



**PUBLIC PROCUREMENT AND DISPOSAL  
OF PUBLIC ASSETS AUTHORITY**

*"Regulating for Results"*

**PROJECT INSPECTION REPORT ON THE  
PERFORMANCE OF THE SPORTS INFRASTRUCTURE  
DEVELOPMENT PROJECT UNDER THE NATIONAL  
COUNCIL OF SPORTS**

**SEPTEMBER 2026**

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## ACRONYMS

|      |   |                                                            |
|------|---|------------------------------------------------------------|
| BoQs | - | Bills of Quantities                                        |
| ESHS | - | Environmental, Social, Health and Safety                   |
| FY   | - | Financial Year                                             |
| GCC  | - | General Conditions of Contract                             |
| GESI | - | Gender Equity and Social Inclusion                         |
| PMT  | - | Project Management Team                                    |
| PPDA | - | Public Procurement and Disposal of Public Assets Authority |
| PPE  | - | Personal Protective Equipment                              |
| SoRs | - | Statements of Requirements                                 |
| UGX  | - | Uganda Shillings                                           |
| NCS  | - | National Council of Sports                                 |

## **EXECUTIVE SUMMARY**

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a project inspection for the Sports Infrastructure Development Project, with the overall object of assessing the performance of the project.

The inspection specifically focused on the Design and Build of a 20,000 seater in Hoima City Stadium and the Design and Build of a 20,000 seater Akii-Bua Olympic Stadium in Lira City, which are the key outputs of the project.

The specific objectives for undertaking the project inspection were to:

1. Establish the level of achievement of value for money during contract implementation (Time, Quality and Cost) of the two stadiums;
2. Assess the overall management of the projects for the two stadiums in accordance with each party's obligations; and
3. Assess the adherence to Environmental, Social, Health and Safety (ESHS) and Local Content requirements during the contract implementation of the two stadiums.

## **THE SPORTS INFRASTRUCTURE DEVELOPMENT PROJECT**

The National Council of Sports came up with the Sports Infrastructure Development Project concept to strengthen national and regional sports for development through increased proportion of labour force transitioning into gainful employment/sports and enterprise development from 34.5% to 55%; by year 2035.

The project components included construction of two CAF (Confédération Africain de Football) compliant 20,000 seater sports stadiums in Hoima City and Lira City; establishment of five regional stadiums in Kakyeka (Mbarara City), Pece (Gulu City), Mbale Municipal Stadium, Buhinga Stadium in Fort Portal City and Masaka City; establishment of 9 training facilities in including Kyambogo, Phillip Omondi, Masindi, Hoima Booma, Makindye, Wankulukuku, Kadiba, Old Kampala SS, and Makerere, to support team training during the competitions; and procurement of essential equipment and training tools required for the functioning and upkeep of the sports facilities. The project was proposed to be completed in five years starting from FY2024/25 to FY2028/29 at an estimated cost of UGX 1,726,493,898,363.

The Authority found the following key exceptions pertaining to this project:

1. Overall Project Performance: The project, scheduled for implementation over five years (FY 2024/2025–FY 2028/2029), had fully achieved only 1 of the 17 planned deliverables (5.9%) by June 2026, despite 40% of the implementation period having elapsed. While 10 deliverables (58.8%) were under implementation, 6 deliverables (35.3%) had not yet commenced, exposing the project to the risk of failing to achieve its objectives within the planned timeframe and budget.
2. Unreadiness of Training facilities for AFCON 2027: Although Hoima City Stadium had substantially been completed, the majority of the training facilities required to support the Africa Cup of Nations (AFCON) 2027 were significantly behind schedule. Construction of Sir Tito Winyi Secondary School and FUFA Kadiba Stadium training facilities had not commenced, while five other training facilities had achieved less than 15% physical progress. Only Kyambogo University (72%) and Makerere University (48%) training

facilities had recorded substantial progress, raising concerns over Uganda's readiness to meet CAF requirements.

