PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS AUTHORITY

"Regulating for Results"

REPORT ON THE PROCUREMENT AND DISPOSAL AUDIT OF KOLE DISTRICT LOCAL GOVERNMENT FOR FINANCIAL YEAR 2024/25

JUNE 2026

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ACRYONYMS

ESHS	Environmental, Social, Health and Safety
FY	Financial Year
GCC	General Conditions of Contract
HC	Health Centre
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets
PPDA Act	Public Procurement and Disposal of Public Assets Act, Cap. 205
S/C	Sub-County
UGX	Uganda Shillings
VAT	Value Added Tax

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a procurement and disposal audit of Kole District Local Government for the financial year 2024/2025 and reviewed 15 sampled procurement and disposal transactions.

The overall objective of the audit was to assess and establish the degree of compliance of the Entity's procurement system and processes with the provisions of the PPDA Act, Cap. 205, PPDA Regulations, 2023, PPDA Guidelines, 2024 and the level of procurement performance over the audit period.

While Kole District Local Government maintained the required procurement and disposal structures, and its activities were generally conducted in compliance with the PPDA Act, Cap. 205, PPDA Regulations and Guidelines, the audit identified critical internal control and performance weaknesses that require urgent management intervention

Specifically, these included a disregard for regulatory oversight by failing to address over half of the previous FY 2023/2024 audit recommendations, serious risks at different stages, including flawed bidding documents, unamended contract clauses, widespread record-keeping failures. Most critically, missing material tests and failure to dispose of obsolete assets.

Although these gaps do not completely compromise the procurement and disposal system, they expose operational vulnerabilities in project oversight, risk mitigation, and fiscal discipline. Left uncorrected, this pattern of procedural deviations and weak supervisory controls will continue to stall critical community infrastructure, drain public resources and directly obstruct the realization of public service mandates.

Accordingly, the performance of Kole District Local Government for FY 2024/2025 was assessed as **moderately satisfactory**, with an overall weighted average risk rating of **58.81%**, requiring targeted management interventions to strengthen contract performance and compliance with the statutory and regulatory requirements.

Despite the moderately satisfactory performance, the following key exceptions were noted during the audit:

1. Failure to address eight out of 15 audit recommendations from the PPDA FY 2023/2024 Audit Report. While seven (46.7%) recommendations were fully implemented, five (33.3%) remained partially implemented and three (20.0%) unimplemented, contrary to Section 10 (1) (a) of the PPDA Act Cap. 205. This hinders the achievement of efficiency in the procurement and disposal function and shows non-compliance to the legal requirements of public procurement.

2. Non-implementation of planned procurements worth UGX. 1,747,528,000 representing 31% of the procurement plan budget, contrary to Section 60 (2) (d) of the PPDA Act, Cap. 205. This affected service delivery to the beneficiaries and exposed the Entity to the likelihood of returning unspent funds to the Treasury due to low budget performance.

3. Inadequate bidding document of five procurements worth UGX. 796,581,806 that lacked requirements, for example, provisions for Performance Securing Declarations and insurance covers, contrary to Regulations 44 (c) (ii) and (xi) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023. This exposed the Entity to dealing with unreliable and incapable bidders, who could face difficulties in project implementation hence, impacting negatively on the timeliness and quality of project output.

4. Failure to amend the clauses in the Special Conditions of the Contract of two draft contracts worth UGX. 851,708,440 that were cleared by the Solicitor General, contrary to Regulation 6 (1) (f) of the PPDA (Contracts) Regulations, 2023. This compromised the role of the Solicitor General in the procurement process and the Government's legal position in case of disputes that could arise from breaches of the terms and conditions of the contracts.

5. No evidence that material tests were conducted in three procurements worth UGX. 2,382,560,228, despite being budgeted for in the bills of quantities at UGX. 12,500,000. This contravened Regulation 52 (3) (a) (iv) of the PPDA (Contracts) Regulations, 2023 and exposed the Entity to the risk of not achieving the desired quality works/outcomes and financial losses due to unaccounted for material test costs.

6. Ten procurements worth UGX. 3,450,094,227 exhibited contract implementation anomalies such as: incomplete works; non-implementation of ESHS requirements; poor quality works e.g., un sealed spot potholes, damaged floor screeds in classrooms, stagnant water with no drainage on the roads, contrary to Regulation 52 (3) (a) (i) of the PPDA (Contracts) Regulations, 2023. This delayed services to the intended beneficiaries and exposed the Entity to legal, health, and safety liabilities due to non-compliance with ESHS requirements and structural standards.

7. Incomplete files of 15 procurements worth UGX. 4,517,191,546, contrary to Section 33 (o) of the PPDA Act, Cap. 205. This exposed the Entity to lack of accountability for the procurements executed, due to lack of necessary procurement records, for example, payment records, completion certificates, handover reports, among others.

8. Non-disposal of obsolete assets in contravention of Regulation 2 (1) of the PPDA (Disposal of Public Assets) Regulations, 2023, This exposed the assets to further deterioration and loss of realizable market value through pilferage, wear and tear.

In light of the above findings, the Authority recommends the following:

1. The Accounting Officer should:
   i) Enforce compliance with the requirements of the Authority's recommendations, to avoid the consequences of breaching the provisions of the Section 10 (1) (a) of the PPDA Act, Cap. 205 to enable the Entity achieve efficiency in its procurement and disposal function.
   ii) Utilize the funds released to the Entity on the procurements as planned, so as to meet the service delivery needs of the beneficiaries. Where changes occur in the budget implementation process, the procurement plan should be updated, approved by the Contracts Committee, and a copy submitted to the Authority, in accordance with Section 60 (7) and (8) of the PPDA Act, Cap. 205.

iii) Strictly sign contracts with successful bidders, after the Solicitor General's guidance has been incorporated in the contract by the PDU to safeguard the interests of the Entity in accordance with Regulation 6 (1) (f) of the PPDA (Contracts) Regulations, 2023.
iv) Recover and submit evidence of recovery to the Authority a total of UGX 12,500,000 from the contractors' retention monies to account for the unexecuted material tests/ hydrological surveys as follows:
    a) UGX. 2,500,000 from Oryemcan Company Ltd., for the low-cost seal maintenance from corner Park to Kole town 4km.
    b) UGX. 7,000,000 from Bygon Enterprises Limited, in the rehabilitation of 15.01km road in Bala Sub-County, Kole District Under National Oil Seed Project.
    c) UGX. 3,000,000 from Bygon Enterprises Limited, in the construction of Kaguta Complex phase IV.
v) Task the Contract Managers to oversee the completion of all pending works and rectification of defects in accordance with Regulation 52 (3) (a) (i) of the PPDA (Contracts) Regulations, 2023. Failure by the contractors to comply and submit verifiable evidence should result into recovery of the funds from their subsequent interim payment certificates and retention monies.
vi) Institute a Board of Survey to evaluate and assess the status of the assets of the Entity to guide the disposal process in accordance with Regulation 2 (2) of the PPDA (Disposal of Public Assets) Regulations, 2023.
vii) Based on the Board of Survey report, task the Head, Procurement and Disposal Unit to prepare the disposal plan, and submit the same to the Authority, in compliance with Regulation 2 (1) of the PPDA (Disposal of Public Assets) Regulations, 2023.

2. The Contracts Committee should before approval of bidding documents, verify completeness and appropriateness of the requirements in the terms and conditions of contract in accordance with Regulations 44 (c) (ii) and (xi) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

3. The Head, Procurement and Disposal Unit should comply with the provisions of Section 33 (o) of the PPDA Act Cap. 205 by archiving and maintaining complete procurement files with all the related documentation for each individual procurement for accountability and future reference.

4. Contract Managers should in subsequent procurements, task the contractors to abide by the technical requirements of construction works execution of material tests within the acceptable standard as specified in the contractual terms and obligations. No works should proceed where material tests are not done by the contractor, where required, in accordance with Regulation 52 (3) (a) (iv) of the PPDA (Contracts) Regulations, 2023.

Kole District Local Government should implement the recommended action plan on pages **35-37** of this report.

CHAPTER 1: INTRODUCTION

1.1 Background

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a procurement and disposal audit of Kole District Local Government for the financial year 2024/2025 and reviewed 15 sampled procurement and disposal transactions. The audit involved a review of procurement structures, procurement and asset disposal processes, as well as contract performance following the provisions of the PPDA Act, Cap. 205, PPDA Regulations, 2023 and PPDA Guidelines, 2024.

1.2 Audit objectives

The overall objective of the audit was to assess and establish the degree of compliance of Entity's procurement system, process and disposal with the provisions of the PPDA Act, Cap. 205, PPDA Regulations, 2023, PPDA Guidelines, 2024 and the level of procurement performance over the audit period.

The specific objectives of the audit were to:

1. Establish the level of compliance by the Procuring and Disposing Entity with the general provisions of the PPDA Act, Cap. 205, PPDA Regulations, 2023 and PPDA Guidelines 2024;
2. Assess the degree of compliance with the PPDA Act, Cap. 205 and PPDA Regulations, 2023 in the conduct of disposal activities; and
3. Assess the level of efficiency and effectiveness in contract implementation including the application of Environmental, Social, Health and Safety (ESHS) requirements where applicable.

1.3 Structure of the Entity

Kole District, located in Northern Uganda, is part of the Lango sub-region and was established as an independent administrative unit on 1st July 2010, following its separation from Apac district. The district operates under Uganda's decentralization system and manages public services, local economic development, and infrastructure for its population.

According to Section 28 of the PPDA Act, Cap. 205, the Accounting Officer has the overall responsibility for the successful execution of procurement and disposal processes in a Procuring and Disposing Entity. The Accounting Officer of Kole District Local Government during the financial year under review was Mr. Stephen Lokope, the Chief Administrative Officer.

The Permanent Secretary/Secretary to the Treasury of the Ministry of Finance, Planning & Economic Development approved the members of the Contracts Committee listed in Table 1 below:

Table 1: Contracts Committee membership

No.	Name	Job Title	Position on Committee	Date of Appointment
1.	Mr. Richard Opio	District Production Officer	Chairperson	24th February 2026
2.	Ms. Lucy Ijura Ciro	Community Development Officer	Secretary	24th February 2026
3.	Mr. Alex Eyul	Senior Clinical Officer	Member	24th February 2026

No.	Name	Job Title	Position on Committee	Date of Appointment
4.	Ms. Esther Kia	Senior Assistant Chief Administrative Officer	Member	23rd October 2025
5.	Mr. Felix Obalo Ogwal	Assistant Engineering Officer	Member	23rd October 2025

According to Section 33 (a) of the PPDA Act, Cap. 205, all procurement or disposal activities of the Procuring and Disposing Entity except adjudication and the award of contract were to be managed by the Procurement and Disposal Unit. The Procurement and Disposal Unit during the financial year under review was headed by Ms. Stella Aquir.

1.4 Procurement and disposal audit scope

The audit involved a review of the procurement process, disposal process, general compliance issues and contract implementation of 15 transactions under financial year 2024/25 (***Appendix 1***).

1.5 Audit Methodology

On 6th March 2026, the Entity was notified about the audit exercise. A sample of 15 procurement transactions conducted in the financial year 2024/2025 was selected based on stratified random sampling. An audit launch meeting was held on 30th March 2026 between the audit team and the Entity's officials.

Two officers conducted the exercise under the supervision of the Regional Manager, Northern Region. During the exercise, the team examined records and documents of the sampled procurement transactions. This involved a review of the Entity's procurement/disposal planning, initiation, bidding, evaluation, contract placement and management.

On completion of file review, the audit team met with various stakeholders to discuss and obtain clarifications on some of the preliminary findings. A debrief meeting was held on 10th April 2026 between the audit team and the Entity's officials. A management letter was issued to the Entity for management's response on 8th May 2026 and the Entity's responses to the issues raised were received on 20th May 2026. The exit meeting was held on 21st May 2026 at PPDA Gulu Regional Office, Plot 1, Lower Churchill Drive, Gulu City.

On completion of data collection and before writing the report, the Regional Manager reviewed the working papers for completeness. The working papers contained a detailed chronology of findings on each of the sampled transactions. The audit report presents the key findings and conclusions arising from the audit

CHAPTER 2: FINDINGS AND RECOMMENDATIONS

2.1 Compliance by the Procuring and Disposing Entity with the general provisions of the PPDA Act, Cap. 205, PPDA Regulations, 2023 and PPDA Guidelines 2024

2.1.1 Failure to implement 53% of the PPDA audit recommendations for FY 2023/24

Section 10 (1) of the PPDA Act, Cap. 205 provides for action to be taken against a Procuring and Disposing Entity for breach of the Authority's recommendations that include: suspension of the Officer responsible for the breach; replacement of the Head of the Procurement and Disposal Unit or the Chairperson of the Contracts Committee, as the case maybe; or to discipline the Accounting Officer.

