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

PPDA/AGAG/803

15th July 2026

The Chief Administrative Officer
Agago District Local Government
P.O.BOX 1
AGAGO

BID PREPARATORY AUDIT EXERCISE FOR SELECTED PROCUREMENTS UNDER FRAMEWORK CONTRACTS FOR FINANCIAL YEAR 2026/2027

Reference is made to the above subject.

The Public Procurement and Disposal of Public Assets Authority (PPDA) noted that Agago District Local Government is in the process of conducting procurements sampled under Table 1 below to establish framework arrangements for the FY 2026/2027. In accordance with Section 8 (1) (j) (i) of the Public Procurement and Disposal of Public Assets (PPDA) Act, Cap. 205, the Authority conducted a bid preparatory audit covering 3 sampled procurements under framework arrangement at Agago District Local Government, as outlined in Table 1 below.

Table 1: Sampled procurements under framework contracts

No	Subject of Procurement
1.	Hotel and Catering services for a period of one Year
2.	Supply of Computers and other ICT Equipment
3.	Supply of roads and building materials

The objectives of the audit were to determine whether:

1. The public procurement planning and initiation process was carried out in a manner which promotes transparency, accountability and fairness in line with the PPDA Act, Cap. 205, PPDA Regulations, and Guidelines; and

2. The solicitation documents were prepared in accordance with the provisions of the PPDA Act, Cap. 205, PPDA Regulations, and Guidelines.

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The audit covered a review of the procurement planning and requisition/initiation process, including Contract Committee approvals for the procurement method, the composition of the Evaluation Committee, and the solicitation documents and bid notice. The key components of the solicitation document analyzed included: Instructions to Bidders, Bid Data Sheet, Evaluation methodology and Criteria, Bidding Forms, Statement of Requirements, Special Conditions of Contract, and General Conditions of the Contract.

The Authority conducted the audit on 10th July 2026 and identified exceptions requiring management attention. The purpose of this letter therefore is to communicate the audit findings and recommendations for your consideration and action.

1.0 PROVISION OF HOTEL AND CATERING SERVICES FOR A PERIOD OF ONE YEAR

1.1 Whether the public procurement planning and initiation process was conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, Cap. 205 and the PPDA Regulations 2023, and Guidelines

1.1.1 Failure to assign a specific reference number for the procurement requirement

Regulation 3 (6) of the Public Procurement and Disposal of Public Assets (Rules and Method for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023; requires the Procurement and Disposal Unit to allocate specific reference numbers to each procurement requirement at initiation stage, using the numbering system prescribed by the Authority in Guidelines No. 2 of 2024.

The Authority, however, observed that for the above sampled procurement, the Entity did not assign any reference number to identify the procurement requirement that appeared in the advertisement published in the New Vision Newspaper dated Thursday, 9th July 2026, nor did it include a reference number in the solicitation documents to be issued to potential bidders to guide during the bidding process. This may be due to laxity on the part of the Procurement and Disposal Unit and the Contracts Committee's apparent lack of diligence in ensuring quality during the approval of solicitation document.

Implication

This he absence of a unique procurement reference number weakens the identification and traceability of the procurement proceeding and may create ambiguity for potential bidders when preparing bids, or making procurement-related correspondence. It may also result in the misidentification of bids and other procurement records, thereby weakening the audit trail and accountability for the procurement proceeding.

Recommendations

1. The Accounting Officer should task the Head, Procurement and Disposal Entity to assign a unique reference number for each individual procurement requirement in accordance with Guideline No. 2 of 2024.

2. The, Contracts Committee should only approve solicitation documents that have been accorded unique procurement reference number before publication.t

1.2 Whether the solicitation document was prepared in accordance with the provision of the PPDA Act, Cap. 205, PPDA Regulations 2023, and Guidelines

The Authority found anomalies in the solicitation documents as detailed in Table 2 below.

Table 2: Anomalies identified in the Solicitation document.