3. Changes in project scope: The inspection noted that the project scope was revised to replace five originally approved training facilities (Makindye, Wankulukuku, Kadiba, Old Kampala Secondary School and Philip Omondi) with Sir Tito Winyi Secondary School, Lira University, Gulu University, Pece Stadium and Hoima Boma Grounds training facilities following the change in the AFCON hosting venue from Ham's Stadium Nakivubo. The changes indicate weaknesses in project planning and design and may result in increased project costs.
4. Delayed conclusion of the project appraisal and approval process: The inspection noted that the Entity commenced the design and construction of Hoima City Stadium, Akii-Bua Olympic Stadium and the nine training facilities before completing the project appraisal and approval process required under the Public Investment Management System (PIMS) Framework. Although the Project Concept Note had been approved and a Project Profile prepared, the project proceeded without a comprehensive appraisal to assess its viability and funding, exposing it to implementation and funding risks.
5. Inadequate project funding: Against a cumulative budget of UGX 863.267 billion for the construction of Hoima City Stadium, Akii-Bua Olympic Stadium and Kyambogo Training Facility during FYs 2023/2024 to 2025/2026, the Entity received only UGX 563.998 billion (65.3%). Funding shortfalls were most severe in FY 2025/2026, when only UGX 128.971 billion (30%) of the budgeted UGX 426.973 billion was released. Akii-Bua Olympic Stadium was particularly affected, receiving only 51% of its budgeted funding, resulting in delayed contractor payments and slow construction progress.

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

1. The Accounting Officer and the Project Manager should come up with measures aimed at ensuring that all the project deliverables are completed by the end of the project period.
2. The Accounting Officer should prioritize and fast track the completion of all training facilities earmarked for the 2027 Africa Cup of Nations (AFCON) for completion by December 2026 as planned. A time bound recovery plan should be developed and implemented for each facility, with clearly defined milestones, adequate resource allocation, and regular progress monitoring to ensure timely completion, testing, commissioning, and compliance with CAF requirements before the tournament. In addition, the Accounting Officer should closely monitor contractor performance and promptly address any implementation bottlenecks, including delays in funding, approvals, and decision-making, to minimize the risk of further schedule slippages.
3. The Accounting Officer should in future conduct a comprehensive needs assessment on projects prior to developing project concepts and profile, and their subsequent approval by the Development Committee. This will ensure that all the different project components are captured. Similarly, any changes in the project scope should be submitted for approval.
4. The Accounting Officer should complete the project appraisal and approval processes as prescribed in the Public Investment Management System (PIMS) Framework for Uganda.

5. The Accounting Officer should continue liaising with the Ministry of Finance, Planning Economic Development to ensure that the balance of the project funding is released as planned. Similarly, the released project funds should be properly utilized to ensure that all the project components are completed in time, within scope, cost and quality.

### **Conclusion**

The Sports Infrastructure Development Project is a strategically important national investment aimed at enhancing Uganda's sports infrastructure, promoting sports development, and fulfilling the country's hosting obligations for AFCON 2027. Although notable progress has been achieved, including the completion of Hoima City Stadium and ongoing construction of some training facilities, significant concerns remain regarding the timely completion of the remaining critical infrastructure. Given the current pace of implementation and outstanding works, there is a substantial risk that the facilities required for AFCON 2027 may not be completed and operational by the scheduled commencement of the tournament.

### **A. DESIGN AND BUILD OF HOIMA CITY STADIUM**

On 7<sup>th</sup> June 2024, National Council of Sports entered into a contract with Summa Turizm Yatirimciligi Anonim Sirketi for the Construction of a 20,000-seater Hoima City Stadium for a period of 18 months at a cost of USD 130,000,000, and this project was fully funded by the Government of Uganda.

The scope of the construction works included main stadium (20,000-seater with athletic track); training facility (track & field with at least 2 changing rooms); 2,000-seater multi-sport indoor stadium; 25 Meter semi - olympic size swimming pool; outdoor stadiums (basketball/netball, volleyball/badminton); open and closed car park (1,000 cars); Spectator piazza; related infrastructure works within the site boundary (Electricity, water, ICT, sewerage/wastewater treatment plant); exterior works (Hardscaping and soft landscaping); perimeter fencing and adjacent beautification; and diversion of the existing public murrum road crossing the site.

The construction works was completed and commissioned by H.E the President of the Republic of Uganda in December 2025 and is currently under the defects liability period. There are however a few minor modifications being made to the stadium to meet CAF requirements.