The Authority found that out of the 15 audit recommendations contained in PPDA FY 2023/2024 Audit Report; seven (46.7%) were implemented, five (33.3%) were partially implemented and three (20%) were not implemented. This was majorly attributed to inadequate Management oversight to cross-check compliance levels before the next audit cycle. Details of the partially implemented and unimplemented recommendations are presented in Table 2 below:

Table 2: Partially implemented and unimplemented audit recommendations for FY 2023/2024

Audit Recommendation	Status of Implementation
1. The Accounting Officer should:	
i. Implement the procurement plan by the end of the financial year by ensuring early commencement of the procurement processes and regular update of the procurement plan whenever need arises in accordance with Regulation 4 of the PPDA (Procurement Planning) Regulations, 2023;	Partially implemented
ii. Implement all the Authority's procurement audit recommendations in accordance with Section 10 of the PPDA Act, Cap. 205. Where management finds challenges in implementation of any recommendation, this should be brought to the attention of the Authority;	Partially implemented
iii. Sign contract documents after satisfying himself on removal or correction of any ambiguity that may be contained therein and that the contracts are complete in accordance with Regulation 9 (1) (a) of the PPDA (Contracts) Regulations, 2023; and	Partially implemented
iv. Dispose all obsolete assets of the district in accordance with Regulation 2 of the PPDA (Disposal of Public Assets) Regulations, 2023.	Not implemented
2. The Head Procurement and Disposal Unit should maintain procurement action files that are complete with all documents in accordance with Section 33 (o) of the PPDA Act, Cap. 205.	Not implemented
3. The Evaluation Committees:	
i. Should not, during evaluation of bids, make any amendment including any addition to the evaluation criteria stated in the bidding documents, and should not use any other criteria other than the	Not implemented

Audit Recommendation	Status of Implementation
criteria specified in the bidding documents in accordance with Regulation 5 of the PPDA (Evaluation) Regulations, 2023; and ii. Should adhere to the evaluation criteria stated in the bidding documents while conducting evaluations in accordance with Section 76 (3) of the PPDA Act, Cap. 205.	Partially implemented
4. Contract Managers should submit regular progress /contract management reports to the Procurement and Disposal Unit as required under Regulation 52 (3) (g) of the PPDA (Contracts) Regulations, 2023; and supervise contracted firms to fulfil all contractual obligations specified within the terms and conditions of the contract.	Partially implemented

Implication

Failure to implement the Authority's recommendations hinders the achievement of efficiency in the procurement function and shows non-compliance to the legal requirements of public procurement.

Management Response

Management acknowledged the Authority's concern regarding delayed implementation of previous audit recommendations. The partial and non-implementation of some of the recommendations resulted from staffing gaps within the PDU, competing administrative priorities, resource constraints and transitional challenges during the reporting period.

Nevertheless, Management recognizes the importance of implementing PPDA recommendations in promoting efficiency, transparency, accountability and compliance in public procurement. Management has undertaken the following actions:

- *A compliance tracking mechanism has been established to monitor implementation of PPDA audit recommendations;*
- *The PDU has been directed to prepare periodic status reports on implementation progress;*
- *Procurement action files are being reorganized and updated to ensure completeness;*
- *Contract management reporting requirements have been reinforced;*
- *Internal supervision and oversight by the Contracts Committee and Accounting Officer have been strengthened; and*
- *Engagement with relevant authorities regarding staffing gaps in the PDU has been initiated.*

Management commits to ensuring timely implementation of all outstanding recommendations in compliance with Section 10 of the PPDA Act, Cap. 205.

Recommendation

The Accounting Officer, the Heads of the User Departments and the Procurement and Disposal Unit should comply with the requirements of the Authority's recommendations, to avoid the consequences of breaching the provisions of the Section 10 of the PPDA Act, Cap. 205 to enable the Entity achieve efficiency in its procurement and disposal function.

2.1.2 Procurement plan implementation rate

Section 60 (2) (d) of the PPDA Act, Cap. 205 states that: *"A Procuring and Disposing Entity shall plan its procurement and disposal in a rational manner and, in particular, shall; integrate its procurement budget with its expenditure programme."*

The Authority found that procurements implemented by the Entity during the financial year 2024/2025 were worth UGX. 5,270,002,806 out of the planned procurements worth UGX. 5,652,360,000. The foregoing gave the Entity a procurement plan implementation rate of 93% with a variance of UGX. 382,357,194 representing 7% of unimplemented procurements, driven by delayed activity rollouts and late funding releases. The details are in Table 3 below:

Table 3: Summary of Procurement Plan Implementation for FY 2024/25

Procurement Plan Value (UGX)	5,652,360,000
Procurement Spend (monthly Reports Value) UGX	5,270,002,806
Procurement Plan Implementation Rate (%)	93%
Variance (UGX)	382,357,194

Implication

The above analysis showed that the Entity failed to absorb 7% of its budget, as such the Entity did not implement all its planned activities. This affects public service delivery to the beneficiaries due to failure to use all the funds allocated for procurement.

Management Response

Management acknowledged the Authority's observation regarding the procurement plan implementation rate of 93% and the variance of UGX. 382,357,194. The variance arose mainly due to delayed implementation of some planned activities, late release of funds under certain programmes, changes in implementation priorities and time constraints experienced towards the closure of the financial year. Consequently, some planned procurements could not be concluded within the FY 2024/2025.

Management has taken note of the Authority's recommendation and commits to strengthening procurement planning and execution through:

- *Early initiation of procurement processes by User Departments;*
- *Quarterly review and update of the procurement plan in accordance with Section 60 (2) (d of the PPDA Act, Cap. 205 and Regulation 4 of the PPDA (Procurement Planning) Regulations, 2023;*
- *Enhanced coordination between the Procurement and Disposal Unit (PDU), Finance Department, and User Departments; and*
- *Continuous monitoring of procurement implementation timelines to ensure full absorption of the procurement budget and improved service delivery.*

Management will ensure strict adherence to approved procurement plans and budgets going forward.

Recommendation

The Accounting Officer should, in liaison with the Heads of User Departments and the Procurement and Disposal Unit, implement the action plan stated in the management response by aligning the Entity's procurement expenditures with the approved procurement plan and budget. This should be done in accordance with the requirements under Section 60 (2) (d) of the PPDA Act, Cap. 205 to ensure rational spend of the procurement budget.

2.1.3 Procurement implemented outside the procurement plan

Section 60 (10) of the PPDA Act, Cap. 205 provides that a procurement shall not be carried out outside the procurement plan except in emergency situations. The Authority established that the Entity implemented the procurement for the rehabilitation of 15.01kms of community access road in Bala S/C, Kole District under the National Oil Seed Project worth UGX. 1,503,333,067 outside the procurement plan, which caused an overlap on controls designed to ensure transparency and budgetary compliance.

Implication

A procurement implemented outside the approved procurement plan, escalates the procurement spend rate of the Entity and as such affects the efficient management of its budget.

Management Response

Management acknowledged the Authority's observation regarding the procurement implemented outside the approved procurement plan amounting to UGX. 1,503,333,067. *The procurement cited was planned for financial year 2023/2024 and the activities were completed in financial year 2024/2025. The source of funding for the cited procurement was Government releases under sector development grants and programme-specific interventions. Management has; however, instituted the following corrective measures:*

- *All supplementary or emergency procurements shall be preceded by revision and approval of the procurement plan;*
- *The PDU shall conduct periodic procurement plan compliance reviews;*
- *User Departments shall ensure timely communication of new procurement requirements to PDU; and*
- *The Contracts Committee shall verify procurement plan alignment before approval of procurement proceedings.*

Management commits to ensuring full compliance with procurement planning requirements in future procurements.

Authority's comment

Management's response was noted; however, this was a multi-year project that spilled over from FY 2023/2024. All active or multi-year roll-over procurements must be explicitly captured in the current year's approved procurement plan to authorize expenditure. By failing to update the FY 2024/2025 procurement plan to reflect the UGX 1,503,333,067 road rehabilitation project, management bypassed statutory budgetary controls and breached Regulation 3 of the PPDA (Procurement Planning) Regulations, 2023.

Recommendation

The Accounting Officer should prohibit the initiation of any procurement proceedings or payments for multi-year, roll-over, or supplementary activities unless they are formally integrated into an amended procurement plan approved by the Contracts Committee and submitted to the Authority in accordance with Regulations 3 and 4 of the PPDA (Procurement Planning) Regulations, 2023.

2.1.4 Procurements planned but not implemented in the FY 2024/2025

Section 60 (7) of the PPDA Act, Cap. 205 provides that; "*a Procuring and Disposing Entity shall, on a quarterly basis and in any other case, wherever necessary, review and update its procurement plan*". The Authority found that procurements detailed in Appendix IV worth UGX. 1,747,528,000 representing 31% of the procurement budget, were planned for but not implemented during the financial year and the procurement plan was not updated, which negatively impacted on the implementation rate performance of the procurement plan for the financial year.

Implication
The unimplemented procurements affected service delivery to the beneficiaries and exposed the Entity to the likelihood of returning unspent funds to the Treasury and low budget performance.

Management Response
Management acknowledged the observation that procurements worth UGX. 1,767,528,000 were planned but not implemented during the financial year. The non-implementation was mainly attributed to delayed release of funds, shifting implementation priorities, prolonged procurement lead times and inadequate time for execution before closure of the financial year. Management has taken corrective action by:

- *Directing User Departments to commence procurement requisitions early;*
- *Strengthening procurement monitoring mechanisms;*
- *Conducting quarterly procurement plan reviews and updates;*
- *Aligning procurement schedules to cash flow projections and work plans; and*
- *Enhancing supervision of procurement implementation by the PDU and Contracts Committee.*

Management shall continue to improve procurement performance and service delivery outcomes.

Authority's comment
The measures presented in the Entity's response above were noted, including the submission from the District Engineer who said during the exit meeting that some of the road projects listed in Appendix IV were implemented, but no evidence was submitted to substantiate the management response. Notably, the corrective actions outlined in the management response, if implemented will enable the Entity achieve an implementation rate of 100% of its procurements as planned.

Recommendation
The Accounting Officer should utilize the funds released to the Entity on the procurements as planned, so as to meet the service delivery needs of the beneficiaries. Where changes occur in the budget implementation process, the procurement plan should be updated, approved by the Contracts Committee, and a copy submitted to the Authority, in accordance with Section 60 (7) and (8) of the PPDA Act, Cap. 205.

2.1.5 Inadequate bidding document requirements
Regulations 44 (c) (ii) and (xi) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 states that: "*A Procuring and Disposing Entity shall in the bidding documents for works specify the following information: the proposed form, terms and conditions of contract, including the amount and form of performance security if required;* and *the insurance cover or indemnity required.*"

The Authority found under SCC (GCC 52.1) of the bidding documents circulated to bidders that the Entity did not include the requirement for bidders to submit Performance Securities and insurance covers. This was established in five procurements worth UGX. 796,581,806 presented in Table 4 below. The anomaly was attributed to inadequate bidding document review by both the PDU and Contracts Committee.

Table 4: Procurements with inadequate bidding document requirements

<table>
<tr><th>No.</th><th>Subject of Procurement</th><th>Contract Amount (UGX)</th><th>Exceptions</th></tr>
<tr><td>1.</td><td>Construction of two stance drainable latrine, septic tank and incinerator at Ayara HCIII.</td><td>52,924,319</td><td rowspan="5">• SCC (GCC 52.1) on Performance Security was made N/A. This exposed the contract to no safeguard against quality risk and non-performance by providers.
• SCC (GCC 13.1) on insurance was made N/A. This left the provider's staff and other stakeholders vulnerable without available protection against work related injuries and accidents.</td></tr>
<tr><td>2.</td><td>Rehabilitation of four classroom block and office at Adellogo P/S.</td><td>81,620,984</td></tr>
<tr><td>3.</td><td>Rehabilitation of four classroom at Okole P/S.</td><td>79,522,600</td></tr>
<tr><td>4.</td><td>Construction of piped water scheme at Omoladyang HC III.</td><td>277,497,591</td></tr>
<tr><td>5.</td><td>Low-cost seal maintenance from Corner Park to Kole town 4km.</td><td>305,016,312</td></tr>
<tr><td></td><td>Total</td><td>796,581,806</td><td></td></tr>
</table>

Implication

This exposed the Entity to dealing with unreliable and incapable bidders, who could face difficulties in project implementation hence, impacting negatively on the timeliness and quality of project output.

Management Response

Management acknowledged the omission of mandatory provisions relating to Performance Security and insurance requirements in the cited bidding documents.

The omissions resulted from inadvertent oversight during preparation and review of the solicitation documents. Management appreciates the importance of including all mandatory contractual safeguards to protect Government interests and ensure provider accountability.

Management has instituted the following corrective measures:

- *All bidding documents shall undergo enhanced compliance review before approval and issuance;*
- *The PDU and Contracts Committee shall ensure alignment of bidding documents with PPDA Standard Bidding Documents and applicable Regulations;*
- *Procurement staff shall undergo refresher training on preparation and review of solicitation documents; and*
- *Mandatory provisions relating to Performance Security, insurance, and contract safeguards shall be incorporated in all applicable procurements.*

Management commits to full compliance with Regulation 11 of the PPDA (Contracts) Regulations, 2023.

Recommendation
The Contracts Committee should, before approval of the bidding documents, verify that the requirements in the Special Conditions of Contract are appropriately specified, including Performance Securities/Performance Securing Declarations and insurance covers in accordance with Regulations 44 (c) (ii) and (xi) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

2.1.6 Irregular inclusion of the VAT registration certificate as a bidding requirement

PPDA Circular No. 1 of 2015 (VAT Registration for Bidders) directs the Procuring and Disposing Entities not to require VAT registration certificates as part of the bidding requirements. However, for bidding purposes, a Tax Identification Number (TIN) Registration Certificate and a Tax Clearance Certificate are sufficient proof of tax compliance.

The Authority found that in the bidding documents of three procurements worth UGX. 480,350,415 in Table 5 below, the Procurement and Disposal Unit irregularly included a requirement for bidders to submit *"A copy of Bidder's VAT Registration Certificate."* The anomaly was attributed to inadequate bidding document review by the PDU.

Table 5: Procurements with irregular VAT registration certificate requirement

No.	Subject of Procurement	Contract Amount (UGX)
1.	Construction of piped water scheme at Omoladyang HC III.	277,497,591
2.	Drilling, casting and installation of 6 deep wells and 02 production wells.	182,152,824
3.	Local Revenue collection at Adyag Market.	20,700,000
	Total	**480,350,415**

Implication
Using VAT registration certificate as an evaluation criterion discourages potential bidders from participating in the bidding process thus causing low bidder participation.

