



**PUBLIC PROCUREMENT AND DISPOSAL
OF PUBLIC ASSETS AUTHORITY**
"Procurement That Delivers"

Your Ref:

Our Ref: PPDA/MOD/004

5th October 2022

The Permanent Secretary
Ministry of Defence and Veteran Affairs
P.O.Box 3879
KAMPALA

RE: GUIDELINE TO IMPLEMENT ACCREDITED ALTERNATIVE PROCUREMENT SYSTEM FOR BUILDING MATERIALS AND SUPERVISION MECHANISM FOR PROJECTS UNDER FORCE ACCOUNT MECHANISM

Reference is made to your letter dated 7th September 2022 received by the Authority on 14th September 2022, on the above subject.

The Authority has noted from your letter that the Entity developed guidelines to implement the accreditation granted by the Authority and has forwarded them to the Authority for information.

The Authority has reviewed the submission and noted that the guideline provides for internal operating procedures for implementation of the accreditation. However, the Authority has further noted the following:

1. The guideline makes reference to Local Contracts Committee and Lower Contracts Committee under clause 4 (b) (vi), this needs to be rectified;
2. The guideline does not make provisions for procedures to be followed for construction projects requested for by other MDAs / outside the Entity for works to be undertaken by the Engineering Brigade;
3. The accreditation granted required the Entity to submit the alternative bidding documents for approval within six months from receipt of the letter in accordance to Section 7(1) (e) of the PPDA Act, 2003. The Authority has to date not received any simplified documents for approval and in the absence of these, the Entity should use the Standard Bidding Documents;

Head Office
PPDA - URF Tower, Plot 139
Nakasero Road
P.O.Box 3925, Kampala Uganda
Tel: +256-414-311100
Email: info@ppda.go.ug

Western Regional Office
RDC's Building, Bishop Stretcher Road,
Opposite BOU Currency Centre, Mbarara-Kabale Road
P.O. Box 1353, Mbarara, Uganda.
Tel: +256-417-733800
Email: mbararaoffice@ppda.go.ug

Northern Regional Office
Plot 1, Lower Churchill Drive
P.O. Box 999, Gulu, Uganda
Tel: +256-417-432010
Email: guluoffice@ppda.go.ug

Eastern Regional Office
Oval Plaza, Plot 1, Court Road
P.O. Box 2173, Mbale, Uganda
Tel: +256-417-890100
Email: mbaleoffice@ppda.go.ug

4. The Entity was further required to submit bi-annual progress reports on the use of the accreditation to the Authority, which has not been done. The Authority expected the first report on 25th May 2022 and the next report is expected on 25th November 2022; and
5. Furthermore, the Entity was guided in the letter granting the accreditation to refer to the PPDA Circular No. 8 of 2021 on the procurement of construction works for projects in the health and education sectors. The contents and requirements of the circular have not been provided for in the guideline submitted to the Authority i.e.:
 - a) Memoranda of understanding were to be signed with the respective entities providing for mechanism of implementation and a contract management team comprising of engineers, health officer, education officer, community officer, officials from the line Ministry and Ministry of Works and Transport among others; and
 - b) The Ministry of Education and Sports, Ministry of Health and District/City/Municipal Local Government, procuring and disposing entities were to retain the responsibility of supervising the works constructed by the Engineering Brigade.

The above notwithstanding, the Authority has no objection to the Entity using the internal processes outlined in the submitted document to be referred to as an internal procedure manual for internal purposes only subject to incorporation of the issues highlighted above.

The revised internal guideline should be shared with the Authority before implementation.



