

**Our Ref: PPDA/EOC/124**

28<sup>th</sup> August 2025

The Secretary  
Equal Opportunities Commission  
P.O. Box 27672  
**KAMPALA**

**BID PREPARATORY AUDIT EXERCISE FOR THE SUPPLY OF SPECIALIZED  
(CUSTOM-BUILT) STATION WAGON VEHICLE REFERENCE NUMBER  
EOC/SUPLS/25-26100036**

Reference is made to the above subject.

The Public Procurement and Disposal of Public Assets Authority (PPDA) instituted a bid preparatory audit in the above referenced procurement.

The audit was conducted in accordance with Section 8 (1) (j) (i) of the Public Procurement and Disposal of Assets Act Cap 205 and involved a review of the bidding process and the solicitation document issued to bidders.

The objective of the audit was to:

- i. Identify gaps, if any, in the preparation of the solicitation documents and advise on appropriate improvements; and
- ii. Establish whether the advertised procurement is on the plan and approved by all the necessary stakeholders.

The Authority identified some exceptions for the attention of management as detailed below:

**1. Inconsistencies in the deadline for bid submission**

Discrepancies in the deadline for bid submission: Whereas the advertisement published a deadline of 10<sup>th</sup> September 2025, the bidding document indicated an earlier date of 4<sup>th</sup> September 2025. Bidders may be unsure of which deadline to follow leading to potential missed opportunities, late submissions or unnecessary complaints.

The Head, Procurement and Disposal Unit should revise the solicitation document to indicate the correct date of 10<sup>th</sup> September 2025 as advertised for bid closure in accordance with Section 33 (i) of the PPDA Act, Cap 205.

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## 2. Failure to request for the Beneficial Ownership Declaration Form

The Authority noted that the issued bidding document did not include this requirement contrary to Circular 1 of 2021 issued by the Authority. It is a requirement for this information to be submitted at the time of bidding through a corresponding entry in the bidding form.

The Head, Procurement and Disposal Unit should revise and include this requirement in the solicitation document and inform bidders of the update in line with Circular No.1 of 2021 issued by the PPDA on 15<sup>th</sup> December 2021.

## 3. Inconsistencies in the bidding document

The Authority found inconsistencies in the bidding document as highlighted in Table 1 below:

**Table 1: Inconsistencies in the bidding document**

No.	Section of the document	Inconsistence
1.	Bid security	According to ITB 19.3, the bid security must remain valid for a period of 28 days beyond the bid validity date. However, the required bid security in the bidding document is valid until 3 <sup>rd</sup> April 2026, which is the same date as the bid validity. This contradicts the requirement in ITB 19.3 which mandates that the bid security should be valid for an additional 28 days beyond the bid validity period.
2.	Incoterms	There is a discrepancy in the General Conditions of Contract (GCC) concerning the applicable Incoterms. GCC 4.2 (B) states the use of Incoterms 2012 while GCC 26 mentions Incoterms 2025. This needs to be clarified to ensure consistency.

The Head Procurement and Disposal Unit should amend the bidding documents to correct the above inconsistencies.

## 4. Performance security above the mandated threshold

PPDA Guideline No.3 on bid and performance securities states that where performance security in the form of a Bank Guarantee is required, it shall be expressed in the Special Conditions of Contract in the bidding document as a percentage of the contract price and shall not exceed 5% of the contract price. However, the Entity requested a performance security of 10% contrary to the Guideline. This is irregular and a breach of the Guideline.

The Head, Procurement and Disposal Unit should adhere to PPDA Guideline No.3 and set a performance security requirement that does not exceed 5%.

## 5. Bid security above the mandated threshold

PPDA Guideline No.3 on bid and performance securities states that the bank guarantee shall indicate a fixed amount and shall not exceed 1% of the estimated value of the procurement requirement. Contrary to this Guideline, the bid security exceeded 1% of the estimated cost of

the procurement. Whereas the estimate is UGX 600 million, the Entity requested for a bid security of UGX 12,000,000 (2%) instead of UGX 6 million. This is irregular and a breach of the Guideline.

The Head, Procurement and Disposal Unit should adhere to PPDA Guideline No.3 and set a bid security requirement that does not exceed 1%.

The Authority recommends that the above observations be immediately rectified, necessary approvals be obtained where applicable, and bidders be notified of the changes before bid closure.

The purpose of this letter is to forward the findings of the bid preparatory audit exercise for implementation.



Dr. Aloysius M. Byaruhanga

**FOR: EXECUTIVE DIRECTOR**

cc: The Chairman, Contracts Committee  
cc: The Head, Procurement and Disposal Unit