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

PPDA/UVTAB/013/35

10th July 2026

The Executive Secretary
Uganda Vocational and Technical Assessment Board
P.O. Box 1499
KAMPALA

REPORT ON BID PREPARATORY AUDIT FOR CONSTRUCTION OF UVTAB ASSESSMENT WAREHOUSE AND THE PROCUREMENT OF CONSULTANCY SERVICE FOR THE CONSTRUCTION SUPERVISION OF THE PROPOSED UVTAB ASSESSMENT WAREHOUSE

Reference is made to the above subject.

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 for the above procurement transactions. The audit covered procurement planning, requisitioning, preparation of solicitation documents, approvals, and compliance with the PPDA Act, Cap. 205, PPDA Regulations, 2023 and applicable Guidelines.

This involved document review, interviews with procurement staff, examination of procurement records and comparison with the legal framework.

The purpose of the audit was to establish whether the initial procurement processes and the solicitation documents issued to the bidders were prepared in accordance with the provisions of the PPDA Act Cap. 205 and PPDA Regulations, 2023.

The specific objectives were;

1. Establish whether the procurement was in the approved procurement plan, budgeted and with adequate funds allocated.
2. Assess the quality of bidding documents to verify that the bidding documents are complete, clear, accurate, and free from restrictive or discriminatory specifications that could unfairly limit competition.
3. Asses the process to promote fairness and transparency and ensure that the procurement method selected is appropriate and that the planned process will provide equal opportunities to all eligible bidders.

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The Authority identified the following exceptions with regard to procurement planning, requisitioning and bidding document preparation for the attention of management.

1.1. High cost of bidding documents issued to bidders

Regulation 57(4) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 provides that bidding documents may be sold only to recover the costs of printing, copying and distribution and that the price charged shall not include any profit.

The audit noted that the Entity charged UGX 500,000 per set of bidding documents for both the procurement of the construction of the UVTAB Assessment Warehouse and the Procurement of Consultancy Services for construction Supervision. By the time of the audit, fourteen (14) prospective bidders had purchased the bidding documents for the construction procurement, while one prospective bidder had purchased the bidding documents for the consultancy procurement.

The Entity applied the same fee across both procurements without demonstrating that the amount reflected the actual costs of printing, copying and distribution.

The audit observed that the Entity applied the same fee across the reviewed procurements without evidence that it reflected the actual cost of reproducing and issuing the bidding documents.

Effect/risk/implication

Charging bidding document fees that do not reflect the actual cost of solicitation bid reproduction may discourage prospective bidders, particularly small and medium enterprises, from participating in the procurement process. This may reduce competition, limit value for money and undermine the principles of fairness, transparency and equal access to public procurement opportunities.

Recommendation

The Head of the Procurement and Disposal Unit and the Contracts Committee should, in future, ensure that the fee charged for bidding documents is determined solely on the basis of the actual costs of printing and distribution of the bidding documents, in accordance with Regulation 57(4) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

1.2. **Use of brand names in specifications**

Regulation 38(1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 prohibits the use of brand names or catalogue numbers in technical specifications unless accompanied by the words "or equivalent."

The audit noted that the technical specifications for sanitary fittings under the mechanical installations section specifies proprietary brands including Kohler and VADO for water closets, wash basins, shower mixers, urinals, drains, toilet roll holders, soap trays and towel holders.

The bidding document neither provided for equivalent products nor justified the use of the specified brands.

Effect/implication/risk

The use of proprietary brand names without allowing equivalent alternatives may unfairly restrict competition, limit bidder participation and create the perception of favoritism, contrary to the principles of fairness and equal treatment in public procurement

Recommendation

The Head, Procurement and Disposal Unit should revise the technical specifications by removing the proprietary brand names or providing for equivalent products in accordance with Regulation 38(1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023, and communicate the amendments to all prospective bidders through a formal addendum.