Management Response
Management acknowledged the audit observation regarding inclusion of VAT Registration Certificate as part of the bidding requirements contrary to PPDA Circular No. 1 of 2015. The requirement was included with the intention of confirming tax compliance and financial credibility of bidders, especially for procurements involving substantial contract values. However, Management recognizes that Tax Identification Number (TIN) and Tax Clearance Certificates are sufficient evidence of tax compliance under the prevailing PPDA guidance. The omission arose from continued use of earlier standard bidding document templates that had not been fully harmonized with the updated PPDA circulars and guidelines.
Management has since undertaken the following corrective measures:

1. *Directed the Procurement and Disposal Unit (PDU) to immediately revise all standard solicitation documents to ensure compliance with PPDA Circular No. 1 of 2015.*
2. *Instituted a mandatory legal and compliance review of bidding documents prior to issue.*
3. *Scheduled refresher training for PDU staff and Contracts Committee members on current PPDA guidelines and circulars.*
4. *Strengthened internal quality assurance mechanisms within the procurement process.*

Management commits to ensuring future procurements fully comply with the PPDA legal and regulatory framework.

Recommendation

The Head of the Procurement and Disposal Unit should desist from using VAT registration certificate as an evaluation criterion as guided by the PS/ST Circular No.1 of 2015. The Entity should instead request for a tax registration certificate to evidence VAT registration status of the bidders.

2.1.7 Low bidder participation

Section 49 of the PPDA Act Cap. 205 requires all procurements to be conducted in a manner to maximise competition and achieve value for money. In five procurements worth UGX. 1,623,627,352, the Authority found that whereas six bidders were shortlisted for bidding, the Procurement and Disposal Unit received one/two bids in response from the shortlisted bidders, thereby contributing to low bidder participation in the procurements listed in Table 6 below:

Table 6: Procurements with Low bidder participation

No.	Subject of Procurement	Contract Amount (UGX)	Method of Procurement	Bids Received
1.	Construction of piped water scheme at Omoladyang HC III.	277,497,591	Request for Quotation	2
2.	Low-cost seal maintenance from corner Park to Kole town 4km.	305,016,312	Request for Quotation	2
3.	Construction of Perimeter wall fence at Okwerodot Seed Secondary School.	387,380,000	Request for Quotation	1
4.	Construction of Kaguta Complex phase IV.	574,210,849	Restricted Bidding	1
5.	Rehabilitation of four classroom at Okole P/S.	79,522,600	Request for Quotation	1
	Total	**1,623,627,352**		

Implication

Low bidder participation may portray that the procurement processes does not promote transparency and competitive bidding in public procurement.

Management Response

Management acknowledged the low bidder participation observed in some procurement processes. The low response rate was partly attributed to:

- *Limited local contractor capacity;*
- *Remote location of some project sites;*
- *Short procurement timelines in certain instances; and*
- *Limited numbers of specialized service providers in the region.*

Management appreciates that adequate competition is fundamental in achieving transparency, value for money and fairness in public procurement under Sections 48 and 49 of the PPDA Act. Cap 205. To improve bidder participation, Management has initiated the following measures:

1. *Increasing publicity of procurement opportunities through wider advertisement platforms.*
2. *Conducting market surveys and provider engagement meetings.*
3. *Updating and expanding the provider register.*
4. *Reviewing procurement packaging and timelines to improve attractiveness to bidders.*
5. *Strengthening procurement planning to reduce emergency procurements.*
6. *Undertaking periodic procurement self-assessments as recommended by the audit.*

Management remains committed to promoting open competition and value for money in all procurement activities.

Recommendation

The Accounting Officer should implement the measures presented in the Entity's response (i.e., engaging providers, expanding its supplier register, optimizing tender packaging/timelines, and strengthening procurement planning alongside periodic self-assessments) to enable the Entity achieve competitive bidding processes as required under Section 49 of the PPDA Act Cap. 205.

2.1.8 Irregularities identified in the Entity's bid evaluation processes

i. Recommendation of award of contract to a non-compliant bidder

Regulation 16 (2) of the PPDA (Evaluation) Regulations, 2023 requires that non-complaint bidders are not passed to the next level of evaluation process. The Authority found that Allianz Limited submitted its bid for Construction of pipe water scheme on 18th February 2025 with an invalid Transaction Tax Clearance Certificate No. UGND210011257, which was purportedly issued on 12th February 2025 for the tax period from 1st July 2024 to 30th June 2025. However, this Certificate Reference Number UGND210011257 was issued on 15th July 2020 to BAMUNI SERVICES (U) LIMITED and addressed to Amuru District Local Government (see details in Appendix VI).

In light of the above, the Evaluation Committee erroneously failed to perform the mandatory verification of submitted bid documents, and passed Allianz Limited as compliant at the preliminary evaluation stage which led to the recommendation for award of contract for the construction of pipe water scheme at Omoladyang HC III at a contract amount of UGX. 277,497,591.

Implication

By failing to detect this unauthentic TCC document, the Evaluation Committee exposed the Entity to the risk of contracting with a non-compliant tax defaulter, creating severe financial, legal and reputational vulnerabilities for the Entity.

<u>Management Response</u>

Management acknowledged the audit observation regarding the inadequate verification of bidder documentation during bid evaluation. The anomaly arose from reliance on submitted bid documents without independent real-time validation from the issuing authority. Management recognized that this created a risk of recommending a bidder whose documentation did not fully satisfy compliance requirements. Upon identification of the matter, Management has undertaken the following actions:

1. *Directed Evaluation Committees to conduct mandatory verification of critical compliance documents with relevant authorities including URA and registration bodies.*
2. *Introduced additional due diligence procedures during preliminary evaluation.*
3. *Strengthened supervision and guidance by the PDU during evaluation processes.*
4. *Planned refresher training for Evaluation Committee members on compliance assessment.*

Management remains committed to ensuring procurement contract awards are made strictly to compliant and eligible providers.

Recommendation

The Head, Procurement and Disposal Unit should always guide and brief the members of the Evaluation Committees to verify documentation submitted by bidders for authenticity with the relevant regulatory authorities, where applicable. This will enable the Entity contract bidders who are compliant to the legal requirements with authentic documentations in accordance with Regulation 17 (1) of the PPDA (Evaluation) Regulations, 2023.

ii. Failure to communicate arithmetic corrections made during bid evaluation

Regulations 3 (2) (e) of the PPDA (Evaluation) Regulations, 2023 requires the Chairperson of the Evaluation Committee to be responsible for communication between the Evaluation Committee and a bidder or any other person. The Authority found that the arithmetic corrections made during the evaluation of bids for drilling, casting and installation of six deep wells and two production wells procurement worth UGX. 182,152,824, were not communicated to the bidder by the Chairperson of the Evaluation Committee.

Implication

Failure to communicate arithmetic corrections made during evaluation to bidders shows a lack of transparency in the evaluation process and is a precursor for complaints from participating bidders which eventually may cause delays in the procurement process.

Management Response

Management acknowledged that arithmetic corrections made during bid evaluation were not formally communicated to the affected bidder as required under the PPDA (Evaluation) Regulations, 2023. The omission resulted from inadequate procedural compliance during evaluation rather than intentional concealment. Management has instituted the following corrective measures:

1. *Issued guidance requiring all arithmetic corrections to be formally communicated to bidders before contract award recommendations to the Contracts Committee.*
2. *Strengthened compliance review during bid evaluation processes.*
3. *Conducted orientation of Evaluation Committees on transparency obligations under the PPDA Regulations.*
4. *Enhanced documentation of all evaluation communications.*

Management appreciates the importance of transparency in maintaining integrity and confidence in public procurement processes.

Recommendation

The Chairperson of the Evaluation Committees should in subsequent procurements effectively communicate to the affected bidders about the arithmetic errors identified and corrected in their bids in accordance with Regulations 3 (2) (e) of the PPDA (Evaluation) Regulations, 2023 to enhance transparency in the bidder identification process.

2.1.9 Failure to implement the Solicitor General's recommendations

Regulation 6 (1) (f) of the PPDA (Contracts) Regulations, 2023 provides for necessary approvals were applicable from the Attorney General.

The Authority found that the Entity failed to amended the Clauses in the Special Conditions of the Contract of two draft contracts worth UGX. 851,708,440 that were cleared by the Solicitor General as detailed in Table 7.

This was an administrative oversight by the Procurement and Disposal Unit, which failed to reconcile the final contract documents with the Solicitor General's cleared terms prior to routing them to the Accounting Officer for signature.

Table 7: Contracts in which the Solicitor General's recommendations were not implemented

<table>
<tr><th>No.</th><th>Subject of procurement</th><th>Contract Amount (UGX)</th><th colspan="2">Exceptions</th></tr>
<tr><td rowspan="5">1.</td><td rowspan="5">Construction of piped water scheme.</td><td rowspan="5">277,497,591</td><td colspan="2">The Entity failed to amend the Clauses presented in the table below in the SCC as recommended by the Attorney General in the letter dated 29th July 2025.</td></tr>
<tr><td>Clauses in the SCC as per the contract agreement</td><td>Recommendations of the Solicitor General not implemented at contract signing</td></tr>
<tr><td>SCC (GCC 1.1 (y)): The Contract Manager is: Anyone assigned by the Chief Administrative Officer.</td><td>SCC (GCC 1.1 (y)) on Project Manager: The word Contract Manager should be replaced with the word Project Manager. The Project Manager should be named.</td></tr>
<tr><td>SCC (GCC 1.1 (ee)): The start date shall be: 25th March 2025.</td><td>SCC (GCC) 1.1 (ee) on start date: It should be amended to provide that: "The start date is the commencement date and it shall be the contract signing date."</td></tr>
<tr><td>SCC (GCC 1.1 (ii)): The work consists of: defined in drawings No, BoQs and Specifications.</td><td>SCC (GCC 1.1 (ii)) on works: the works should be listed.</td></tr>
<tr><td rowspan="2">2.</td><td rowspan="2">Construction of Kaguta Complex phase IV.</td><td rowspan="2">574,210,849</td><td>SCC (GCC 1.1 (z)): The Project Manager is: Anyone assigned by the Chief Administrative Officer.</td><td>SCC (GCC) 1.1 (z)) on Project Manager: The Project Manager should be named.</td></tr>
<tr><td>SCC (GCC 1.1 (ee)): The start date shall be: 25th March 2025.</td><td>SCC (GCC 1.1 (ee)) on start date: This clause is mis referenced. It should be referenced SCC (GCC 1.1 (ff)). It should be amended to provide that: "The start date is the commencement date and it shall be the contract signing date."</td></tr>
</table>

No.	Subject of procurement	Contract Amount (UGX)	Exceptions	
			SCC (GCC 2.1): The following documents also form part of the contract: Award letter, acceptance letter, Power of Attorney, General Conditions of Contract, Special Conditions of Contract, contractor's bid, Bills of Quantities, specifications and drawings and any other relevant documents.	SCC (GCC 2.1) on other contract documents: This clause is mis referenced. It should be referenced SCC (GCC 2.1(h)). The following listed documents should be deleted because they are a repetition of the documents listed in GCC 2.1 (a-g); General Conditions of Contract, Special Conditions of Contract, contractor's bid, Bills of Quantities, specifications and drawings and any other relevant documents.
	Total	**851,708,440**		

Implication

Failure to implement guidance of the Solicitor General on the terms and conditions of the contracts signed with the successful bidders, compromised the role of Solicitor General in the procurement process and the Government's legal position in case of disputes that could arise from breaches of the terms and conditions of the contracts.

Management Response

Management acknowledged that certain recommendations from the Solicitor General were not fully incorporated into the final contract documents. The discrepancies largely arose from administrative oversight during preparation of final contract versions and use of previously generated contract templates. Management has since instituted the following measures:

1. *Mandatory reconciliation of Solicitor General comments before contract execution.*
2. *Legal compliance review of all contract documents prior to signing.*
3. *Assignment of responsibility to the Head, PDU for ensuring incorporation of all approved amendments.*
4. *Strengthened internal controls in contract preparation and document management.*

Management appreciates the importance of fully implementing Solicitor General guidance in protecting Government's legal interests.

Recommendation

The Accounting Officer should only sign contracts with successful bidders, after the Solicitor General's guidance has been incorporated in the draft contract by the PDU where applicable. This will ensure that the contracts are aligned with the law and safeguard the interests of the Entity in accordance with Regulation 6 (1) (f) of the PPDA (Contracts) Regulations, 2023.

2.2 Compliance with the PPDA Act, Cap. 205 and PPDA Regulations, 2023 in the conduct of disposal activities

2.2.1 Failure to plan and dispose of assets during the financial year 2024/2025

Regulations 2 (1) and (2) of the PPDA (Disposal of Public Assets) Regulations, 2023 states that: *"(1) - An Accounting Officer shall, in each financial year, cause the public assets of a Procuring and Disposing Entity to be reviewed, to identify the public assets to be disposed of in the following financial year." and (2)- "A Procuring and Disposing Entity may use the Board of Survey or a User Department to identify the public assets to be disposed of."*

The Authority established during the audit that:

i. The Entity had no Board of Survey report for the previous financial year 2023/2024;
ii. The Procurement and Disposal Unit did not prepare the disposal plan of the Entity for the financial year 2024/2025; and
iii. The Entity did not dispose of assets in the above period.

Hence, from the above, it was not possible for the audit team to express an opinion on the status of the disposal of assets in the Entity. However, during physical verification, the audit team noted that the Entity had unserviceable assets due for disposal, see Appendix III.

Implication

The Entity's failure to plan and cause for disposal of obsolete and unusable assets exposed the assets to further deterioration and loss of realizable market value through pilferage, wear and tear.