Description	Exceptions noted	Recommendations
Bid Data Sheet		
ITB 11.1(h)	Registered Power of Attorney for 2022	The bidding document should be revised to reflect the requirement for an appropriate **Registered Power of Attorney**
ITB 20.1	The bid validity period shall be 120 working days	Specify the exact date up to which the bid will remain valid, in line with Regulation 62 (1) of the PPDA (Rules and Method for Procurement of Supply, Works and Non-Consultancy Services) Regulations 2023 **(e.g., 10th November 2026)**
ITB 21.1	A Bid Security shall not be required	The bidding document should be revised to indicate that a Bid Securing Declaration shall be required (for procurements that are reserved for local providers under the open domestic bidding method) in accordance with Guideline Reference: **3/2026** dated **1st July 2026** issued by PPDA. The bidding document should also indicate the period for the Bid Securing Declaration to cover at least **28 days beyond the bid validity period**, in accordance with Regulation 63(5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.
ITB 22.2	The written confirmation of authorization to sign on behalf of the Bidder shall consist of: Name and signature of person on the bid submission sheet	The bidding document should clearly state that the authorization to sign on behalf of the Bidder must include: the name and signature of person on the bid submission sheet with the **Power of Attorney.**
ITB 24.1	For bid submission purposes only, the PDE address is: Agago DLG Street Address: Agago DLG Floor/room:	The document should indicate the **specific room number** for bid submission to guide the bidders.

Description	Exceptions noted	Recommendations
	Town/City: Agago Postal Code: Agago Country: Uganda The deadline for submission is: Date: 28th July,2026 Time (12:00pm)	
Evaluation Methodology and Criteria		
B. Preliminary Examination Criteria	Section 3.2 on the documentation required to provide evidence of eligibility shall be: (d) a copy of VAT registration	• The requirement for VAT registration should be removed in compliance with the **PPDA Circular No.1 of 2015**, which provides that VAT registration must not be included as a prerequisite in bidding processes. • The requirement relating to the Registered Power of Attorney should be harmonized with ITB 11.1 (h).
C. Detailed Evaluation Criteria	Section 6 on Technical Criteria: The Entity did not stipulate the detailed technical criteria such as the required level of experience, the required level of financial capacity, the required personnel and Health certificate from relevant Authority confirming compliance with food safety standards.	The Entity should clearly stipulate: *(i) the required level of experience (e.g., past experience in providing similar services – number and value of contracts in the last 6 months); (ii) the required level of financial capacity (e.g., submission of a bank statement for one year); (iii) the required personnel (e.g., availability of g staff).*
Special Condition of Contracts		
GCC 2.1(g)	SCC (GCC 2.1 (g)) on the other documents forming part of the Contract is the call-off order issued under the contract	The "Comprehensive Contract Documents" under GCC 2.1 (g) should be updated to include all other documents forming part of the contract, including the bidding document, statement of requirement, bid data sheet, special condition of contract, any addenda (if any).
GCC 18.1	SCC (GCC 18.1) on the Performance Security shall not be required.	The bidding document should be revised to require a *Performance Securing Declaration for local providers,* in accordance with Guideline Reference: **3/2026** dated **1st July 2026** issued by PPDA.
GCC 25.1	SCC (GCC 25.1) on the INCOTERM shall be: *stated as N/A.*	The delivery terms under INCOTERM should be clearly stated to enable bidders to quote uniform terms. For e.g., ***DDP-Agago DLG*** *is most*

Description	Exceptions noted	Recommendations
		appropriate term as it places the risks and delivery costs on the supplier.

2.0 SUPPLY OF COMPUTERS AND OTHER ICT EQUIPMENT

2.1 Whether the public procurement planning and initiation process was conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, Cap. 205 and the PPDA Regulations 2023, and Guidelines.

2.1.1 Failure to assign a specific reference number for the procurement requirement

Regulation 3(6) of the Public Procurement and Disposal of Public Assets (Rules and Method for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023; requires the Procurement and Disposal Unit to allocate specific reference numbers to each procurement requirements at initiation stage, using the numbering system prescribed by the Authority in its Guidelines.

The Authority, however, observed that for the above sampled procurement, the Entity did not assign any reference number to identify the procurement requirement that appeared in the advertisement published in the New Vision Newspaper dated Thursday, 9th July 2026, nor did it include a reference number in the solicitation documents to be issued to potential bidder to guide their bidding. This may be due to laxity on the part of the Procurement and Disposal Unit and the Contracts Committee's apparent lack of diligence in ensuring quality during the approval of solicitation document.