1.3. **Excessive Performance Security requirement**

Clause 3.1(ii) and (iii) of PPDA Guideline No. 3 of 2026 on Bid, Performance and Advance Payment Securities requires a performance security not exceeding five percent (5%) for foreign providers and a Performance Securing Declaration for local providers.

The audit noted that the bidding document for the Construction of the UVTAB Assessment Warehouse required all bidders to submit a performance security of ten percent (10%) under GCC 62.1 and GCC 62.3 of the Special Conditions of Contract.

The bidding document did not distinguish between foreign and local providers and omitted the requirement for a Performance Securing Declaration for local providers.

Effect/Risk/Implication

Requiring an excessive performance security increases the cost of participation for bidders and may discourage competition. Failure to provide for a Performance Securing Declaration for local providers is inconsistent with the PPDA Guidelines and may disadvantage local firms.

Recommendation

The Head, Procurement and Disposal Unit should amend the Special Conditions of Contract by reducing the performance security requirement to a maximum of five percent (5%) for foreign providers and providing for a Performance Securing Declaration for local providers in accordance with PPDA Guideline No. 3 of 2026. The amendments should be communicated to all prospective bidders through an addendum.

1.4. Failure to provide for a Performance Securing Declaration in the Special Conditions of the Contract

Clause 2.3(ii) of PPDA Guideline No. 3 of 2026 on Bid, Performance and Advance Payment Securities requires local providers to submit a Performance Securing Declaration where applicable.

The audit noted that the Special Conditions of Contract for the Consultancy Services for Construction Supervision did not include any requirement for a Performance Securing Declaration.

Effect/Risk/Implication
Failure to provide for the Performance Securing Declaration is inconsistent with the PPDA Guidelines and may result in the application of non-compliant contract security requirements. May also weaken the commitment of the provider to contract.

Recommendation
The Head, Procurement and Disposal Unit should amend the Special Conditions of Contract to include the requirement for a Performance Securing Declaration in accordance with Clause 2.3(ii) of PPDA Guideline No. 3 of 2026 and communicate the amendment to all prospective bidders.

1.5. Provision of insufficient bidding period
Regulation 56(1)(a) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 prescribes a minimum bidding period of 15 working days for procurements conducted using the Open Domestic Bidding method.

The audit noted that the procurement for the Construction of the UVTAB Assessment Warehouse was advertised on 29th June 2026, with the bid submission deadline set for 16th July 2026. This provided prospective bidders with only 14 working days to prepare and submit their bids. The statutory minimum bidding period of 15 working days would have expired on 17th July 2026, one working day after the scheduled bid submission date.

Effect/Risk
Providing a bidding period that is shorter than the statutory minimum limits the time available for prospective bidders to prepare responsive bids, which may discourage participation, reduce competition, and expose the procurement process to challenges arising from non-compliance with the PPDA regulatory framework.

Recommendation
The Head, Procurement and Disposal Unit should issue an addendum extending the bid submission deadline to provide bidders with at least the minimum statutory bidding period prescribed under Regulation 56(1)(a) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023. In future, the Entity should ensure that bidding periods comply with the prescribed minimum requirements before issuing invitations to bid.

1.6. Provision of inadequate information to bidders
Regulation 37 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 requires bidding documents to contain complete, accurate and sufficient information to enable bidders to prepare responsive and comparable bids.

The audit noted that the bidding documents for the Construction of the UVTAB Assessment Warehouse did not provide bidders with complete and accurate information necessary for the preparation of responsive bids, as follows:

a) Omission of quantities in the Bill of Quantities

The Bill of Quantities omitted quantities for the following items:

- Mass excavation (m^3) under Bill No. 6 (Page 6/1/1);
- Dhobi sink under Bill No. 10 (Pages 10/1/2 Item G and 10/3/2); and
- Ceiling fans under Bill No. 10 (Page 10/5/3).

b) Incomplete description of the scope of works

The audit further noted that although the procurement involved the construction of a three-storey assessment warehouse, an underground water tank, a gatehouse and associated external works, these components were not reflected under ITB 1 of the Bid Data Sheet and the corresponding provisions of the Special Conditions of Contract.