Management Response

Management acknowledges the absence of a disposal plan and Board of Survey report for FY 2024/2025. The omission arose mainly due to administrative transitions, competing operational priorities, and delayed constitution of the Board of Survey. Management recognizes that timely disposal planning is essential for proper asset management and prevention of further deterioration of obsolete assets. Corrective measures being undertaken include:

1. *Initiation of a Board of Survey process for identification and valuation of obsolete assets.*
2. *Preparation of an annual disposal plan for submission to the Authority.*
3. *Compilation and updating of the district's asset register.*
4. *Strengthening coordination between the Procurement Unit, Finance Department, and User Departments regarding asset disposal.*

Management commits to complying with the PPDA Disposal Regulations going forward.

Recommendations

The Accounting Officer should:

1. Institute a Board of Survey to evaluate and assess the status of the assets of the Entity to guide the disposal process in accordance with Regulation 2 (2) of the PPDA (Disposal of Public Assets) Regulations, 2023.
2. Based on the Board of Survey report, task the Head, Procurement and Disposal Unit to prepare the disposal plan, and submit the same to the Authority, in compliance with Regulation 2 (1) of the PPDA (Disposal of Public Assets) Regulations, 2023.
3. Task the Heads of User Departments to initiate the disposal process of unserviceable assets under their custody in accordance with Regulation 3 (1) of the PPDA (Disposal of Public

Assets) Regulations, 2023 to avoid continued loss in value of the assets due to deterioration and possible pilferage.

2.3 Efficiency and effectiveness in contract implementation including the application of Environmental, Social, Health and Safety (ESHS) requirements where applicable

2.3.1 Gaps in contract management

i. Failure by the contractors to conduct tests and submit reports to the Contract Managers

Regulation 52 (3) (a) (iv) of the PPDA (Contracts) Regulations, 2023 mandates Contract Managers to ascertain adequate control for the cost, quality and time of the contract where appropriate. The Authority found that in three procurements worth UGX. 2,382,560,228, there was no evidence that material tests were conducted, yet these were costed for in the contractors' BoQs at UGX. 12,500,000 as presented in Table 8 below. This omission was attributed to inadequate contract monitoring and supervision by the Contract Managers.

Table 8: Contracts in which the required tests were not done

<table>
<tr><th>No</th><th>Subject of Procurement</th><th>Contract Amount (UGX)</th><th>Exceptions</th></tr>
<tr><td>1.</td><td>Low-cost seal maintenance from corner Park to Kole town 4km.</td><td>305,016,312</td><td>Material testing was not done, yet a total cost of UGX. 2,500,000 was provided for in the contractor's BoQs under Bill 7 (Element 71.01).</td></tr>
<tr><td>2.</td><td>Rehabilitation of 15.01km road in Bala Sub County, Kole District Under National Oil Seed Project.</td><td>1,503,333,067</td><td>The tests below were not done, yet a total cost of UGX. 7,000,000 was provided for in the contractor's BoQs under Bill 7 (6.13-14) as shown below:
<table>
<tr><th>Item No.</th><th>Material Testing/Element</th><th>Cost (UGX)</th></tr>
<tr><td>6.13</td><td>Allow for testing materials.</td><td>5,000,000</td></tr>
<tr><td>6.14</td><td>Allow for hydrological surveys.</td><td>2,000,000</td></tr>
<tr><td></td><td>Total</td><td>7,000,000</td></tr>
</table></td></tr>
<tr><td>3.</td><td>Construction of Kaguta Complex phase IV.</td><td>574,210,849</td><td>No material tests at an approved laboratory were done, yet a total cost of UGX. 3,000,000 was provided for in the contractor's BoQs under Bill 1: Item A (Section 1).</td></tr>
<tr><td></td><td>Total</td><td>2,382,560,228</td><td></td></tr>
</table>

Implication

Undermining testing of materials costed for in the BoQs for the construction works, exposed the Entity to the risk of not achieving the desired quality works/outcomes from the contracts implemented and financial losses due to unaccounted for material test costs.

Management Response

Management acknowledged that evidence of some material and quality tests was not adequately documented on the respective project files.

In certain instances, field technical assessments were undertaken but formal laboratory reports and documentation were not comprehensively filed. Management recognizes the importance of technical testing in ensuring quality assurance and compliance with engineering standards.

Corrective actions undertaken include:

1. *Directing all Contract Managers to ensure mandatory testing and documentation of results.*
2. *Requiring contractors to submit certified laboratory reports before certification of works.*
3. *Strengthening technical supervision and records management.*
4. *Incorporating testing compliance verification into project monitoring activities.*

Management commits to ensuring future projects fully comply with technical quality assurance requirements.

Recommendations

1. The Accounting Officer should recover a total of UGX 12,500,000 from the contractors' retention monies to account for the unexecuted material tests/ hydrological surveys:
   i) UGX. 2,500,000 from Oryemcan Company Ltd., for the low-cost seal maintenance from corner Park to Kole town 4km.
   ii) UGX. 7,000,000 from Bygon Enterprises Limited, in the rehabilitation of 15.01km road in Bala Sub-County, Kole District Under National Oil Seed Project.
   iii) UGX. 3,000,000 from Bygon Enterprises Limited, in the construction of Kaguta Complex phase IV.
2. Contract Managers should in subsequent procurements, task the contractors to abide by the technical requirements of construction works execution of material tests within the acceptable standard as specified in the contractual terms and obligations. No works should proceed where material tests are not done by the contractor, where required, in accordance with Regulation 52 (3) (a) (iv) of the PPDA (Contracts) Regulations, 2023.

ii. Contract implemented without a Performance Security

Regulation 12 (1) (a) of the PPDA (Contracts) Regulations, 2023 provides that a contract shall become effective as specified in the contract, where; the Procuring and Disposing Entity receives the Performance Security or the Performance Securing Declaration (as specified by the Entity in the SCC (GCC 52.1).

The Authority found that the Entity required a Performance Security from the contractor, for the Rehabilitation of 15.01km road in Bala Sub County, Kole District Under National Oil Seed Project worth UGX. 1,503,333,067; however, the Contract Manager did not obtain the Performance Security from the contractor. This is because the designated Contract Manager failed to track and enforce post-contract signing compliance obligations, prioritizing project kickoff over critical risk-mitigation safeguards.

Implication

Without a valid Performance Security, the Entity has no financial recourse or safety net. If the contractor abandons the site, defaults on obligations, or delivers defective work, public funds may not be recovered.

Management Response

Management acknowledged that some contractors commenced implementation before submission of the required Performance Securities. The anomaly arose due to administrative oversight during contract commencement and urgency in implementation of time-bound projects. Management recognizes that Performance Securities are critical safeguards for protecting Government interests against non-performance and defects liability risks. The following corrective measures have been instituted:

1. *No contract implementation will commence without submission and verification of Performance Security.*
2. *Introduction of a contract effectiveness checklist before issuance of commencement instructions.*
3. *Orientation of PDU and Contract Managers on PPDA Guideline No. 4 of 2025 regarding acceptable Performance Security thresholds.*
4. *Strengthening compliance monitoring during contract execution.*

Management commits to strict compliance with future contract security requirements.

Recommendation

The Contract Manager should always ensure that, where applicable, successful bidders submit Performance Securities required by the Entity within 28 days after the contracts become effective in accordance with Regulation 12 (1) (a) of the PPDA (Contracts) Regulations, 2023 and Clause 3.0 of the PPDA Guideline No. 4/2025 so as to protect the Entity against defective works and achieve good performance from the contractors.

iii. No evidence of implementation of ESHS requirements

Section 66 of PPDA Act, Cap. 205 mandates the Procuring and Disposing Entity to consider environmental protection, social inclusion and stimulating innovation, throughout the procurement process. In addition, Clause 29 of the General Conditions of Contract (GCC) required the contractors to implement the Environmental and Social Management Plan and to take all reasonable steps to protect the environment, and GCC 31 required the contractors to take all reasonable precautions to maintain the health and safety of its personnel.

The Authority found that the Contract Mangers failed to enforce the implementation of ESHS requirements in five procurements worth UGX. 2,851,561,212 as detailed in Table 9 below. This omission stemmed from the lack of structured ESHS monitoring checklists and reporting templates within the Entity's contract management framework, leaving Contract Managers without practical tools to track and enforce compliance.

Table 9: Contracts with unimplemented ESHS requirements

No.	Subject of procurement and Exceptions	Contract Amount (UGX)
1.	**Rehabilitation of four classroom block and office at Adellogo P/S**: The Authority was not availed with evidence, specifically compliance reports, regarding the planting of ten trees costed at UGX. 50,000.	81,620,984
2.	**Low-cost seal maintenance from corner Park to Kole town 4km**: The Authority was not availed with evidence, specifically compliance reports, regarding the implementation of ESHS requirements; despite a total allocation of UGX. 4,400,000 under Bill No.1 (Element 17-18) in the contractor's BoQs as presented below:	305,016,312

<table>
<tr><th>No.</th><th>Subject of procurement and Exceptions</th><th>Contract Amount (UGX)</th></tr>
<tr><td></td><td>
<table>
<tr><th>Item No.</th><th>Environmental & Social mitigation issues.</th><th>Cost (UGX)</th></tr>
<tr><td>17.01</td><td>Environmental management plan and reporting.</td><td>300,000</td></tr>
<tr><td></td><td>Plant trees as directed by Environment Officer and maintain until they are established.</td><td>500,000</td></tr>
<tr><td>18.01</td><td>Provide qualified safety officer to deal with OHS including providing PPEs for site operations.</td><td>900,000</td></tr>
<tr><td>18.02</td><td colspan="2">HIV/AIDS and STD prevention and counselling</td></tr>
<tr><td>(a)</td><td>Information, Education and Consultation campaigns including irregular distribution of condoms to the workforce,</td><td>900,000</td></tr>
<tr><td>(b)</td><td>Provide, maintain and operate STD and HIV/AIDS clinic or make alternative arrangements with existing local clinic,</td><td>900,000</td></tr>
<tr><td></td><td>Provide for grievances management by a sociologist/DCDO's office,</td><td>900,000</td></tr>
<tr><td></td><td>Total cost</td><td>4,400,000</td></tr>
</table>
</td><td></td></tr>
<tr><td>3.</td><td>
Rehabilitation of 15.01km road in Bala Sub County, Kole District Under National Oil Seed Project:
The Authority was not availed with evidence, specifically compliance reports, regarding the implementation of ESHS requirements; despite a total allocation of UGX. 43,000,000 under Bill No.6 on Page 7 in the contractor's BoQs as presented below:
<table>
<tr><th>Item No.</th><th>Environmental & Social mitigation issues</th><th>Cost (UGX)</th></tr>
<tr><td></td><td>Bala TC – Te-Aboke – Ngai Road (6.3km)</td><td></td></tr>
<tr><td>6.7</td><td>Tree planting Gulveria type and other approved trees and protection throughout DLP until it has grown at 5m spacing both sides of the road.</td><td>12,560,000</td></tr>
<tr><td>6.10</td><td>HIV/AIDS and STD prevention and counselling including distribution of condoms to the workforce and community.</td><td>2,000,000</td></tr>
<tr><td>6.11</td><td>Provide and operate STD and HIV/AIDS clinic or make alternative arrangements with existing local clinic.</td><td>3,000,000</td></tr>
<tr><td>6.12</td><td>Gender sensitization and awareness.</td><td>3,000,000</td></tr>
<tr><td>6.15</td><td>Support the local community in opening up and maintaining a minimum of 1 acre community owned garden of approved oil seed variety.</td><td>5,000,000</td></tr>
<tr><td></td><td>Lira border - Bala TC Road (8.71km)</td><td></td></tr>
</table>
</td><td>1,503,333,067</td></tr>
</table>

<table>
<tr><th>No.</th><th>Subject of procurement and Exceptions</th><th>Contract Amount (UGX)</th></tr>
<tr><td></td><td><table>
<tr><td></td><td>Tree planting Gulveria type and other approved trees and protection throughout DLP until it has grown at 5m spacing both sides of the road.</td><td>17,440,000</td></tr>
<tr><td></td><td>Total cost</td><td>43,000,000</td></tr>
</table></td><td></td></tr>
<tr><td>4.</td><td>Construction of perimeter wall fence at Okwerodot Seed Secondary School:
The Authority was not availed with evidence, specifically compliance reports, regarding the implementation of ESHS requirements; despite a total allocation of UGX. 1,390,000 under Element 7 & 7.1) in the contractor's BoQs as presented below:<table>
<tr><th>Health & Safety mitigation</th><th>Cost (UGX)</th></tr>
<tr><td>Protective clothing, equipment etc.</td><td>600,000</td></tr>
<tr><td>Safe access to all places on site.</td><td>100,000</td></tr>
<tr><td>Appropriate sanitation.</td><td>100,000</td></tr>
<tr><td>First aid facilities.</td><td>100,000</td></tr>
<tr><td>Safety signs well displayed.</td><td>100,000</td></tr>
<tr><td>Accident log.</td><td>50,000</td></tr>
<tr><td>PPE.</td><td>20,000</td></tr>
<tr><td>Emergency contact.</td><td>20,000</td></tr>
<tr><td>Protect employees living with HIV/AIDS treatment/counselling.</td><td>100,000</td></tr>
<tr><td>Preventative measures.</td><td>100,000</td></tr>
<tr><td>Combating infections and spread of COVID 19.</td><td>100,000</td></tr>
<tr><td>Total cost</td><td>1,390,000</td></tr>
</table></td><td>387,380,000</td></tr>
<tr><td>5.</td><td>Construction of Kaguta Complex phase IV:
The Authority was not availed with evidence, specifically compliance reports, regarding the implementation of ESHS requirements; despite a total allocation of UGX. 9,000,000 under Bill No.1 in the contractor's BoQs as presented below:<table>
<tr><th>Item No.</th><th>Environmental, Social, Health & Safety mitigation issues</th><th>Cost (UGX)</th></tr>
<tr><td>Bill 1 B</td><td>Safety, health and welfare of work people.</td><td>2,000,000</td></tr>
<tr><td>Bill 1 C</td><td>Holidays and Transport for work people.</td><td>500,000</td></tr>
<tr><td>Bill 1 D</td><td>Protection of works and persons.</td><td>1,500,000</td></tr>
<tr><td>A</td><td>Occupational Health and safety, HIV/AIDS and Gender.</td><td>3,000,000</td></tr>
<tr><td>B</td><td>Environmental issues (NEMA EIA).</td><td>2,000,000</td></tr>
<tr><td>Total cost</td><td></td><td>9,000,000</td></tr>
</table></td><td>574,210,849</td></tr>
<tr><td></td><td>TOTAL</td><td>2,851,561,212</td></tr>
</table>

Implication

Lack of ESHS compliance reports showed that monitoring of the providers' compliance to ESHS requirements was not enforced in the projects implemented by the Entity which exposed the staff and community members around the project sites to environment and social risk, like exposure to HIV/AIDS and pollution from uncontrolled waste disposal.

