased in the Agreement at the PDEs discretion].

4. Transfer of Assets

The location of the assets is as specified in the Agreement.

[The location for collection of the assets must always be given in the Agreement].

The Buyer shall have full responsibility and shall bear all risks and costs associated with the

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collection, dismantling, removal and transportation of the assets from the location defined above and shall bear and pay all associated costs.

[This should not normally be amended, but can be amended in the Agreement in exceptional circumstances if the PDE is arranging delivery of the assets].

The Buyer shall collect the assets within one week of the date of receipt by the Procuring and Disposing Entity of full payment for the assets.

[A standard period for collection of the assets of within one week of payment is given, but may be increased or decreased in the Agreement at the PDEs discretion. The period for collection should normally be relatively short, but may be longer for large items, items requiring dismantling or where potential Bidders are expected to be overseas].

The Buyer shall contact the official named in the Agreement, at the Procuring and Disposing Entity's address, as specified in the Agreement, to arrange a date and time for the collection of the assets.

[The contact name for collection of the assets must always be given in the Agreement].

The Buyer shall sign a Handover Certificate, certifying receipt of the assets, at the time of transfer.

[This clause should not normally be amended, unless an alternative document is to be signed. Some form of signed handover documentation should always be included].

5. Corrupt Practices

It is the Government of Uganda's policy to require that Procuring and Disposing Entities, as well as Bidders and Buyers for contracts for public assets, observe the highest standard of ethics during the disposal process and execution of such contracts.

In pursuit of this policy, the Procuring and Disposing Entity may terminate a contract for disposal if it at any time determines that corrupt or fraudulent practices were engaged in by representatives of the Procuring and Disposing Entity or of a Buyer, during the disposal process or the execution of that contract, without the Procuring and Disposing Entity having taken timely and appropriate action satisfactory to the Government of Uganda to remedy the situation.

[This clause is standard and should not require any amendment].

Guidance Notes on Finalising the Contract

Following the Contracts Committee's contract award decision, the PDU will need to finalise the disposal contract. The Contract Agreement itself is short, but it is important that it is supplemented by attaching other relevant documentation, particularly the:

- General Conditions of Contract; and
- Description of Assets, including the Price Schedule.

Very little work should be involved in finalising the contract, as the Description of Assets should normally be the same as the successful Bidder's bid, the General Conditions of Contract are never modified and the majority of the Agreement will have been drafted earlier for inclusion in the Bidding Document.

The Contract should be completed by the PDU and approved by the Contracts Committee prior to its issue.

The Contract Agreement

The Contract Agreement included in the Bidding Document should require only basic information to be completed, such as the name of the Procuring and Disposing Entity and successful Bidder, the date of the contract and the contract price. A sample Contract Agreement is included below, with guidance on the parts to complete at contract award stage in bold in square brackets.

Negotiations are unlikely to be held for disposal, but where any negotiations are held and the PDE is willing to accept any alternative terms and conditions of contract, these changes should be reflected in the Agreement. For example, if the PDE has accepted a slightly longer period for payment or for collection of the asset, this should be amended.

The Agreement must not include any changes which have not been agreed with the Buyer.

General Conditions of Contract

The General Conditions of Contract are always used unchanged, so can be attached to the Agreement, without any drafting.

Description of Assets

The GCC require the Description of Assets to be attached to define the assets which are subject to the contract. As for the Bidding Document, the Description of Assets should consist of:

1. the List of Assets and Price Schedule; and
2. the Description of Assets form (if this was included in the Bidding Document).

The **List of Assets and Price Schedule** should be identical, or very similar, to the completed Price Schedule submitted by the Bidder. However, if the Bidder has not been awarded all items or lots for which he bid, it is important that the relevant items are excluded from the contracts. Also, if there were any arithmetic errors in calculating the total, these should be corrected.

If there have been no changes to the item(s) sold and no clarifications relating to the Price Schedule, the completed Price Schedule submitted by the successful Bidder can simply be attached to the Agreement.

If there have been any changes to the Price Schedule, a new Schedule should be drafted, ensuring that it accurately captures all details of the accepted bid and amendments. Any new

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SOR should be drafted by using the one issued with the Bidding Document as a starting point, but making any necessary changes and completing the prices.

The **Description of Assets** form should be identical to that included in the Bidding Document, unless any items have been omitted from the contract. As for the List of Assets and Price Schedule, the document from the Bidding Document can be either attached or amended and attached, as required.

[Input of Information to be completed by Procuring and Disposing Entity at Contract Award stage]

Contract Agreement

Disposal Reference Number: **[Insert disposal reference number, which should be the same as on the Bidding Document, but with the addition of the contract number]**

THIS AGREEMENT made the **[insert number]** day of **[insert month]**, **[insert year]**, between **[insert complete name of Procuring and Disposing Entity]** of **[insert complete address of Procuring and Disposing Entity]** (hereinafter “the Procuring and Disposing Entity”), of the one part, and **[insert complete name of Buyer]** of **[insert complete address of Buyer]** (hereinafter “the Buyer”), of the other part:

WHEREAS the Procuring and Disposing Entity invited bids for the disposal of certain Assets, viz., **[insert brief description of the assets]** and has accepted a Bid by the Buyer for the purchase of those Assets in the sum of **[insert currency and amount of contract price in words and figures]** (hereinafter “the Contract Price”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. This Agreement shall be subject to the Government of Uganda General Conditions of Contract for the Disposal of Public Assets (attached), except where modified herein.
2. The Buyer hereby covenants to pay the Procuring and Disposing Entity in consideration of the provision of the Assets, the Contract Price at the times and in the manner prescribed by the Contract.
3. In consideration of the payments to be made by the Buyer to the Procuring and Disposing as indicated in the Contract, the Procuring and Disposing Entity hereby covenants with the Buyer to release the Assets in conformity in all respects with the provisions of the Contract.

THE GENERAL CONDITIONS OF CONTRACT ARE MODIFIED AS FOLLOWS:

The location of the assets is **[as completed for the Bidding Document]**

The official to contact to arrange collection of the assets is **[as completed for the Bidding Document]**

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of Uganda on the day, month and year indicated above.

Signed by **[signature of authorised signatory]** (for the Procuring and Disposing Entity)

Name **[insert name of authorised signatory]** Position **[insert position of authorised signatory]**

Signed by _____ (for the Buyer)

Name _____