Effect/Risk
Incomplete bidding documents may result in inaccurate bid pricing, submission of non-responsive bids and an increased likelihood of requests for clarification, complaints or contract variations during implementation.

Recommendation
The Head, Procurement and Disposal Unit should revise the bidding documents by including quantities for all Bill of Quantities items and ensuring that the scope of works is fully and accurately described throughout the bidding documents. The revised documents should be communicated to all prospective bidders through a formal addendum.

1.7. Failure to provide for margin of preference
Section 62(1)(a) and (b) of the PPDA Act, Cap. 205 requires the application of preference schemes in procurements conducted using the Open Domestic Bidding or Open International Bidding methods. The prescribed margin of preference should be applied during the financial evaluation of bids submitted by eligible providers.

The audit noted that the bidding documents for both the Construction of the UVTAB Assessment Warehouse and the Procurement of Consultancy Services for Construction Supervision did not provide for the application of a margin of preference. Under ITB 40.1 of the Bid Data Sheet, the Entity expressly stated that "a margin of preference shall not apply."
The bidding documents did not provide any justification or exemption for omitting the application of the prescribed margin of preference.

The omission was not supported by any justification or exemption and was inconsistent with the requirements of Section 62(1)(a) and (b) of the PPDA Act, Cap. 205. This undermines the promotion of local content.

Effect/Risk
Failure to provide for the applicable margin of preference is inconsistent with the PPDA Act and may disadvantage eligible local providers, undermine Government policy on the promotion of local content, and expose the procurement process to legal challenge.

Recommendation
The Head, Procurement and Disposal Unit should revise the bidding documents to provide for the application of the prescribed margin of preference in accordance with Section 62(1)(a) and (b) of the PPDA Act, Cap. 205 and communicate the amendments to all prospective bidders through a formal addendum.

1.8. Delays at the Initial Stages of Procurement

Section 51 of the PPDA Act, Cap. 205 requires procurement processes to be conducted in a timely and efficient manner to ensure the achievement of value for money and the effective delivery of public services.
The audit noted avoidable delays during the initiation of the reviewed procurements, as follows:

a) **Delayed Advertisement of the Procurement**
For the procurement of the Construction of the UVTAB Assessment Warehouse, the Contracts Committee approved the bidding documents and invitation to bid on 4th May 2026. However, the invitation to bid was not published until 29th June 2026, resulting in a delay of 37 working days.

b) **Delayed Submission of procurement documents to the Contracts Committee**
For the procurement of Consultancy Services for the Construction Supervision of the UVTAB Assessment Warehouse, the Procurement Requisition (Form 5) was approved by the Accounting Officer on 5th May 2026. However, the Procurement and Disposal Unit did not submit the procurement to the Contracts Committee until 24th June 2026, resulting in a delay of 33 working days.

Implication
The delays affected the timely progression of the procurement process and may result in delayed project implementation, increased procurement lead times and inefficient utilization of public resources. Such delays may also affect service delivery and increase the risk of procurement activities extending beyond planned implementation schedules.

Recommendation
The Accounting Officer should strengthen oversight of procurement planning and implementation by establishing internal timelines for each stage of the procurement process and monitoring compliance with those timelines. The Procurement and Disposal Unit should ensure that

procurement documents are processed promptly to facilitate efficient completion of procurement activities in accordance with Section 51 of the PPDA Act, Cap. 205.

General recommendations

The Accounting Officer should ensure that all the recommendations contained in this report are implemented before proceeding with the procurement process. Specifically, the Entity should revise the bidding documents to address all identified deficiencies and issue a formal addendum to all prospective bidders communicating the amendments made.

The bid submission deadline should also be extended to provide bidders with sufficient time to consider the amendments and prepare responsive bids.

The Entity should thereafter submit the revised bidding documents and copies of the issued addenda to the Authority for review before proceeding with the bid opening process.

Dr. Aloysius M. Byaruhanga
FOR: EXECUTIVE DIRECTOR

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