Management Response

Management acknowledged that Environmental, Social, Health and Safety (ESHS) compliance reports were not consistently prepared for some projects. The gaps were largely due to limited technical staffing in environment and social safeguards management as well as inadequate integration of ESHS monitoring into routine contract supervision. Management appreciates the importance of ESHS compliance in sustainable procurement and protection of workers, communities and the environment. Corrective actions being undertaken include:

1. *Integration of ESHS monitoring into all contract management plans.*
2. *Assignment of Environment and Community Development Officers to participate in project monitoring.*
3. *Development of standardized ESHS reporting templates.*
4. *Strengthening enforcement of contractor compliance with environmental and occupational safety requirements.*
5. *Inclusion of ESHS performance review during project certification and payment processes.*

Management remains committed to sustainable procurement practices in line with Section 66 of the PPDA Act.

Recommendation

The Accounting Officer should task the Contract Managers/Contract Management Team to oversee the implementation of ESHS requirements and document them in compliance with the BoQs and Section 66 of the PPDA Act, Cap. 205. Failure by the contractors to comply and submit verifiable evidence should result into recovery of the funds from their retention monies as follows:

1. UGX. 50,000 from Paadal Holdings Ltd., in the rehabilitation of four classroom block and office at Adellogo Primary School.
2. UGX. 4,400,000 from Oryemcan Company Ltd, in the low-cost seal maintenance from corner Parker to Kole Town 4km.
3. UGX. 43,000,000 from Bygon Enterprises Limited, in the rehabilitation of 15.01km road in Bala Sub County, Kole District Under National Oil Seed Project.
4. UGX. 1,390,000 from Wangi General Enterprises Ltd., in the construction of perimeter wall fence at Okwerodot Seed Secondary School.
5. UGX. 9,000,000 from Bygon Enterprises Limited, in the construction of Kaguta Complex phase IV.

iv. Incompleteness of the procurement action files

Section 33 (o) of the PPDA Act, Cap. 205 mandates the Procurement and Disposal Unit to maintain and archive records of the procurement and disposal processes. The Authority, however, noted incomplete files of 15 procurements worth UGX. 4,517,191,546 as detailed in Table 10 below. This was caused by weak record keeping practices within the User Departments and poor coordination with the Procurement and Disposal Unit to ensure procurement files were complete.

Table 10: Procurements with incompletes files

No.	Subject of procurement	Contract Amount (UGX)	Exceptions
1.	Drilling, casting and installation of six deep wells and two production wells.	182,152,824	• No payment receipts. • No completion certificates • Handover reports. • No contract management plans.
2.	Rehabilitation of 4-classroom at Okole P/S.	79,522,600	
3.	Construction of 2-stance drainable latrine, septic tank and incinerator at Ayara HC III.	52,924,319	
4.	Supply and delivery of ICT equipment (Lot 1).	148,750,000	
5.	Supply and delivery of science equipment and chemical reagents (Lot 2).	52,653,000	
6.	Rehabilitation of 4-classroom block and office at Adellogo P/S.	81,620,984	
7.	Rehabilitation of 3-classroom block and office at Baramindyang P/S.	59,360,000	
8.	Construction of piped water scheme at Omoladyang HC III.	277,497,591	
9.	Low-cost seal maintenance from corner Park to Kole town 4km.	305,016,312	
10.	Rehabilitation of 15.01km road in Bala Sub County, Kole District Under National Oil Seed Project.	1,503,333,067	
11.	Construction of Perimeter wall fence at Okwerodot Seed Secondary School.	387,380,000	
12.	Supply, delivery, installation and user training and commission of equipment in Ayara H/C III, Okwerodot H/C III and Ayer H/C III.	370,500,000	
13.	Design, supply and installation of micro – scale irrigation systems in Kole district.	421,570,000	
14.	Construction of Kaguta Complex phase IV.	574,210,849	
15.	Local revenue collection at Adyang Market.	20,700,000	
	Total	**4,517,191,546**	

Implication

Incompleteness of the procurement files for the procurements implemented by the Entity, showed non-compliance by the Procurement and Disposal Unit to the legal requirement on procurement record keeping and maintenance. This exposed the Entity to lack of accountability for the procurements executed, due to lack of necessary procurement records in the procurement files.

Management Response

Management acknowledges the observation regarding incomplete procurement files for the cited procurements. The gaps identified in the procurement files resulted from weaknesses in records management, delayed filing of documents by responsible officers, and inadequate internal file review controls within the Procurement and Disposal Unit. However, Management appreciates the importance of maintaining complete procurement records as a *statutory requirement under Section 33 (o) of the PPDA Act, Cap. 205. Management has instituted the following corrective measures:*

- *The Head PDU has been directed to immediately update and complete all procurement files with the missing documentation;*
- *A procurement file compliance checklist has been introduced to ensure completeness of records before closure of procurement proceedings;*
- *Contract Managers shall be required to promptly submit all contract management documentation, including reports, handover certificates, payment records, and completion certificates for filing;*
- *Regular internal reviews of procurement files shall be conducted by the PDU and Internal Audit Unit; and*
- *Procurement staff have been guided on proper records management and archiving requirements under the PPDA legal framework.*

Management commits to maintaining complete, accurate, and up-to-date procurement records in compliance with Section 33 (o) of the PPDA Act, Cap. 205.

Recommendation

The Head, Procurement and Disposal Unit is tasked to comply with the provisions of Section 33 (o) of the PPDA Act Cap. 205 by archiving and maintaining complete procurement files with all the related documentation for each individual procurement for accountability and future reference.

2.3.2 Assessment of the Progress and Performance of the Micro-Scale Irrigation Program in Kole District Local Government

Background

The Micro-scale Irrigation Program is in line with Uganda's National Irrigation Policy which aims to create 1.5 million hectares of irrigated land by the year 2040. The Micro-scale Irrigation Program supports farmers to purchase and use individual irrigation equipment through a matching grant scheme, in which the cost of the equipment is co-financed by the farmer and the Government of Uganda. The Government subsidizes between 25% and 75% of the total cost of the irrigation equipment (which can be sprinkler, drip and drag hosepipe methods using either solar or petrol energy sources). The level of the subsidy varies according to the choice of the irrigation equipment/ technology selected by the farmer as indicated below:

- For solar-powered irrigation equipment, the maximum Government co-payment is 75% of the total cost of equipment and was capped at UGX, 18,000,000. Within this total cap, the maximum Government payment for a tank stand is UGX. 2,000,000; and
- For petrol-powered irrigation equipment the maximum Government co-payment is 25% of the total cost of equipment and is capped at UGX. 5,000,000.

i. Progress achieved in the implementation of micro scale irrigation scheme for demonstration to selected farmers in Kole District.

The Authority established that 44 micro-scale irrigation systems worth UGX. 852,220,000 were installed for the beneficiary farmers in Kole DLG. The summary is presented in Table 11 below, while the list of beneficiary farmers is vide Appendix V.

Table 11: Summary status of the procurement of microscale irrigation equipment

Level	Definition	Kole DLG Statistics by Number (FY 2024/2025)
Interested Farmer.	*Those farmers who submitted an Expression of Interest (EOI) and met the basic self-assessed criteria.*	46
Eligible Farmer.	*Those farmers who had a farm visit and were found to meet the eligibility criteria.*	46
Approved Farmer.	*Those farmers who made the co-payment, provided documentary proof of their land tenure (if possible) and signed an MOU with the Local Government,*	38
Installation Accepted Farmer,	*Those farmers who had the irrigation equipment installed and the Local Government and farmer verified the equipment and installation was as per quotation and standards.*	39
Completed Farmer.	*Those Farmers where the irrigation equipment supplier was paid by the Local Government and all paperwork is complete.*	44
Total of microscale irrigation kits installed and completed in FY 2024/2025		**44**

ii. Challenges experienced in the implementation of the Micro Scale program.

The Authority noted that the feedback from the district focal point person on the micro-scale irrigation installations made to the beneficiary farmers indicated that:

a) Farmers complained about high co-funding rate of 25%;
b) Most farmers faced financial challenges to easily pay their contribution to the required co-funding;
c) Creation of adequate water source was a challenge for many farmers. Some water sources were shallow and had silt affecting the pumping performance;
d) Some farmers wanted to use the same field for none irrigation crops. This affected land preparation for irrigation; and
e) There was lack of spare parts which could not be obtained within Lira City.

Implication

The challenges faced by the farmers negatively constrained the adoptability of the micro-scale irrigation technology as the farmers found it difficult to realize the net returns on investments. This slowed down the adaptation of the scheme and attraction of more small holder farmers in and around the Entity.

Management Response

Management acknowledged the observations regarding the challenges affecting implementation and sustainability of the Micro-Scale Irrigation Programme within the District. Management noted that despite the challenges highlighted, the programme has significantly improved access to irrigation technology among beneficiary farmers and contributed towards increased agricultural productivity and climate resilience. To address the identified challenges, Management shall undertake the following interventions:

1. *The Senior Agricultural Engineer will conduct continuous farmer sensitization and financial literacy training to enable farmers better appreciate co-funding obligations and sustainability requirements of the programme.*

2. *The District Production Department shall engage the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) and relevant stakeholders on possible review of co-funding arrangements to improve affordability for smallholder farmers.*
3. *Technical assessments shall be undertaken on water sources, elevation challenges, and pumping performance to identify sustainable engineering solutions for affected irrigation sites.*
4. *Continuous farmer capacity building shall be conducted on irrigation agronomy, land use planning, operation and maintenance of irrigation systems, and sustainable farming practices.*
5. *Management shall engage suppliers and private sector stakeholders to improve availability of spare parts and after-sales technical support within the region.*
6. *Strengthened monitoring and technical backstopping of beneficiary farmers shall be undertaken to ensure effective utilization and sustainability of the installed irrigation systems.*

Management appreciates the positive progress registered under the Micro-Scale Irrigation Programme and remains committed to supporting its successful implementation in line with the National Irrigation Policy and Government objectives for agricultural commercialization and climate-smart agriculture.

Recommendations

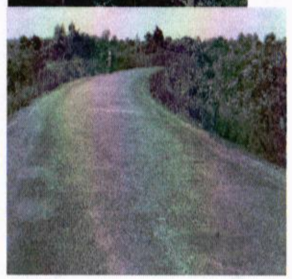
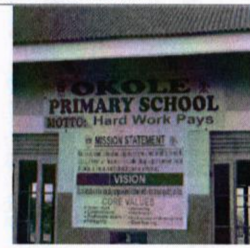
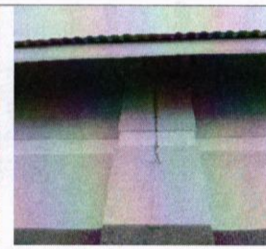
The management response above was noted, however, the Senior Agricultural Engineer should:

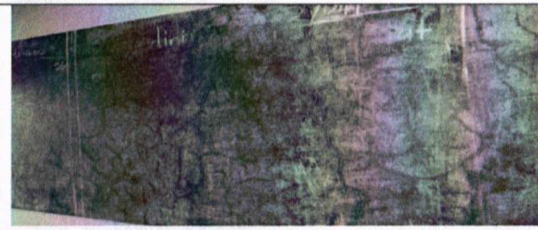
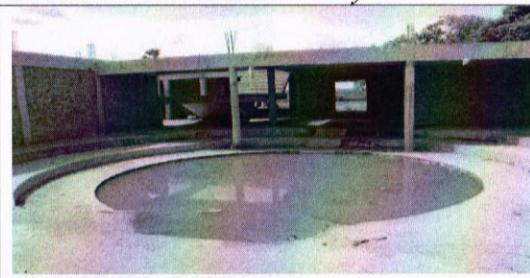
1. Carry out a cost study of the microscale irrigation scheme to establish the most likely cost that the farmers can afford conveniently taking into account the local farmer financial capacity to meet the operational, repair and maintenance costs;
2. Undertake a technical review of the elevation and water question and come up with possible solutions to the fore mentioned issues as they are critical and need urgent intervention, so as not to frustrate the farmers who have invested money in the installation of the micro scale irrigation system. This will also ensure continuous functionality of the irrigation technology to achieve climate resilience farming in Uganda.
3. Consider undertaking continuous farmer capacity building on better farming practices and culture, so as to avoid the intertwined use of the farm land by the farmers for increased agricultural productivity in order to achieve increase house hold income among the farmers.

