



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

PPDA/RGF/005

2nd November 2023

Accounting Officers
Central and Local Government Entities

CIRCULAR NO. 7 OF 2023

**REVISION TO THE STANDARD BIDDING DOCUMENT FOR PROCUREMENT OF
SUPPLIES UNDER THE OPEN (NATIONAL) AND RESTRICTED (SELECTIVE)
BIDDING METHODS**

Reference is made to the above subject.

Section 7(1)(d) of the PPDA Act, 2003 mandates the Authority to prepare, update and issue authorized versions of the standardized bidding documents, procedural forms and any other attendant documents to Procuring and Disposing Entities (PDEs). In accordance with the above provision and findings in our compliance monitoring activities, the Authority has revised and prepared the following revisions for use by all PDEs with immediate effect.

1. Instructions to Bidders 5.5;
2. Bid Data Sheet 5.5.
3. Bid Security Form;
4. Distributor/Supplier's Authorisation;
5. Performance Security Form; and
6. Advance Payment Security Form;

The changes to the Standard Bidding Document for Supplies are the following:

1. Instructions to Bidders 5.5

From:

"If so required in the BDS, the Bidder shall demonstrate that it has been duly authorised by the Manufacturer of the Supplies to supply, in the Republic of Uganda, the Supplies indicated in its bid."

To:

"If so required in the BDS, the Bidder shall demonstrate that it has been duly authorised by the Manufacturer/Supplier/Distributor of the supplies to sell them in the Republic of Uganda as indicated in its bid".

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2. Bid Data Sheet 5.5

From:

“The Bidder shall/shall not be required to include with its Bid, documentation from the Manufacturer of the Supplies, that it has been duly authorised to supply, in Uganda, the Supplies indicated in its bid by submitting the Manufacturers Authorisation Form in Section 4 Bidding Forms.”

To:

“The Bidder shall/shall not be required to include with its Bid, documentation from the Manufacturer/Supplier/Distributor of the supplies, that it has been duly authorised to supply, in Uganda, the supplies indicated in its bid by submitting the Manufacturer’s Authorisation or Supplier/Distributor’s Authorisation Form in Section 4 Bidding Forms”.

3. Clause one of the conditions in the Bid Security Form

From:

“If the Bidder withdraws its bid during the period of bid validity specified by the Bidder in the Bid Submission Sheet, except as provided in ITB Sub-Clause 21.2;”

To:

“If the Bidder withdraws its bid during the period of bid validity specified by the Bidder in the Bid Submission Sheet, except as provided in ITB Sub-Clause 20.3;”

4. Inclusion of a Distributor/Supplier’s Authorisation Form as an alternative to the Manufacturer’s Authorisation Form.

5. Paragraph six of the Performance Security Form

From:

“This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758, except that subparagraph (ii) of Sub-article 20(a) is hereby excluded.”

To:

“This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758, except that Article 15(a) is hereby excluded.”

6. Paragraph six of the Advance Payment Security Form

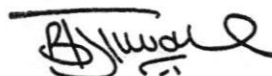
From:

“This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758, except that subparagraph (ii) of Sub-article 20(a) is hereby excluded.”

To:

“This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758, except that Article 15(a) is hereby excluded.

The purpose of this circular is to submit the revised changes to the Standard Bidding Documents for Supplies for use by Procuring and Disposing Entities when preparing bidding documents. The



new Supplier/Distributor's Authorisation may be used as an alternative to the Manufacturer's Authorisation for procurement of supplies such as Motor vehicles, motorcycles, Information Technology items that are commercial and **NOT Enterprise Solutions**. The revised Bid Security, Performance Security and Advance Payment Security forms replace the current forms respectively in the Standard Bidding Document for procurement of supplies.

The revised and updated standard bidding document can be accessed on the Authority's website at <https://www.ppda.go.ug>.