### **Key Findings:**

1. Change in the project scope: There were two changes in the project scope that was noted by the inspection. The first was the reduction of the parking area from 1,000 cars capacity car park to 935 cars capacity car park, resulting into reduction of the parking space by 65 slots. The project inspection noted that this was done with the view of creating a commercial space in Zone 4C of the main stadium's parking area. The second change in scope was the introduction of the mezzanine floor in the mini arena, which was not in the original project scope. The Entity's reason for creation of the mezzanine floor was to create more storage area for equipment within the arena.
2. Inadequate planning and design of the outdoor facilities: The project inspection noted that there was inadequate planning and design of the outdoor training pitch, basketball/ netball court, volleyball/ badminton court and the semi sized Olympic pool, which did not incorporate sitting spaces for spectators. This will require spectators to stand on the pitch

side or court side for the entire period of the game. The project inspection noted that there are already discussions on how the sitting spaces can be provided. Once discussions are completed, it is highly likely that there will be an increase cost for the project, since this was not part of the original project scope.

3. Delayed commencement of the construction works: The project inspection noted that the construction works commenced on 1<sup>st</sup> September 2024, three months after the contract was signed on 7<sup>th</sup> June 2024. This was attributed to the delay in completion of advance payment to the contractor and extension of utilities to the project site as provided for under Clause 8.1 of the Special Conditions of the Contract. This distorts the project timelines and work programmes, and may result into delayed completion of a project
4. Delayed issuance of a commencement order to the contractor: Whereas the construction works commenced on 1<sup>st</sup> September 2024, the project inspection noted that the commencement letter was issued 11 months later on 7<sup>th</sup> August 2025, implying that the contractor was operating within the same period without a formal instruction to do so by the Entity.
5. Delayed payments to the contractor: Whereas GCC 14.7(b)(ii) of the Special Conditions of the Contract states that the period of the employer to make interim payments to the contractor under Sub-Clause 14.6 is 28 days after submission of relevant interim payment application, the project inspect noted delays in payments made to the contractor. Some of these delays were as a result of the delayed approval of the Interim Payment Certificates.
6. Failure to submit a program of works: Whereas GCC 8.3 of the Special Conditions of the Contract required that the programme of works be prepared to indicate quarterly targets which would be used as a basis for measuring the performance of the contractor, the project inspection noted that the contractor did not submit the program of works to the Entity. This denies the Entity the opportunity to carryout timely assessment of the progress of the planned sequence of works by the contractor.

### **Conclusion**

Whereas the construction of Hoima City Stadium was substantially completed and commissioned in December 2025, providing Uganda with a major sports facility that is critical to the country's sports development agenda and AFCON 2027 hosting commitments, the inspection identified weaknesses in project planning and design and contract management, which need to be addressed by the Entity for future projects.

### **Key Recommendations**

1. The Accounting Officer should strengthen project planning and design review processes by ensuring that all major project designs undergo comprehensive technical, operational, and stakeholder validation before procurement and commencement of works, so as to minimise design omissions, scope changes, and cost escalations during project implementation.as provided for under Regulation 3 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services Regulations), 2023.
2. The Accounting Officer should immediately undertake a comprehensive cost benefit analysis and feasibility assessment for the provision of spectator seating at the outdoor facilities to determine its necessity, affordability, and impact on the project budget, functionality, and long-term operational requirements

3. Contract Managers should in future ensure timely commencement of projects in accordance to the clauses and timelines provided in the Special Conditions of the Contract and Regulations 52(1)(a)(b) of the PPDA (Contracts) Regulations, 2023.
4. Contract Managers should ensure that commencement orders are issued to contractors prior to commencement of contracts in accordance to Regulation 52(1)(b) of the PPDA (Contracts) Regulations, 2023.
5. The Accounting Officer should in future promptly service providers within the days stipulated in the Special Conditions of the Contract and Regulation 49 (3) of the PPDA (Contracts) Regulations 2023.
6. Contract Managers should in future require contractors to submit their program of works in accordance with the provisions in the Special Conditions of the Contract stipulated in the contract and Regulation 52(1)(b) of the PPDA (Contracts) Regulations, 2023.