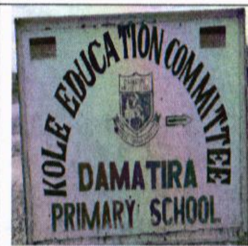
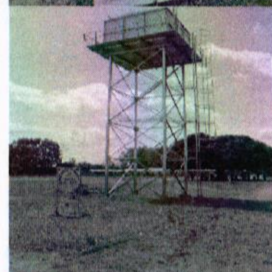
2.3.3 Physical verification of selected projects implemented by the Entity

The Authority undertook physical verification of some of projects in the Entity, and the outcomes are presented in Table 12 below:

Table 12: Status of the project implementation with their respective photographs taken on 3rd April 2026 during physical verification

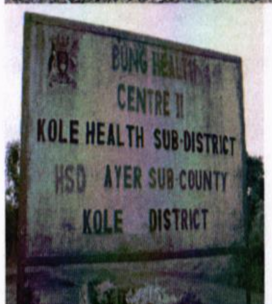
No.	Description	Observations	Management Response	Recommendation	Site visit photos to support the audit views
1.	Low-cost seal maintenance from corner Park to Kole Town 4KM.	Un sealed spot potholes observed along the road stretch starting at Corner Park to Kole town.	*Management acknowledged the existence of isolated potholes along the road section. The District Engineer has been directed to include periodic maintenance and spot sealing of the affected sections in the routine road maintenance work plan to prevent further deterioration of the road infrastructure.*	The measures presented in the Entity's response were noted, however, the District Engineer should have the spotted potholes sealed to save the road from further damage.	  *Un sealed spot potholes along Corner Park to Kole town.*
2.	Rehabilitation of 4-classroom at Okole Primary School.	a) The lightening arrestor cable was vandalised. b) Cracked and faded blackboard in the classrooms.	*Management acknowledged the vandalized lightning arrestor cable and deteriorated blackboard surfaces. The District Education Officer and District Engineer have been tasked to:* • *Replace the lightning arrestor system;*	The measures presented in the Entity's response were noted, however, the District Education Officer should plan to:	 

No.	Description	Observations	Management Response	Recommendation	Site visit photos to support the audit views
			• *Refurbish the affected blackboards; and* • *Strengthen routine maintenance and protection of school infrastructure.*	1. Replace the lightening arrestor. 2. Refurbish the black board.	 *Vandalised lightening arrestor cable above and cracked and faded blackboard in the classrooms at Okole Primary School.*
3.	Construction of Kaguta Complex Phase IV.	The building was incomplete and had stagnant water with no drainage in the auditorium of the building.	*Management acknowledged the stagnant water observed within the auditorium area of the building. The District Engineer has been instructed to urgently design and implement an appropriate drainage solution to prevent structural deterioration arising from water stagnation.*	The measures presented in the Entity's response were noted, however, the District Engineer should plan to for works to create an outlet to drain the collected water to avoid erosive effect in the building.	 *Incomplete construction of Kaguta Complex with stagnant water in the auditorium of the building.*

No.	Description	Observations	Management Response	Recommendation	Site visit photos to support the audit views
4.	Construction of pipe water scheme.	a) Water source was not pumping water to the serviced areas. b) The water reservoir / tank at Damatira P/S was empty and had no water supply for the pupils. c) The solar power system was not functioning / had no indication of powering the water pump/system. d) The water source host farmer/family was not provided with a water stand point/tap. As such, the family and the people in the	*Management acknowledged the operational challenges observed at the water facility, including non-functionality of the pumping system, empty reservoir tanks, and absence of a standpipe for the host community. The District Water Officer has been directed to:* • *Conduct a comprehensive technical assessment of the water system to establish the cause of non-functionality;* • *Restore the pumping and solar power systems;* • *Provide an external water access point for the host family and surrounding community;* • *Verify compliance of the tank stand materials with technical specifications; and* • *Strengthen supervision and maintenance arrangements for the facility.* *Management recognizes the importance of restoring functionality of the water source to ensure continuous water supply to the beneficiary community, schools, and health facilities.*	The measures presented in the Entity's response were noted, however, the District Water Officer should; 1. Send a technical team / staff to the water source to establish the problem that hinders the functionality of the facility. This should be done with urgency so as to restore the water supply for the beneficiaries because the; community, (the nearby Health Centres and the primary school) heavily rely on the water source for water supply and right now are	   

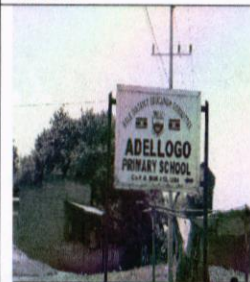
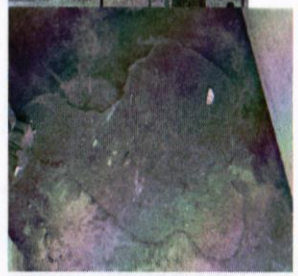
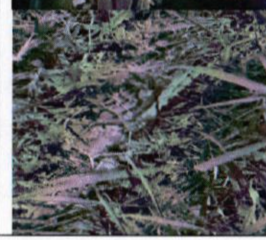
No.	Description	Observations	Management Response	Recommendation	Site visit photos to support the audit views
		neighbourhood were drawing water from inside the pump house using the overflow tap. This exposed the installation inside the water house to a risk of water system failure. e) Non-galvanised angle bars and stand pipes were used to assemble the water tank stand.		not able to access water. 2. Put a stand pipe for water supply to the horst family of the water source and the neighbouring community/famil ies, outside the pump house / fence. 3. Confirm that the water tank stand at the Primary School was constructed with galvanised angle bars and pipes.	 *None functioning water source pump and solar power system at a horst farmer's home with empty water reservoir /tank at Damatira P/S.*

No.	Description	Observations	Management Response	Recommendation	Site visit photos to support the audit views
5.	Rehabilitation of 15.01km road in Bala Sub County, Kole District Under National Oil Seed Project.	a) Potholes have developed along the road, especially the spots near Bala Trading Centre, deep potholes are all over the road, that gravely hinder traffic flow and safe road use. b) Erosion of road at the culvert linings at swamp along the Lira City – Kole boarder, among other spots along the road.	*Management acknowledged the development of potholes and erosion at culvert sections along the road. The District Engineer has been directed to:* • *Improve drainage systems and construct additional water offshoots where necessary;* • *Reinforce culvert headwalls and erosion-prone sections with additional marram and protective works; and* • *Incorporate the affected sections in the periodic maintenance programme.*	The measures presented in the Entity's response were noted, however, the District Engineer should see to it that; 1. More off shoots are created to control the waterflow to save the road from further damage due to water run-off. 2. More marram is added on culvert line head along the road stretch and save them from further damage due to water run-off.	  *Potholes developed along the road and erosion of compacted marram on the culvert line head at Lira City – Kole boarder, among others.*

No.	Description	Observations	Management Response	Recommendation	Site visit photos to support the audit views
6.	Drilling, Casting and Installation of six deep wells and two production wells.	a) The production well at Bung HCII was installed but incomplete, as the water tank / reservoir was yet to be constructed to aid water distribution to the community. b) The borehole at Apatayika village lacked guard rails to protect it from wrongful use.	*Management acknowledged the incomplete water distribution infrastructure and absence of protective guard rails at some boreholes.* *The District Water Officer has been tasked to:* • *Plan for completion of the water reservoir and distribution infrastructure at Bung HCII;* • *Mobilize and sensitize beneficiary communities to safeguard water facilities;* • *Install protective guard rails around vulnerable boreholes; and* • *Strengthen post-installation monitoring and maintenance mechanisms.*	The measures presented in the Entity's response were noted, however, the District Water Officer should: 1. Plan to have the water distribution tank constro 2. 3. uction done; so as to provide water supply to the Health Centre and beneficiary community. 4. Support and mobilise the community using the borehole at Apatayika village to have the borehole protected against misuse.	   *Incomplete production well and a borehole that lacked guard rails around to protect it from misuse.*

No.	Description	Observations	Management Response	Recommendation	Site visit photos to support the audit views
7.	Rehabilitation of 3-classroom block and office at Baramindyang P/S.	a) Cracks on the veranda wall on top of the classroom window near the office. b) No ceiling boards in the classrooms.	*Management acknowledged the structural cracks and absence of ceiling boards in the classrooms. The District Education Officer and District Engineer have been directed to:* • *Assess and repair all identified cracks;* • *Include ceiling board in the design for construction of the classrooms; and* • *Conduct periodic structural inspections of completed school infrastructure.*	The measures presented in the Entity's response were noted, however, the District Education Officer working with the District Engineer should immediately plan to fix the cracks and fit ceiling boards in the classrooms to save it from further damage and have the classrooms conducive for the learners.	 *Cracks on the classroom block and veranda*

No.	Description	Observations	Management Response	Recommendation	Site visit photos to support the audit views
8.	Construction of perimeter wall fence at Okwerodot Seed Secondary School.	The perimeter wall in front of the school was incomplete and the hanging twisted bars were vandalised.	*Management acknowledged that sections of the perimeter wall remained incomplete and some reinforcement bars were vandalized. The District Education Officer and District Engineer have been directed to:* • *Conduct valuation of outstanding works;* • *Mobilize resources for completion of the perimeter wall; and* • *Strengthen site security measures to prevent vandalism of infrastructure materials.* *In this FY 2025/2026 funds have been allocated to complete the project.*	The measures presented in the Entity's response were noted, however, the District Education Officer working with the District Engineer should value the pending works and plan to have the perimeter wall completed accordingly to achieve the project objectives.	 *Incomplete perimeter wall at the front of the School.*

No.	Description	Observations	Management Response	Recommendation	Site visit photos to support the audit views
9.	Rehabilitation of 4-classroom at Adellogo Primary School.	a) Cement screed in the classroom floor had greatly peeled off. b) Classroom was crowded with high pupil to classroom holding ratio. c) Planted trees dried up. d) Classroom had no ceiling board.	*This is acknowledged. The District Education Officer and District Engineer have been tasked to:* • *Repair the damaged floor surfaces;* • *Include ceiling board in the design for construction of the classrooms;* • *Explore phased expansion of classroom infrastructure to address congestion; and* • *Undertake replanting and maintenance of trees within the school compound.* *Management remains committed to strengthening project supervision, contract management, quality assurance, and maintenance of public infrastructure to ensure sustainability and value for money in all government projects.*	The measures presented in the Entity's response were noted, however, the District Education Officer working with the District Engineer should immediately plan to fix the classroom floor peeling and fit ceiling boards in the classrooms.	  *Cement screed peeled off a classroom floor.*  

No.	Description	Observations	Management Response	Recommendation	Site visit photos to support the audit views
					Pupils crowded in a classroom and a dried planted tree in the school compound.

CHAPTER 3: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

3.1 Overall audit conclusion

The performance of Kole District Local Government for the financial year 2024/2025 was moderately satisfactory with an overall weighted average risk rating of 58.81%.

3.2 Entity's performance

The risk rating was weighted to determine the overall risk level of the Entity. The weighting was derived using the average weighted index as shown in Table 13 below:

Table 13: Summary of performance of Kole District Local Government

Risk Rating	No.	% By No.	Value (UGX)	% By Value	Weight	Total Weighted Score	
						By No.	By Value
High	1	6.67	1,503,333,067	33.28	0.6	4.002	19.968
Medium	13	86.67	2,992,708,479	66.26	0.3	26.001	19.878
Low	1	6.67	20,700,000	0.46	0.1	0.667	0.046
Total	**15**	**100.01**	**4,516,741,546**	**100**	**1**	**30.67**	**39.892**

$$\text{Weighted Average (By no.)} = \frac{\sum \text{Weighted Score} \times 100}{60} = \frac{30.67 \times 100}{60} = 51.12\%$$

$$\text{Weighted Average (By Value)} = \frac{\sum \text{Weighted Score} \times 100}{60} = \frac{39.892 \times 100}{60} = 66.49\%$$

$$\text{The average weighted risk rating} = \frac{51.12 + 66.49}{2} = 58.81\%$$

Since 58.81% falls within the 31-70% risk range, the performance of the Entity is rated moderately satisfactory as detailed in Table 14 below:

Table 14: The risk rating is as follows

Risk Rating	Description of Performance
0 - 30%	Satisfactory
31- 70%	Moderately Satisfactory
71-100%	Unsatisfactory