Benson Turamye
EXECUTIVE DIRECTOR

c.c.: The Permanent Secretary/Secretary to Treasury, Ministry of Finance, Planning and Economic Development

Encl.: Revised Bid Security, Supplier/Distributor's Authorisation, Performance Security and Advance Payment Security Forms

[This Bid Security should be on the letterhead of the issuing Financial Institution and should be signed by a person with the proper authority to sign the Bid Security. It should be included by the Bidder in its bid, if so indicated in the BDS].

Bid Security

Date: *[insert date (as day, month and year) of bid submission]*

Procurement Reference No.: *[insert Procurement Reference number]*

To: *[insert complete name of Procuring and Disposing Entity]*

Whereas *[insert complete name of Bidder]* (hereinafter "the Bidder") has submitted its bid dated *[insert date (as day, month and year) of bid submission]* for Procurement Reference number *[insert Procurement Reference number]* for the supply of *[insert brief description of the Supplies and Related Services]*, hereinafter called "the bid."

KNOW ALL PEOPLE by these presents that WE *[insert complete name of institution issuing the Bid Security]*, of *[insert city of domicile and country of nationality]* having our registered office at *[insert full address of the issuing institution]* (hereinafter "the Guarantor"), are bound unto *[insert complete name of the Procuring and Disposing Entity]* (hereinafter "the Procuring and Disposing Entity") in the sum of *[specify in words and figures the amount and currency of the bid security]*, for which payment well and truly to be made to the aforementioned Procuring and Disposing Entity, the Guarantor binds itself, its successors or assignees by these presents. Sealed with the Common Seal of this Guarantor this *[insert day in numbers]* day of *[insert month]*, *[insert year]*.

THE CONDITIONS of this obligation are the following:

1. If the Bidder withdraws its bid during the period of bid validity specified by the Bidder in the Bid Submission Sheet, except as provided in ITB Sub-Clause 20.3; or
2. If the Bidder, having been notified of the acceptance of its bid by the Procuring and Disposing Entity, during the period of bid validity, fails or refuses to:
 - (a) sign the Contract in accordance with ITB Clause 42; or
 - (b) furnish the Performance Security, in accordance with the ITB Clause 44; or
 - (c) accept the correction of its bid by the Procuring Entity, pursuant to ITB Clause 31;

We undertake to pay the Procuring and Disposing Entity up to the above amount upon receipt of its first written demand, without the Procuring and Disposing Entity having to substantiate its demand, provided that in its demand the Procuring and Disposing Entity states that the amount claimed by it is due to it, owing to the occurrence of one or more of the above conditions, specifying the occurred conditions.

This security shall remain in force up to and including *[Insert date, month and year as per ITB Clause 21.3]* and any demand in respect thereof should be received by the Guarantor no later than the above date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758.

Signed: *[insert signature of person whose name and capacity are shown below]*

Name: *[insert complete name of person signing the Security]* In the capacity of *[insert legal capacity of person signing the Security]* duly authorised to sign the Security for and on behalf of: *[insert complete name of the Financial Institution]*

Dated on _____ day of _____, _____ *[insert date of signing]*

[This authorisation should be on the letterhead of the Supplier/Distributor and should be signed by a person with the proper authority to sign such an authorisation. It should be included by the Bidder in its bid, if so indicated in the BDS].

Supplier/Distributor's Authorisation

Date: *[insert date (as day, month and year) of bid submission]*

Procurement Reference No.: *[insert Procurement Reference Number]*

To: *[insert complete name of Procuring and Disposing Entity]*

WHEREAS *[insert complete name of Supplier/Distributor, address, type of supplies authorised by the manufacturer and name of manufacturer]*, do hereby authorise *[insert complete name of Bidder]* to submit a bid in relation to the Bidding Document indicated above, the purpose of which is to provide the following Supplies, supplied/distributed by us *[insert name or brief description of the Supplies]*, and to subsequently negotiate and sign the Contract.

We hereby extend our full guarantee and warranty in accordance with Clause 29 of the General Conditions of Contract, with respect to the Supplies offered by the above firm in response to the Invitation for Bids.

