

PPDA/UCI/114

10th January 2020

The Executive Director
Uganda Cancer Institute
P.O Box 3935
KAMPALA

**RE: ALLEGED IRREGULARITIES IN THE PROCUREMENT FOR SUPPLY AND
INSTALLATION OF ICT EQUIPMENT FOR TRAINING AND
TELEMEDICINE FOR THE CENTRE OF EXCELLENCE IN ONCOLOGY IFB
No: UCI/SUPLS/18-19/0067**

Reference is made to the above subject.

On 20th September 2019, the Authority received complaint from a whistleblower alleging the following irregularities in the procurement for the supply and installation of ICT Equipment for the Training and Telemedicine for the Centre of Excellence in Oncology:

1. The specifications for the ICT Equipment were prepared with the help of MFI Document Solutions Ltd and favored the bidder;
2. The bidding document was prepared in a manner which locked other IT companies from bidding;
3. The IT Manager was compromised by MFI Document Solutions Ltd with a trip to India; and
4. The technical specifications in the bidding document included proprietary terms instead of describing functional requirements.

In accordance with Section 8(1) (c) of PPDA Act, 2003, the Authority instituted an investigation into the matter and found that:

Brief facts:

1. On 22nd October 2014, the Uganda Cancer Institute published on African Development Bank website the General Procurement Notice for the procurement for the supply and installation of ICT Equipment for the Training and Telemedicine for the Centre of Excellence in Oncology under a loan from the African Development Fund at an estimated cost of USD. 1,104,000.

2. On 24th October 2014, the notice was published on the United Nations Business Development Online Ref: AfDB 716-10/14.
3. On 27th June 2019, the Entity published the notice in the New Vision and Daily Monitor Newspapers with the deadline for bid submission on 3rd September 2019.
4. On 18th July 2019, the Entity held a pre-bid meeting and sent the minutes to all bidders who picked the bidding document on 23rd July 2019.
5. On 3rd September 2019, the Entity received and opened bids from the following two firms:

Table 1: Record of Bid Opening

No.	Bidder	Bid Price (USD.)
1.	MFI Document Solutions Ltd	1,403,678.06
2.	Express Automation Uganda	1,310,139.87

Issues:

1. **Whether Uganda Cancer Institute prepared the specifications for the ICT Equipment with the help of MFI Document Solutions Ltd and favored the bidder**
 - i. The complainant alleged that the specifications for the ICT Equipment were prepared with the help of MFI Document Solutions Ltd and favored the bidder.
 - ii. The Authority established that the Entity developed the specifications for the ICT Equipment jointly with the officials from the Ministry of Information and Communications Technology and National Information Technology Authority of Uganda (NITA-U).
 - iii. The Authority found that the above specifications were approved by the National Information Technology Authority of Uganda (NITA-U) which granted a no objection to procure the ICT Equipment on Form 7 dated 12th March 2019.
 - iv. The Authority found that the above specifications approved by NITA-U were the incorporated in the bidding document and approved by the African Development Bank on 1st August 2019.
 - v. The Authority found no documentary evidence to prove the allegation of involvement of MFI Document Solutions Ltd in the preparation of the specifications for the ICT Equipment and hence no merit in this issue.
2. **Whether the bidding document was prepared in a manner which locked other IT companies from bidding.**

- i. The complainant alleged that the bidding document was prepared in a manner which locked other IT companies from bidding.
- ii. The complainant did not state the material particulars of the alleged restrictions that would lock other companies from bidding.
- iii. The Authority found that the Entity was granted a No objection to the bidding document by the Donor, African Development Bank and there was no documentary evidence that it locked other IT companies from bidding.
- iv. The Authority hence found no merit in the allegation.

3. Whether the IT Manager was compromised by MFI Document Solutions Ltd with a trip to India.

- i. The complainant alleged that the IT Manager was compromised by MFI Document Solutions Ltd with a trip to India.
- ii. The Entity submitted that that the IT Manager had not travel to India at all in the course of the procurement.
- iii. The Authority found no documentary evidence to prove the allegation that the IT Manager was compromised by MFI Document Solutions Ltd with a trip to India and hence no merit in this issue.