GRAPHICAL REPRESENTATION OF THE ENTITY'S PERFORMANCE

Figure 1: Performance by number of contracts

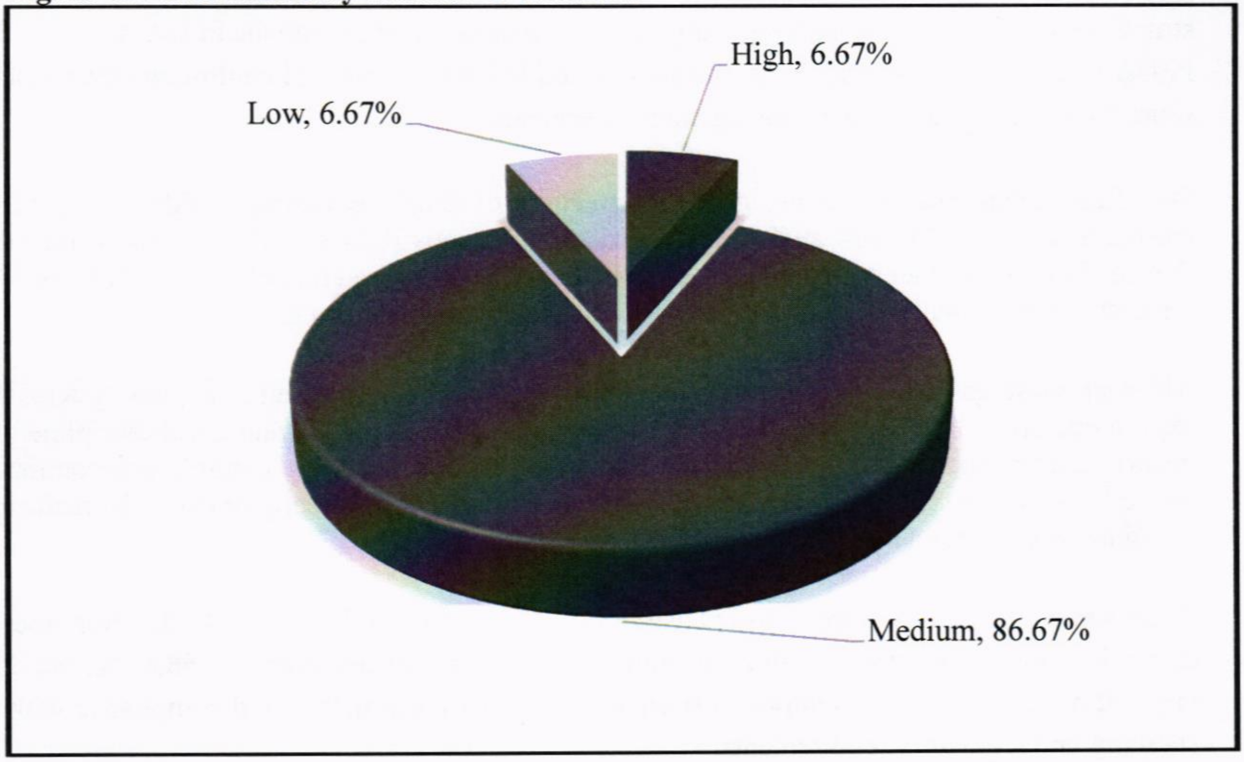
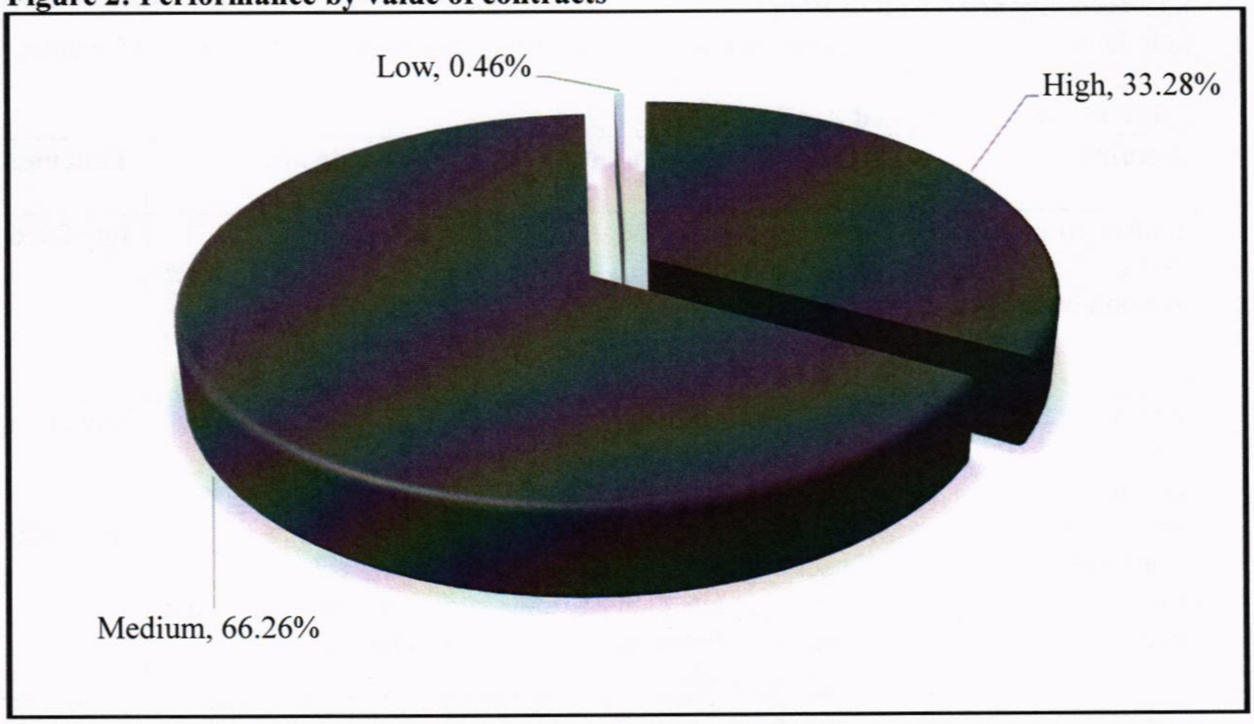


Figure 2: Performance by value of contracts



3.3 Overall audit opinion/conclusion

While Kole District Local Government maintained the required procurement and disposal structures, and its activities were generally conducted in compliance with the PPDA Act, Cap. 205, PPDA Regulations and Guidelines, the audit identified critical internal control and performance weaknesses that require urgent management intervention

Specifically, these included a disregard for regulatory oversight by failing to address over half of the previous FY 2023/2024 audit recommendations, serious risks at different stages, including flawed bidding documents, unamended contract clauses, widespread record-keeping failures. Most critically, missing material tests and failure to dispose of obsolete assets.

Although these gaps do not completely compromise the procurement and disposal system, they expose operational vulnerabilities in project oversight, risk mitigation, and fiscal discipline. Left uncorrected, this pattern of procedural deviations and weak supervisory controls will continue to stall critical community infrastructure, drain public resources and directly obstruct the realization of public service mandates.

Accordingly, the performance of Kole District Local Government for FY 2024/2025 was assessed as **moderately satisfactory**, with an overall weighted average risk rating of **58.81%**, requiring targeted management interventions to strengthen contract performance and compliance with the statutory and regulatory requirements.

3.4 Recommended Action Plan

Kole District Local Government should implement the recommendations in Table 15 below:

Table 15: Recommended Action Plan

Finding	Action/ Recommendation	Responsible Officer	Timeline
Failure to implement audit recommendations.	Implement all the Authority's recommendations.	Accounting Officer/ User Departments/ Procurement and Disposal Unit	July 2026
Failure to implement 7% of planned procurements.	Align procurement expenditures with the approved procurement plan and budget.	Accounting Officer	July 2026
Procurement implemented outside the procurement plan.	No new, multi-year, or extra projects should be approved or receive payment until they are formally included in the procurement plan.	Accounting Officer/ Procurement and Disposal Unit	July 2026
Non-implementation of planned procurements.	Use released funds exactly as planned to meet beneficiary needs	Accounting Officer	July 2026

Finding	Action/ Recommendation	Responsible Officer	Timeline
	and update the procurement plan if budget changes occur.		
Inadequate bidding document requirements.	Verify that the requirements in the bidding documents are appropriately specified before approval.	Contracts Committee	July 2026
Irregular inclusion of the VAT registration certificate as a bidding requirement.	Do not request for VAT registration certificate as guided by the PS/ST Circular No.1 of 2015.	Procurement and Disposal Unit	July 2026
Low bidder participation	Execute the Entity's plan to engage providers, expand the supplier register, optimize timelines, and improve planning through regular self-assessments.	Accounting Officer/ Procurement and Disposal Unit.	Quarterly
Recommendation of award of contract to a non-compliant bidder.	Verify documentation submitted by bidders for authenticity with the relevant authorities, where applicable.	Evaluation Committee	July 2026
Failure to communicate arithmetic corrections.	Communicate to the affected bidders about the arithmetic errors identified and corrected in their bids.	Chairperson, Evaluation Committee	July 2026
Failure to implement the Solicitor General's recommendations in contracts.	Strictly sign contracts with successful bidders, after the Solicitor General's guidance has been incorporated in the contracts by the PDU.	Accounting Officer/ Procurement and Disposal Unit.	July 2026
Non-disposal of obsolete assets.	Institute a Board of Survey to identify assets due for disposal; prepare a disposal plan and initiate disposal process.	Accounting Officer/ Procurement and Disposal Unit/ User Departments	July 2026
No evidence that material tests were conducted.	Recover a total of UGX 12,500,000 from the contractors' retention monies: i) UGX. 2,500,000 from Oryemcan Company Ltd., for the low-cost seal maintenance from corner Park to Kole town 4km. ii) UGX. 7,000,000 from Bygon Enterprises Limited, in the rehabilitation of 15.01km	Accounting Officer	August 2026

Finding	Action/ Recommendation	Responsible Officer	Timeline
	road in Bala Sub-County, Kole District Under National Oil Seed Project. iii) UGX. 3,000,000 from Bygon Enterprises Limited, in the construction of Kaguta Complex phase IV.		
	Ensure contractors strictly follow technical specs and perform required material testing as agreed in the contract.	Contract Managers	July 2026
Incomplete procurement action files.	Archive and maintain complete procurement files with all the related documentation for each individual procurement.	Procurement and Disposal Unit	July 2026
Non-implementation of ESHS requirements.	Recover the following monies from retention: i) UGX. 50,000 from Paadal Holdings Ltd., in the rehabilitation of four classroom block and office at Adellogo Primary School. ii) UGX. 4,400,000 from Oryemcan Company Ltd, in the low-cost seal maintenance from corner Parker to Kole Town 4km. iii) UGX. 43,000,000 from Bygon Enterprises Limited, in the rehabilitation of 15.01km road in Bala Sub County, Kole District Under National Oil Seed Project. iv) UGX. 1,390,000 from Wangi General Enterprises Ltd., in the construction of perimeter wall fence at Okwerodot Seed Secondary School. v) UGX. 9,000,000 from Bygon Enterprises Limited, in the construction of Kaguta Complex phase IV. Enforce ESHS implementation as per BoQs requirements.	Accounting Officer	August 2026

Finding	Action/ Recommendation	Responsible Officer	Timeline
Incomplete projects and defects.	Oversee the completion of all pending works and rectification of defects.	Contract Managers	July 2026

Appendix I: List of audited files for FY 2024/2025

No.	Procurement Reference Number	Subject of Procurement	Method of Procurement	Provider	Contract Amount (UGX)	Risk Rating
1.	KOLE70/WRKS/2024-2025/00011	Construction of Kaguta Complex Phase IV.	Restricted Domestic Bidding	Bygon Enterprises Limited	574,210,849	Medium
2.	KOLE70/WRKS/2024-2025/00022	Low-cost seal maintenance from Corner Parker to Kole Town 4Km.	Request for Quotations	Oryemcan Company Ltd.	305,016,312	Medium
3.	KOLE70/WRKS/2024-2025/00012	Construction of pipe water scheme.	Request for Quotations	Allance Limited 0001	277,497,591	Medium
4.	KOLE70/WRKS/2024-2025/00018	Drilling, casting and installation of six deep wells and two production wells.	Request for Quotations	KLR (U) Ltd.	182,152,824	Medium
5.	KOLE70/MoEs/SUPLS/2024-2025/0001Lot 1	Lot 1- supply of ICT equipment.	Open Domestic Bidding	Step Entertainment Ltd.	148,750,000	Medium
6.	KOLE70/MoEs/SUPLS/2024-2025/00032 Lot 7	Supply, delivery, installation, user training and commissioning of equipment in Ayara HC III, Okwerodot HC III and Ayer HC III.	Open Domestic Bidding	Rodrisa Supplies Limited	370,050,000	Medium
7.	MoLG-NOSP/KOLE/W9RKS/2023/2024/00032/A57	Rehabilitation of 15.01 road in Bala Sub-County, Kole District Under National Oil Seed Project.	Open Domestic Bidding	Bygon Enterprises Limited	1,503,333,067	High
8.	KOLE70/WRKS/2024-2025/0010	Construction of perimeter wall fence at Okwerodot Seed Secondary School.	Request for Quotations	Wangi General Enterprises Ltd.	387,380,000	Medium
9.	KOLE/WRKS/2024/2025/ugift/00001	Design, supply and installation of micro-scale irrigation systems.	Restricted Domestic Bidding	Bruielex Group of Companies Ltd.	421,570,000	Medium
10.	KOLEMoES//SUPLS/2024/2025/0001 LOT 1	Lot 2- supply and delivery of science kits and chemical reagents.	Open Domestic Bidding	A.N Ddamulira Ltd.	52,653,000	Medium

No.	Procurement Reference Number	Subject of Procurement	Method of Procurement	Provider	Contract Amount (UGX)	Risk Rating
11.	KOLE/WRKS/2024/2025/0005	Rehabilitation of 3-classroom and office at Baramindyang Primary School.	Request for Quotations	Dreamers Enterprises Ltd.	59,360,000	Medium
12.	KOLE/WRKS/2024/2025/0003	Rehabilitation of 4-classroom at Okole Primary School.	Request for Quotations	Agwatawil Enterprises Ltd.	79,522,600	Medium
13.	KOLE/WRKS/2024/2025/0002	Rehabilitation of 4-classroom at Adellogo Primary School.	Request for Quotations	Paadal Holdings Ltd.	81,620,984	Medium
14.	KOLE/870/WRKS/2024/2025/00020	Construction of 2-stance drainable latrine, septic tank and incinerator at Ayara Health Centre III.	Request for Quotations	Headon Enterprises Ltd.	52,924,319	Medium
15.	870/KOLE/Srvs/2024/2025/00002	Local revenue collection at Adyang Market.	Open Domestic Bidding	Okonyerekenwa Group	20,700,000	Low
	Total				**4,516,741,546**	

Appendix II: Risk rating criteria

Risk	Description
High	Such procurements are considered to have serious weaknesses, which could cause material financial loss or carry risk for the regulatory system or the Entity's reputation. Such cases warrant immediate attention by Senior Management. Significant deviations from established policies and principles and/or generally accepted industry standards will normally be rated "high".
Medium	Procurements that were considered to have weaknesses which, although less likely to lead to material financial loss or to risk damaging the regulatory system or the entity's reputation, warrant timely management action using the existing management framework to ensure a formal and effective system of management controls is put in place. Such procurements would normally be graded "medium" provided that there is sufficient evidence of "hands on management control and oversight" at an appropriate level of seniority.
Low	Procurements with weaknesses where resolution within the normal management framework is considered desirable to improve efficiency or to ensure that the business matches current market best practice. Deviations from laid down detailed procedures would normally be graded "low" provided that there is sufficient evidence of management action to put in place and monitor compliance with detailed procedures.