#### **B. DESIGN AND BUILD OF AKII-BUA OLYMPIC STADIUM IN LIRA CITY**

On 6<sup>th</sup> December 2024, the Government of Uganda represented by the National Council of Sports entered into a contract with SAMCO National Construction Company for the Design and Build of Akii-Bua Olympic Stadium in Lira City at USD 129,743,185 for a period of 20 months. The construction is being done with the view of meeting the CAF (Confédération Africain de Football) deadline for infrastructure inspections.

The financing model for the construction of the stadium was designed for a 50-50 cost sharing where the Government of Uganda and the contractor would contribute USD 64,871,641.50 each. The Government of Uganda will however pay back the contractor's 50% contribution upon completion of the contract as per GCC 14.3 of the Special Conditions of the Contract.

The scope of the construction works included the main stadium (20,000-seater with athletic track); two Training facilities (track & field with at least 2 changing rooms); 2,000-seater multi-sport indoor stadium; 25-meter semi - olympic size swimming pool; Outdoor facilities (basketball/netball, volleyball/badminton); mixed use open and closed car park (1,000 cars); spectator piazza; related infrastructure works within the site boundary (electricity, water, ICT, sewerage/wastewater treatment plant); exterior works (hardscaping and soft landscaping); perimeter fencing and security systems; sinking of a borehole to provide an alternative water source; club house; hostel; 2 no. 5 aside pitches and furnishing of all facilities.

The physical progress of the construction works is currently at 63% vis a vis 68.3% time progress.

#### **Key Findings**

1. Delayed commencement of works: The project inspection noted that the project commenced on 3<sup>rd</sup> May 2025 and yet the contract had been signed 150 days earlier on 6<sup>th</sup> December 2024. This was attributed the delayed advance payment to the contractor since GCC 8.1(a)(b) indicated a project start being contingent upon fulfilment of advance payment and a site free of any incumbrances by the employee. This hinders timely project completion which denies

the intended beneficiaries the value they would have derived from the outcome of timely completed works.

2. **Slow progress of the construction works:** The project inspection noted that the stadium construction is slightly behind schedule. As at June 2026, the physical progress of the construction works was at 63% compared to the overall time progress of 68.3% and a financial progress of 30.6%, resulting into a slippage of 5.3%. Whereas there were verbal explanations pertaining to how the contractor and consultant planned to mitigate this, there was no documented recovery program availed to the Authority as evidence of the same. The slow progress was mainly attributed to the delayed payments by the Entity and the complex initial foundation and structural works for the stadium, among others. The slow progress is an indicator of inefficiencies in contract management and may result into cost overruns and delayed project completion.
3. **Insufficient project funding:** Whereas the National Council of Sports budgeted UGX 241,000,000,000 for the design and Build of Akii-Bua Olympic Stadium in FYs 2024/2025 and 2025/26, the project inspection noted that the Entity received only UGX 144,649,989,072, which is 50% of the project budget for the two years. This, coupled with the release of funds has greatly slowed down on the project.
4. **Delay to pay the advance payment:** The project inspection noted that there was delayed payment of advance payment funds from the Government of Uganda counterpart funding worth USD 26,671,542,50, contrary to GCC 14.7 of the Special Conditions of the Contract which required the advance payment to be paid 28 days after signing of the contract. Whereas the contract was signed on 6<sup>th</sup> December 2024, the advance payment was made on 10<sup>th</sup> April 2025, four months after the contract was signed. This constrained the contractor from quickly mobilizing the relevant resources for project commencement.
5. **Laxity in enforcement of protective gears:** Under health and safety, the contractor was required to take all reasonable precautions to maintain the health and safety of the personnel however, some of the contractor's staff on site were working without the necessary protective gears such as helmets, gloves, boots and masks, thereby exposing staff to risk of accidents.
6. **Execution of the construction works without an ESIA Certificate:** The project noted that the contractor was operating without an Environmental & Social Impact Assessment (ESIA) certificate from the National Environment Management Authority (NEMA) from the time the construction commenced on 3<sup>rd</sup> May 2025 up to the time of the inspection in October 2025. Without ESIA, environmental risks (pollution, habitat destruction, resource depletion) may not be properly assessed or mitigated, which can lead to real harm, regulatory non-conformities, and potentially disaster (health, environmental, social).