Implication

The absence of a unique procurement reference number weakens the identification and traceability of the procurement proceeding and may create ambiguity for potential bidders when preparing bids or making procurement-related correspondence. It may also result in the misidentification of bids and other procurement records, thereby weakening the audit trail and accountability for the procurement proceeding.

Recommendations

1. The Accounting Officer should task the Head, Procurement and Disposal Entity to assign a unique reference number for each individual procurement requirement in accordance with Guideline No. 2 of 2024.
2. The, Contracts Committee should only approve solicitation documents that have been accorded unique procurement reference number before publication.

3.2 Whether the solicitation document was prepared in accordance with the provision of the PPDA Act, Cap. 205, PPDA Regulations 2023, and Guidelines

The Authority found anomalies in the solicitation documents as detailed in Table 3 below.

Table 3: Anomalies in the solicitation documents and corresponding recommendations

Description	Exceptions noted	Recommendations
Bid Data Sheet		
ITB 20.1	The bid validity period shall be 120 working days	This should specify the exact date up to which the bid will remain valid, in line with Regulation 62 (1) of the PPDA (Rules and Method for Procurement of Supply, Works and Non-Consultancy Services) Regulations 2023 **(e.g., 10th November 2026)**
ITB 21.1	A Bid Security shall not be required	The bidding document should be revised to indicate that a Bid Securing Declaration shall be required (for procurements that are reserved for local providers under the open domestic bidding method) in accordance with Guideline Reference: **3/2026** dated **1st July 2026** issued by PPDA. The bidding document should also indicate the period for bid Securing declaration to cover at least **28 days beyond the bid validity period**, in accordance with Regulation 63(5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.
ITB 22.2	The written confirmation of authorization to sign on behalf of the Bidder shall consist of: Name and signature of person on the bid submission sheet	The bidding document should clearly state that the authorization to sign on behalf of the Bidder must include: the name and signature of person on the bid submission sheet with the **Power of Attorney.**
ITB 24.1	For bid submission purposes only, the PDE address is: Agago DLG Street Address: Agago DLG Floor/room: Town/City: Agago Postal Code :1Agago Country: Uganda The deadline for submission is: Date:28th July,2026 Time (12:00pm)	The document should indicate the **specific room number** for bid submission to guide the bidders.
Evaluation Methodology and Criteria		
B. Preliminary Examination Criteria	Section 3.2 on the documentation required to provide evidence of	• The requirement for VAT registration should be removed in line with **PPDA Circular No.1 of 2015**, which provides that VAT registration must

Description	Exceptions noted	Recommendations
	eligibility shall be: (d) a copy of VAT registration	not be included as a prerequisite in bidding processes. • The requirement relating to the Registered Power of Attorney should be harmonized this with ITB 11.1 (h).
C. Detailed Evaluation Criteria	Section 6 on Technical Criteria The Entity does not stipulate the detailed technical criteria such as the required level of experience, the required level of financial capacity, the required personnel and NITA-U certification	• The Entity should clearly specify the required level of experience (e.g., proven past experience in providing similar services, indicating the number and value of contracts undertaken within the last two (2) years). • The Entity should clearly specify the required level of financial capacity (e.g., submission of audited books of accounts for the last two (2) financial years and indication of the minimum annual turnover). • The Entity should include, within the evaluation criteria, a requirement for NITA-U certification for the supply of computers and other related ICT equipment.
Special Condition of Contracts		
GCC 2.1 (g)	SCC (GCC 2.1(g)) on the other documents forming part of the Contract is the call-off order issued under the contract	The "Comprehensive Contract Documents" under GCC 2.1(g) should be updated to include all other documents forming part of the contract, including the bidding document, statement of requirement, bid data sheet, special condition of contract, any addenda (if any).
GCC 18.1	SCC (GCC 18.1) on the Performance Security shall not be required	The bidding document should be revised to require a *Performance Securing Declaration for local providers,* in accordance with Guideline Reference: **3/2026** dated **1st July 2026** issued by PPDA.
GCC 25.1	SCC (GCC 25.1) on the INCOTERM shall be: *stated as N/A*	The delivery terms under INCOTERM should be clearly stated to enable bidders to quote uniform terms. For e.g., ***DDP-Agago DLG*** *is most appropriate term as it places the risks and delivery costs on the supplier.*

3.0 SUPPLY OF BUILDING AND ROAD MATERIALS

3.1 Whether the public procurement planning and initiation process was conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, Cap. 205 and the PPDA Regulations 2023, and Guidelines.