Signed: *[signature of person whose name and capacity are shown below]*

Name: *[insert complete name of person signing the Supplier/Distributor's Authorisation]*

In the capacity of *[insert legal capacity of person signing the Supplier/Distributor's Authorisation]*

Duly authorised to sign the Supplier/Distributor's Authorisation for and on behalf of: *[insert complete name of Supplier/Distributor]*

Dated on _____ day of _____, _____ *[insert date of signing]*

[The Performance Security should be on the letterhead of the issuing Financial Institution and should be signed by a person with the proper authority to sign documents that are binding on the Financial Institution]

Performance Security

Date: *[insert date (as day, month, and year) of Performance Security]*

Procurement Reference No: *[insert Procurement Reference Number]*

To: *[insert complete name of Procuring and Disposing Entity]*

WHEREAS *[insert name complete of Provider]* (hereinafter "the Provider") has undertaken, pursuant to Contract No. *[insert number]* dated *[insert day, month and year]* to supply *[brief description of the Supplies and Related Services]* (hereinafter "the Contract").

AND WHEREAS it has been stipulated by you in the aforementioned Contract that the Provider shall furnish you with a security *[insert type of security]* issued by a reputable guarantor for the sum specified therein as security for compliance with the Provider's performance obligations in accordance with the Contract.

AND WHEREAS the undersigned *[insert complete name of Guarantor]*, legally domiciled in *[insert complete address of Guarantor]*, (hereinafter the "Guarantor"), have agreed to give the Provider a security:

THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the Provider, up to a total of *[insert currency and amount of guarantee in words and figures]* and we undertake to pay you, upon your first written demand declaring the Provider to be in default under the Contract, without cavil or argument, any sum or sums within the limits of *[insert currency and amount of guarantee in words and figures]* as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This security is valid until the *[insert number]* day of *[insert month]*, *[insert year]*.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758, except that Article 15(a) is hereby excluded.

Name: *[insert complete name of person signing the Performance Security]*

In the capacity of *[insert legal capacity of person signing the Performance Security]*

Signed: *[signature of person whose name and capacity are shown above]*

Duly authorised to sign the Performance Security for and on behalf of: *[insert complete name of Financial Institution]*

Dated on _____ day of _____, _____ *[insert date of signing]*

[The Advance Payment Security should be on the letterhead of the issuing Financial Institution and should be signed by a person with the proper authority to sign documents that are binding on the Financial Institution]

Advance Payment Security

Date: *[insert date (as day, month, and year) of Payment Security]*

Procurement Reference No.: *[insert Procurement Reference Number]*

To: *[insert complete name of Procuring and Disposing Entity]*

In accordance with the payment provision included in the Contract, in relation to advance payments, *[insert complete name of Provider]* (hereinafter called "the Provider") shall deposit with the Procuring and Disposing Entity a security consisting of *[indicate type of security]*, to guarantee its proper and faithful performance of the obligations imposed by said Clause of the Contract, in the amount of *[insert currency and amount of guarantee in words and figures]*.

We, the undersigned *[insert complete name of Guarantor]*, legally domiciled in *[insert full address of Guarantor]* (hereinafter "the Guarantor"), as instructed by the Provider, agree unconditionally and irrevocably to guarantee as primary obligor and not as surety merely, the payment to the Procuring and Disposing Entity on its first demand without whatsoever right of objection on our part and without its first claim to the Provider, in the amount not exceeding *[insert currency and amount of guarantee in words and figures]*.

This security shall remain valid and in full effect from the date of the advance payment received by the Provider under the Contract until *[insert day, month and year]*.

Name: *[insert complete name of person signing the Payment Security]*

In the capacity of *[insert legal capacity of person signing the Payment Security]*

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758, except that Article 15(a) is hereby excluded.

Signed: *[signature of person whose name and capacity are shown above]*

Duly authorised to sign the Payment Security for and on behalf of: *[insert complete name of the Financial Institution]*

Dated on _____ day of _____, _____ *[insert date of signing]*