### **Conclusion**

Although there has been some progress in construction of Akii-Bua Olympic Stadium, the project is still behind schedule with 63% physical progress with a time progress of 68.5% as of June 2026, raising concerns as to whether the stadium will be ready for certification by CAF for use in AFCON 2027.

### **Key Recommendations**

1. Contract Managers should in future ensure timely commencement of projects in accordance to the Clauses and timelines provided in the Special Conditions of the Contract and Regulations 52(1)(a)(b) of the PPDA (Contracts) Regulations, 2023.
2. The Project Manager and the Contract Manager should direct the contractor to complete project within the contract period in accordance with Regulations 52(1)(a)(b), and Regulation 52 (3)(a) of the PPDA (Contracts) Regulations, 2023.
3. The Accounting Officer should in future liaise with the Ministry of Finance, Planning and Economic Development to ensure sufficient funding to support the timely execution and completion of projects.
4. The Accounting Officer should promptly pay contractors within the days specified in the Special Conditions of the Contract and Regulation 49 (3) of the PPDA (Contracts) Regulations 2023.
5. The Contractor and the Contract Manager should strictly enforce health and safety measures and ensure that they are adhered to at construction sites, through provision of helmets and first aid kits on site.
6. The Entity should in future obtain ESIA certificates at project commencement.

## CHAPTER 1: INTRODUCTION

### 1.1 Background

Strategy 2.11 of the National Development Plan IV (NDPIV) included the promotion of games and sports as one of the avenues to enhance Human Capital Development along the entire life cycle. In accordance to this, the National Council of Sports came up with the Sports Infrastructure Development Project concept to strengthen national and regional sports for development through increased proportion of labour force transitioning into gainful employment/sports and enterprise development from 34.5% to 55%; by year 2035.

The project components included construction of two CAF (Confédération Africain de Football)compliant 20,000 seater sports stadiums in Hoima City and Lira City; establishment of five regional stadiums in Kakyeka (Mbarara City), Pece (Gulu City), Mbale Municipal Stadium, Buhinga Stadium in Fort Portal City and Masaka City; establishment of 9 training facilities in including Kyambogo, Phillip Omondi, Masindi, Hoima Booma, Makindye, Wankulukuku, Kadiba, Old Kampala SS, and Makerere, to support team training during the competitions; procurement of essential equipment and training tools required for the functioning and upkeep of the new Hoima City, Akibua stadium and the 9 training grounds and project management and supervision of the various construction projects. The project was proposed to be completed in 5 years starting from FY2024/25 - FY2028/29 at an estimated cost of UGX 1,726,493,898,363.

The intended project beneficiaries are national sports teams, youth, local communities, sports federation and the tourism sector.

The Project Concept was approved by the Ministry of Finance, Planning and Economic Development on 9th July 2024 and was given project No. 00008-166. The detailed project components/ scope was as below:

1. Construction of 20,000-seater capacity Hoima stadium in Hoima City. The stadium is to be fitted with field and track for the main stadium, a 2,000-seater indoor facility, a semi-Olympic swimming pool, and other outdoor courts to support various sporting activities.
2. Construction of 20,000-seater capacity Akii-Bua Stadium in Lira City. The stadium is to be fitted with field and track for the main stadium, a 2,000-seater indoor facility, a semi-Olympic swimming pool, and other outdoor courts to support various sporting activities.
3. Establishment of 9 training grounds in Makindye, Wankulukuku, Kadiba, Old Kampala, Makerere, Kyambogo, and Philip Omondi to support team training during the competitions. This will encompass installation of turf similar to competition grounds, floodlighting, and changing rooms, among others.
4. Establishment of 5 regional sports focused Stadium in Kakyeka (Mbarara City), Pece (Gulu City), Mbale Municipal Stadium, Buhinga Stadium in Fort Portal City and Masaka City to support early talent identification and development, and the training of requisite human resources for the sports sub-sector.
5. Procurement, supply, and installation of essential training equipment and tools as well as extension of essential services required for the functioning and upkeep of the new Hoima City, Akibua stadium and the 9 training grounds
6. Project monitoring and supervision. This will cover project management and coordination including organizing site meetings, monitoring and supervision missions, procurement and midterm and project completion evaluations. Specifically, this component will finance (i) organizing committee allowances (ii) local and external travel (iii) media and communication and postage (iv) office expenses, (v) equipment purchase and maintenance (vii) benchmarking,

CAF inspections, insurance premium, operations cost commitment and (viii) purchase of a coordination vehicle.