4. Whether the technical specifications in the bidding document included proprietary terms instead of describing functional requirements.

- i. The complainant alleged that the technical specifications in the bidding document included various proprietary terms instead of describing functional requirements.
- ii. The complaint submitted that the specifications for the Uninterrupted Power Supply (UPS) were restricted to Vision UPS for which only MFI Document Solutions Ltd has a partnership with the Original Equipment Manufacturer (OEM) in the whole of East Africa. The requirement provided for the weight of 1595Kg for the UPS and presence of a Vision Certified Technical Engineer which could only be met by MFI Document Solutions Ltd.
- iii. The Authority established that the bidding document did not require a Vision Certified Technical Engineer. The minimum weight for the UPS (which was required to support the appropriate battery size) was 1595kg and did not restrict the weight of the UPS.
- iv. The Authority hence found no merit in the allegations in respect of the specifications of the UPS.

- v. The complainant submitted that the requirement of emulations with only KPDL3 which is a postscript of Kyocera, toner cartridge capacity of not less than 20,000 pages and Drum Life of not less than 600,000 pages can only be met by MFI Document Solutions Ltd which has a partnership with the OEM to supply Kyocera in the whole of East Africa.
- vi. The Authority established that the bidding document stated various technologies for the emulations in addition to KPDL3 which included PCL6, PCL5, PCLXL and XPS.
- vii. The Entity submitted that the specifications for the Heavy-Duty Photocopier stated in the bidding document were the required minimum for the user needs of the Entity.
- viii. The Authority hence found no merit in the above allegations in respect of the specifications of the Heavy-Duty Photocopier.
- ix. The complainant submitted that the requirement for Kramer step-in over HDMI technology, Kramer reklocking, Kramer protocol 3000, TOA Gooseneck Microphone for the Audio-Visual System for the Auditorium were restricted to TOA & Kramer and could not be met by any other brand.
- x. The Entity submitted that the HDMI and the Toa Gooseneck Microphone were very minor aspects of the entire Audio-Visual System which has very many components.
- xi. The Authority hence found no merit in the allegations in respect of the specifications of the Audio-Visual System.
- xii. The complainant submitted that the Lactern Pedestal-all-in classroom was restricted to Lactern and cannot be met by any other brand.
- xiii. The Entity submitted that the Lactern Pedestal is simply a wireless stand technology facility to be used by the lecturers to make presentations and it is not a brand of anyone as alleged by the complainant.
- xiv. The Authority hence found no merit in the allegations in respect of the specifications of the Lactern Pedestal.
- xv. The complainant submitted that the specifications for the structured cabling/Fiber Solutions were restricted to R&M and can only be met by MFI Document Solutions Ltd which has a partnership with the OEM in the whole of East Africa.

- xvi. The Entity submitted that the specifications for the structured cabling/Fiber Solutions were the standard minimum features for cabling which are universal and must be met by any manufacturer.
- xvii. The Authority hence found no merit in the allegations in respect of the specifications of the structured cabling/Fiber Solutions.
- xviii. The complainant submitted that the requirement for the open touch for specifications for the PABX System & licenses were restricted to Alcatel and can only be met by MFI Document Solutions Ltd which has a partnership with the OEM in the whole of East Africa.
- xix. The Entity submitted that the specifications for the PABX System & licenses were stated to achieve compatibility of the additional units required to serve the new business units of the organization with the existing Alcatel technologies currently being used for its office telephone system.
- xx. The Authority hence found no merit in the allegations in respect of the specifications of the PABX System & licenses.

CONCLUSION

In accordance with Section 9 (1) (a) of the PPDA Act, 2003 and the findings above, the Authority found no merit and advises that the Entity proceeds with the procurement to its logical conclusion.

Uthman Segawa
FOR: EXECUTIVE DIRECTOR