3.1.1 Failure to assign a specific reference number for the procurement requirement

Regulation 3 (6) of the Public Procurement and Disposal of Public Assets (Rules and Method for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023; requires the

Procurement and Disposal Unit to allocate specific reference numbers to each procurement requirements at initiation stage, using the numbering system prescribed by the Authority in its Guidelines.

However, the Authority observed that for the above sampled procurement, the Entity did not assign any reference number to identify the procurement requirement that appeared in the advertisement published in the New Vision Newspaper dated Thursday, 9th July 2026, nor did it include a reference number in the solicitation documents to be issued to potential bidder to guide their bidding. This may be due to laxity on the part of the Procurement and Disposal Unit and the Contracts Committee's apparent lack of diligence in ensuring quality during the approval of solicitation document.

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Recommendations

1. The Accounting Officer should task the Head, Procurement and Disposal Entity to assign a unique reference number for each individual procurement requirement in accordance with Guideline No. 2 of 2024.
2. The, Contracts Committee should only approve solicitation documents that have been accorded unique procurement reference number before publication.

3.2 Whether the solicitation document was prepared in accordance with the provision of the PPDA Act, Cap. 205, PPDA Regulations 2023, and Guidelines

The Authority found anomalies in the solicitation documents as detailed in Table 4 below.

Table 4: Anomalies in the solicitation document and corresponding recommendations

Description	Exceptions noted	Recommendations
Bid Data Sheet		
ITB 20.1	The bid validity period shall be 120 working days	This should specify the exact date up to which the bid will remain valid, in line with Regulation 62 (1) of the PPDA (Rules and Method for Procurement of Supply, Works and Non-Consultancy Services) Regulations 2023 **(e.g., 10th November 2026)**
ITB 21.1	A Bid Security shall not be required	The bidding document should be revised to indicate that a Bid Securing Declaration shall be required (for procurements that are reserved for local providers under the open domestic bidding method) in accordance with Guideline

Description	Exceptions noted	Recommendations
		Reference: **3/2026** dated **1st July 2026** issued by PPDA. The bidding document should also indicate the period for bid Securing declaration to cover at least **28 days beyond the bid validity period**, in accordance with Regulation 63(5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.
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C: Detailed Examination Criteria	Section 6 Technical Criteria The Entity does not stipulate the detailed technical criteria such as the required level of experience, the required level of financial capacity, the required equipment.	• The Entity should clearly specify the required level of experience (e.g., prior experience in providing similar services, indicating the number and value of contracts completed within the last two (2) years). • The Entity should clearly specify the required level of financial capacity (e.g., submission of audited books of accounts for the last two (2) financial years, indication of

Description	Exceptions noted	Recommendations
		the minimum annual turnover, and the type of equipment required).
Special Condition of Contracts		
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GCC 25.1	SCC (GCC 25.1) The INCOTERM shall be: *stated as N/A*	The delivery terms under INCOTERM should be clearly stated to enable bidders to quote uniform terms. For e.g., ***DDP-Agago DLG*** *is most appropriate term as it places the risks and delivery costs on the supplier.*

Implications

- The lack of clarity and completeness in the Bid Data Sheet (BDS) creates uncertainty for bidders, increases the likelihood of non-compliant submissions, and may result in disputes, delays, or challenges during bid evaluation and contract execution. This also weakens transparency, competitiveness, and value for money in the procurement process.
- Gaps in the evaluation criteria may mislead bidders, trigger challenges during evaluation, and increase the risk of submission of non-responsive bids.
- Inconsistencies and omission in the Special Conditions of Contract (SCC) create ambiguity regarding the roles, obligations, and entitlements of the parties. This increases the risk of contractual disputes, potential cost escalations, delays in project execution, and ineffective enforcement of contractual terms.

Conclusion

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

Mary Akiror

FOR. EXECUTIVE DIRECTOR

c.c.: Chairperson, Contracts Committee

c.c.: Head, Procurement and Disposal Unit