



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

**Our Ref.: PPDA/IRA/12**

14<sup>th</sup> August 2025

The Chief Executive Officer  
Insurance Regulatory Authority of Uganda  
P.O. Box 22855  
**KAMPALA**

**BID PREPARATORY AUDIT REPORT FOR NON-LIFE INSURANCE SERVICES  
UNDER FRAMEWORK CONTRACT**

Reference is made to the above subject.

On 11<sup>th</sup> August 2025, the Public Procurement and Disposal of Public Assets Authority (hereinafter "PPDA or the Authority"), in accordance with Section 8 (1) (j) (i) of the PPDA Act Cap. 205, conducted a bid preparatory audit at the Insurance Regulatory Authority for non-life insurance services under a 36-months' framework contract (IRA/NCONS/25-26/00020).

The objectives of the bid preparatory audit were to:

1. Establish whether the public procurement planning and requisitioning processes were conducted in accordance with the PPDA Act Cap. 205, PPDA Regulations 2023 and PPDA Guidelines; and
2. Establish whether the solicitation document issued was drafted in a manner which promotes transparency, accountability and fairness to the bidders in accordance with the provisions of the PPDA Act Cap. 205, PPDA Regulations 2023 and PPDA Guidelines.

The scope of the bid preparatory audit entailed a review of the procurement requisition forms, solicitation documents and bid notice as well as the approvals of the Contracts Committee. The areas of the solicitation documents analyzed were; Instructions to Bidders, Bid Data Sheet, Evaluation Methodology and Criteria, Bidding Forms and the Special and General Conditions of Contract.

The Authority identified the following exceptions with regard to the procurement planning and requisition processes, and the solicitation documents for the attention of management.

Page 1 of 3

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## **1.1 Whether the public procurement planning and requisitioning processes were conducted in accordance with the PPDA Act Cap. 205, PPDA Regulations 2023 and PPDA Guidelines**

### **1.1.1 Delay to commence the procurement process**

The Entity initiated the procurement on 23<sup>rd</sup> July 2025 and invited bidders on 1<sup>st</sup> August 2025 – two weeks – after the planned bid invitation date of 15<sup>th</sup> July 2025 contrary to Section 51 of the PPDA Act Cap. 205. The Authority was informed that the delay was due to a prior asset valuation process. Delays to commence the procurement process further delay the acquisition of key employment benefits.

The Authority recommends that the Heads of User Departments should undertake proper planning in order to adhere to the procurement plan timelines in accordance with Section 51 of the PPDA Act Cap. 205.

## **2.1 Whether the solicitation document issued was drafted in a manner which promotes transparency, accountability and fairness to the bidders in accordance with the provisions of the PPDA Act Cap. 205, PPDA Regulations 2023 and PPDA Guidelines**

### **2.1.1 Combining technical requirements under administrative compliance criteria**

Regulation 18 (2) of the PPDA (Evaluation) Regulations, 2023 provides that a bidder shall be administratively compliant where:

- a. The bidder submits a bid security, where this is required, in the correct form and amount and where the bid security is authentic;
- b. The bidder submits a bid securing declaration, where this is required, in the correct form;
- c. The bidder submits the bid in the required format;
- d. The authorization and signature of the bids is in accordance with the instructions in the bidding document;
- e. The bid validity is correct; and
- f. The bidder submits additional documents or samples as may be required.

The Authority noted that the Entity included the technical requirements on evidence of settlement of claims and execution of contracts for various insurances under the administrative compliance criteria contrary to Regulation 18 (2) of the PPDA (Evaluation) Regulations, 2023. This may misguide the evaluation process and create missed opportunities for potential bidders.

The Procurement and Disposal Unit should capture the technical requirements on evidence of settling claims and executing contracts for the various insurances under the technical criteria of the bidding document in accordance with Regulation 19 of the PPDA (Evaluation) Regulations, 2023.

### **2.1.2 Inadequate technical evaluation criteria**

The Authority noted that the bidding document did not provide for technical criteria on public liability insurance, money insurance and fidelity guarantee insurance contrary to Section 76 (2) of the PPDA Act Cap. 205. The Entity only requested for evidence on settling claims and executing contracts under workman's compensation and group personal accident insurance, motor

comprehensive insurance, assets all risks insurance and fire insurance This may result in poor bidder selection and the resultant suboptimal performance of the contract as potential providers may not meet all procurement requirements.

The Procurement and Disposal Unit should provide for technical criteria on public liability insurance, money insurance and fidelity guarantee insurance in accordance with Section 76 (2) of the PPDA Act Cap. 205.

The purpose of this letter is to forward the findings of the bid preparatory audit exercise. In order to administer and enforce compliance with the provisions of the PPDA Act Cap. 205, Regulations 2023 and Guidelines, the Entity is required to implement the recommendations of the Authority contained in this letter.



Dr. Aloysius M. Byaruhanga

**FOR: EXECUTIVE DIRECTOR**

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