Risk	Description
Satisfactory	Relates to following laid down procurement procedures and guidelines and no significant deviation is identified during the conduct of the procurement process based on the records available at the time.

Appendix III: Assets due for disposal at the district parking yard as at 10th April 2026

Immovable motor vehicles, trucks and a machine grader grounded at the District Headquarters.

Appendix IV: Unimplemented planned procurements

No.	Subject of Procurement	Method of Procurement	Estimated Value (UGX)
1.	Information and communication technology supplies.	Micro procurement	800,000
2.	Maintenance-transport equipment.	Quotation method	20,000,000
3.	Supply of small office equipment, printing, stationaries, etc.	Framework	2,800,000
4.	Hydrogeological survey of three production wells.	Quotation method	3,500,000
5.	Supply of water quality testing kit.	Quotation method	15,000,000
6.	Vehicle maintenance at Production Department.	Quotation method	8,000,000
7.	Physical planning consultancy services.	Quotation method	8,000,000

No.	Subject of Procurement	Method of Procurement	Estimated Value (UGX)
8.	Road improvement from Alyat-Aweingwee to Ocokcan 16.3km.	Quotation method	155,800,000
9.	Road works from Teokutu to Adwila via Aputi 4.325km.	Quotation method	34,000,000
10.	Road works from Aumi to Agong 11km.	Quotation method	54,000,000
11.	Road works from Anyongo to Alem PS via Barmola 4km.	Quotation method	40,000,000
12.	Road works from Barpii to Anekapiri via Acankado 11km.	Quotation method	50,000,000
13.	Routine manual road maintenance of Teboke-Awangacol-Alyat-Aboke HC-Aboke market- Alito-Ogur Road 46km.	Quotation method	39,100,000
14.	Supply of book shelves to Stationery Department.	Quotation method	7,000,000
15.	Supply of chairs to Chairman's office.	Quotation method	50,000,000
16.	Supply and installation of a TV set.	Micro procurement	4,000,000
17.	Supply of DEC fuel.	Quotation method	11,000,000
18.	Opening of community access road from Corner K- Zone via Abibuti to Holly Cross COU.	Quotation method	13,118,000
19.	Bush clearing of community access road form Laru to Amokoge.	Micro procurement	3,000,000
20.	Rehabilitation of community access road from Teitek to Oliduru 5km.	Quotation method	12,562,000
21.	Rehabilitation of community access road from Baryao 'B' to Opeta P/S via Agwet P/S.	Quotation method	21,464,000
22.	Road opening of Baribule to Omerogweno via Obutu P7 (5.5KM).	Quotation method	14,863,000
23.	Supply of stationery for Finance, Administration, Community and Council departments at Okwerodot S/C.	Micro procurement	3,050,000
24.	Purchase of Accounts books and scholastic materials for best UPE pupils in Okwerodot S/C.	Micro procurement	2,400,000
25.	Repair of a motorcycle in Okwerodot S/C.	Micro procurement	800,000
26.	Partial gravelling, culvert installation section in Alemi Parish.	Quotation method	16,750,000
27.	Culvert installation at Olipa swamp.	Micro procurement	8,000,000
28.	Supply of fuel, lubricants and oils.	Quotation method	40,000,000
29.	Hire of equipment.	Quotation method	20,000,000
30.	Road rehabilitation, community access road- Apiioguru signpost via Olipa swamp to Awakaiweng.	Quotation method	17,917,000
31.	Road rehabilitation from Nginga via Opong Imalo to Ogedi.	Quotation method	21,123,000
32.	Road rehabilitation from Angic Market, Akwo Wanga via Alebere to Adwong Otingo.	Quotation method	12,400,000

No.	Subject of Procurement	Method of Procurement	Estimated Value (UGX)
33.	Support of games and sports.	Micro procurement	500,000
34.	Motorcycle repairs and maintenance.	Micro procurement	100,000
35.	Mobilization apiary.	Micro procurement	100,000
36.	Pest and disease surveillance.	Micro procurement	200,000
37.	Training on basic Agronomic practice.	Micro procurement	100,000
38.	Farmers training on nutrition.	Micro procurement	100,000
39.	Supply of a laptop computer to Akalo S/C.	Quotation method	5,000,000
40.	Road maintenance within Akalo S/C.	Micro procurement	5,500,000
41.	Revenue collection at produce loading at Aboke T/C.	Micro procurement	1,440,000
42.	Revenue collection at Corner Mowlem Daily Market.	Micro procurement	3,600,000
43.	Revenue collection at Aboke T/C fruit loading at Mowlem.	Micro procurement	4,200,000
44.	Aboke T/C trading licences.	Micro procurement	4,800,000
45.	Rehabilitation of community access road from NUBI to Agwangadar.	Quotation method	11,521,000
46.	Road maintenance from Tegweng via Alito T/C to Anekapiri market.	Quotation method	10,000,000
47.	Construction of ARSH pit at Anekapiri.	Quotation method	10,000,000
48.	Road maintenance from Teyao Anyonomac to Adonyo Asili.	Quotation method	8,000,000
49.	Supply of fuel, oil and lubricants.	Quotation method	40,000,000
50.	Hire of equipment not available (assorted).	Quotation method	20,000,000
51.	Maintenance of Munu Abrose road 1.9km.	Micro procurement	9,500,000
52.	Maintenance of Victoria road 1.52km.	Micro procurement	9,000,000
53.	Maintenance of Town Square Avenue 0.7km.	Micro procurement	5,000,000
54.	Maintenance of Akaidebe road 2.2km.	Quotation method	20,000,000
55.	Maintenance of Owani Jacob road 2.3km.	Quotation method	20,000,000
56.	Furniture and fixtures, assorted furniture.	Quotation method	16,000,000
57.	Fuel, lubricants and oils.	Quotation method	20,000,000
58.	Drilling, pump testing, casting of 03 production wells.	Quotation method	79,500,000
59.	Supply of fuel to Production Department.	Quotation method	35,169,000
60.	Procurement of a slashing machine.	Micro procurement	2,000,000
61.	Supply and establishment of tree seedlings.	Micro procurement	2,000,000
62.	Supply of fuel to Natural Resources Department.	Framework contract	10,000,000

No.	Subject of Procurement	Method of Procurement	Estimated Value (UGX)
63.	Road improvement from Ngetta-Alito 14.5km.	Quotation method	30,000,000
64.	Road improvement from Alito-Amoro 7km.	Quotation method	20,000,000
65.	Road works from Anotocao teopok to Amoilela 13km.	Quotation method	80,000,000
66.	Road works from Teokutu-Laru- Agerinono-Owalo-Tikoling-Arocha to Agwiciri 23.4km.	Quotation method	135,000,000
67.	Road works from Alang to Alito HCIII 5km.	Quotation method	50,000,000
68.	Road works from Abari-Abeli to Nyamkere via Omaladyang 12km.	Quotation method	70,000,000
69.	Road works from Angic-Alelibanya junction 8km.	Quotation method	60,000,000
70.	Road works from Bala HC III- Aumidani to Tekidi TC 6km.	Quotation method	50,000,000
71.	Road works along Akalo to Amach (spots).	Quotation method	20,000,000
72.	Routine manual road maintenance of Aboke Finnery to Opeta road 8.6km.	Quotation method	7,310,000
73.	Construction of Akalo S/C Administration Block Phase II.	Quotation method	120,000,000
74.	Plastering of Okwerodot S/C Administration block.	Quotation method	16,000,000
75.	Swamp raising of Egwea Escom to Tekidi Trading Centre in Alemi Parish.	Quotation method	25,441,000
	Total		**1,747,528,000**

Appendix V: Completed installations under the micro scale irrigation program in Kole District

No.	Name of beneficiary farmer	Contractor	Contract Amount (UGX)
1.	Mr. John Bosco Oree	Icon Projects Ltd.	19,920,000
2.	Mr. Douglas Patrick Okwir	Icon Projects Ltd.	19,020,000
3.	Mr. Daniel Opio	Icon Projects Ltd.	18,645,000
4.	Mr. Tom Okare	Brueilex Group of Companies Ltd.	19,560,000
5.	Mr. Moses Ojok	Brueilex Group of Companies Ltd.	16,740,000
6.	Mr. Francis Otim	Brueilex Group of Companies Ltd.	17,340,000
7.	Mr. Julius Peter Okot	Icon Projects Ltd.	20,620,000
8.	Mr. Tom Otim	Icon Projects Ltd.	22,940,000
9.	Mr. Francis Oping	Brueilex Group of Companies Ltd.	19,800,000
10.	Mr. Julius Peter Opio	Brueilex Group of Companies Ltd.	19,950,000
11.	Mr. Moses Ogwal	Brueilex Group of Companies Ltd.	18,700,000
12.	Ms. Miriam Ageno	Brueilex Group of Companies Ltd.	18,400,000

No.	Name of beneficiary farmer	Contractor	Contract Amount (UGX)
13.	Ms. Linda Acio	Brueilex Group of Companies Ltd.	19,250,000
14.	Mr. Edward Ongom Okori	Icon Projects Ltd.	18,350,000
15.	Mr. Ernest Ogwang Ogweng	Icon Projects Ltd.	17,250,000
16.	Ms. Milly Angida	Brueilex Group of Companies Ltd.	18,780,000
17.	Mr. Sam Johnny Eyul	Brueilex Group of Companies Ltd.	19,500,000
18.	Mr. Eugine Ebonga	Brueilex Group of Companies Ltd.	18,900,000
19.	Ms. Charise Ogingo	Brueilex Group of Companies Ltd.	18,850,000
20.	Mr. William Opio Otim	Brueilex Group of Companies Ltd.	19,900,000
21.	Ms. Justine Okeng Omara	Brueilex Group of Companies Ltd.	19,250,000
22.	Mr. Julius Peter Ogoro	Kweli Uganda Ltd.	18,168,000
23.	Ms. Florence Otuke	Kweli Uganda Ltd.	18,774,000
24.	Mr. James Awanyo	Kweli Uganda Ltd.	19,304,000
25.	Mr. Namson Ongom	Kweli Uganda Ltd.	17,395,000
26.	Mr. Robert Milton Okori	Heden Engineering Solutions Ltd	18,000,000
27.	Mr. Denis.Ogwal	Kweli Uganda Ltd.	21,338,000
28.	Mr. Richard Joel Ogwal	Icon Projects Ltd.	22,520,000
29.	Mr. Tom Odyek.	Icon Projects Ltd.	23,700,000
30.	Ms. Anna Akello	Icon Projects Ltd.	22,850,000
31.	Mr. Jasper Joel Ogwal	Icon Projects Ltd.	18,990,000
32.	Mr. David Olwa	Icon Projects Ltd.	18,520,000
33.	Mr. Isaac Omara	Icon Projects Ltd.	20,440,000
34.	Mr. Santo Okori	Icon Projects Ltd.	18,900,000
35.	Ms. Dorcus Akullu	Icon Projects Ltd.	22,000,000
36.	Mr. Ecel Alele Pedro	Brueilex Group of Companies Ltd.	18,280,000
37.	Mr. Samuel Oruk	Brueilex Group of Companies Ltd.	17,930,000
38.	Mr. Joel Opeto	Brueilex Group of Companies Ltd.	19,740,000
39.	Mr. Dorcus Otim	Brueilex Group of Companies Ltd.	17,955,000
40.	Mr. Andrew Aguma	Brueilex Group of Companies Ltd.	19,730,000
41.	Mr. George Atuma	Brueilex Group of Companies Ltd.	14,769,000
42.	Mr. James Ocen	Brueilex Group of Companies Ltd.	17,930,000
43.	Mr. Thomas Otim	Kweli Uganda Ltd.	23,780,000

No.	Name of beneficiary farmer	Contractor	Contract Amount (UGX)
44.	Ms. Betty Ocen	Brueilex Group of Companies Ltd.	19,542,000
	Total		**852,220,000**

Appendix VI: Suspected fogged Tax Clearance Certificate for Allianz Limited

URA
Uganda Revenue Authority
DEVELOPING UGANDA TOGETHER

TRANSACTION TAX CLEARANCE CERTIFICATE

(Issued under Sec. 134 Income Tax Act, CAP 340)

Issue Date: 12/02/2025

For General Tax Questions call our Toll Free 0800117000
Or log onto URA web portal https://ura.go.ug
Notice - DT- 2091

Certificate Reference Number
UGND210011257

Certificate Barcode

URA hereby certifies that the applicant whose particulars appear below has complied with the required tax obligations for the tax period from: 01/07/2024 to: 30/06/2025

Section A: Applicant's Particulars	
Taxpayer Identification Number (TIN)	1000801632
Taxpayer's Legal Name	ALLIANZ LIMITED
Taxpayer Business Name	ALLIANZ HOTEL
Physical Address	20, NAMUGONGO BUTTO ROAD, BUTTO, WAKISO, KIRA MUNICIPALITY, BWEYOGERERE DIVISION

Section B: Addressee's Particulars			
Taxpayer Identification Number (TIN)	1001006654		
Addressee's Legal Name*	KOLE DISTRICT LOCAL GOVERNMENT		
Addressee's Business Name			
Transaction Reference Number		Email	Koledistrict2010@yahoo.com
Phone Contact	00256 - 761088729		

Section C: Purpose of TCC
This TCC has been issued to the applicant for the purpose below:
1) OTHER : Tax Clearance for Construction of Omoladyang HCIII Piped water supply scheme in Kole District.

Section D: Official URA Representative
This Certificate has been issued for and on behalf of the Commissioner / Commissioner General

Dear client, you may check the validity of this T.C.C on the URA web portal: https://ura.go.ug using the reference number (above) or visit the nearest Domestic Tax Office.

AL Allianz Limited
18 FEB 2025
P.O.BOX 48827, KAMPALA