Aloysius Byaruhanga Mwesigwa (PhD)

FOR: EXECUTIVE DIRECTOR

c.c.: Head, Procurement and Disposal Unit



Public Procurement and Disposal of Public Assets Authority

Plot 37 Nakasero Road, UEDCL Tower 5th floor, P.O. Box 3925, Kampala, Uganda

+256 (0414) 311100

PPDA/RGF/005

Our Ref:

Your Ref:

16th November 2021

The Permanent Secretary
Ministry of Education and Sports
KAMPALA

The Permanent Secretary
Ministry of Health
KAMPALA

The Accounting Officers
District/ City/ Municipal Local Government Procuring and Disposing Entities

CIRCULAR NO. 8 OF 2021

GUIDANCE ON THE PROCUREMENT OF CONSTRUCTION WORKS FOR PROJECTS IN THE HEALTH AND EDUCATION SECTORS


Reference is made to the directives by His Excellency the President dated 1st July and 1st November, 2021 on the engagement of the Army Construction/Engineering Brigade to construct all projects in the Education and Health Sectors beginning FY 2021/22.

In accordance with Section 7 (1)(a) of the PPDA Act, 2003, this is to guide that the construction works in the Education and Health sectors, financed 100% by Government of Uganda, should be undertaken as follows:

1. The Accounting Officers of the implementing agencies of the Ministry of Education and Sports, Ministry of Health and District/ City/ Municipal Local Government Procuring and Disposing Entities should contract out the construction works in the health and education sectors to the Accounting Officer Ministry of Defence and Veteran Affairs using a "Memorandum of Understanding". This is in accordance with Section 39 (b) (i) of the PPDA Act, 2003.
2. The Memoranda of Understanding should provide for:
 - i. The mechanism for implementation of the works shall be by the Army Construction/Engineering Brigade or the National Enterprise Corporation (NEC).
 - ii. The obligations of the parties.
 - iii. The procedures of reporting on the execution of the works.
 - iv. The monitoring of the projects to be undertaken by a Contract Management Team comprising of the following where applicable:

- a) Engineer;
 - b) Health Officer;
 - c) Education Officer;
 - d) Environmental Officer;
 - e) Community Officer;
 - f) Official from the Line Ministry; or
 - g) Official from the Ministry of Works and Transport.
- v. The costs to be paid and the modalities of payment.
3. The Ministry of Defence and Veteran Affairs shall use the Army Construction/Engineering Brigade or NEC to undertake the works by, among others, the force account mechanism as provided under the PPDA (Force Account Mechanism) Regulations, 2014.
4. The Ministry of Education and Sports, Ministry of Health and District/ City/ Municipal Local Government Procuring and Disposing Entities retain the responsibility of supervising the works constructed by the Army Construction/Engineering Brigade or NEC.
5. For GOU wholly funded projects, where the procurements were started but not concluded, guidance should be sought from the Attorney General while contracts already awarded to private companies should be brought to their logical conclusion.
6. Procurement of construction works at Universities shall be undertaken using PPDA laws. Entities are further advised to ensure that lists of projects are submitted to the Ministry of Defence and Veteran Affairs and that construction sites are available and documented without any encumbrances.

The Authority is available to provide clarification on the matter whenever necessary. The Accounting Officers remain responsible for ensuring value for money in the conduct of procurements.



Benson Turamye
EXECUTIVE DIRECTOR

- c.c.: The Rt. Honorable Prime Minister
- c.c.: The First Lady and Hon. Minister of Education and Sports
- c.c.: The Hon. Minister of Finance, Planning and Economic Development
- c.c.: The Hon. Minister of Health
- c.c.: The Hon. Minister of Local Government
- c.c.: The Hon. Minister of Information, Communication and Technology and National Guidance Information
- c.c.: The Hon. Minister of Defence and Veteran Affairs
- c.c.: All Hon. Ministers of State of Finance, Planning and Economic Development
- c.c.: The Hon. Minister of State for Economic Monitoring
- c.c.: The Permanent Secretary/Secretary to Treasury, Ministry of Finance Planning and Economic Development
- c.c.: The Permanent Secretary, Ministry of Local Government
- c.c.: The Permanent Secretary, Ministry of Defence and Veteran Affairs
- c.c.: The Principal Private Secretary to H.E. the President