## **1.2 Laws Applicable**

The Authority made reference to the following laws and Regulations during the project inspection:

- i. The Public Procurement and Disposal of Public Assets Act, Cap.205; and
- ii. The Public Procurement and Disposal of Public Assets Regulations, 2023.

## **1.3 Objectives of the Project Inspection**

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a project inspection for the Sports Infrastructure Development Project with the overall object of assessing the performance of the project.

The inspection specifically focused on the Design and Build of a 20,000 seater Hoima City Stadium and the Design and Build of a 20,000 seater Akii-Bua Olympic Stadium in Lira City, which are the key outputs of the project.

The specific objectives for undertaking the project inspection were to:

1. Establish the level of achievement of value for money during contract implementation (Time, Quality and Cost) of the two stadiums;
2. Assess the overall management of the projects for the two stadiums in accordance with each party's obligations; and
3. Assess the adherence to Environmental, Social, Health and Safety (ESHS) and Local Content requirements during the contract implementation of the two stadiums.

## **1.4 Scope of the Project Inspection**

The project inspection covered the review of the project documents for the Sports Infrastructure Development Project, procurement action file and the contract management files for the Design and Build of a 20,000 seater in Hoima City Stadium and the Design and Build of a 20,000 seater Akii-Bua Olympic Stadium in Lira City.

## **1.5 Methodology**

The Authority adopted the following methodology during the project inspection:

- i. Review of documentation of the project documents for the Sports Infrastructure Development Project and the contract management files for the Design and Build of a 20,000 seater in Hoima City Stadium and the Design and Build of a 20,000 seater Akii-Bua Olympic Stadium in Lira City.
- ii. Physical verification of the site.
- iii. Debriefing the Entity's management on the preliminary findings from the inspection.
- iv. Issuing a management letter to the Entity for an official management response.
- v. Reporting on findings from the project inspection and providing recommendations.

## **CHAPTER 2: FINDINGS AND RECOMMENDATIONS**

This section presents the findings arising from the project inspection based on the objectives of the exercise.

### **2.1 THE SPORTS INFRASTRUCTURE DEVELOPMENT PROJECT**

#### **Background**

Strategy 2.11 of the National Development Plan IV (NDPIV) included the promotion of games and sports as one of the avenues to enhance Human Capital Development along the entire life cycle. In accordance to this, the National Council of Sports came up with the Sports Infrastructure Development Project concept to strengthen national and regional sports for development through increased proportion of labour force transitioning into gainful employment/sports and enterprise development from 34.5% to 55%; by year 2035.

The project components included construction of two CAF (Confédération Africain de Football)compliant 20,000 seater sports stadiums in Hoima City and Lira City; establishment of five regional stadiums in Kakyeka (Mbarara City), Pece (Gulu City), Mbale Municipal Stadium, Buhinga Stadium in Fort Portal City and Masaka City; establishment of 9 training facilities in including Kyambogo, Phillip Omondi, Masindi, Hoima Booma, Makindye, Wankulukuku, Kadiba, Old Kampala SS, and Makerere, to support team training during the competitions; procurement of essential equipment and training tools required for the functioning and upkeep of the new Hoima City, Akibua stadium and the 9 training grounds and project management and supervision of the various construction projects. The project was proposed to be completed in 5 years starting from FY2024/25 - FY2028/29 at an estimated cost of UGX 1,726,493,898,363.

The Authority noted the following exceptions pertaining to the Sports Infrastructure Development Project:

#### **2.1.1 Overall Project performance**

The Authority noted that the project was planned for implementation over a five year period from FY 2024/2025 to FY 2028/2029. During this period, the Entity was expected to deliver the following outputs:

- a) Construction of two 20,000-seater stadiums (Hoima City Stadium and Akii-Bua Olympic Stadium in Lira);
- b) Construction of nine training facilities;
- c) Construction of five regional stadiums;
- d) Procurement and installation of training tools and equipment; and
- e) Project monitoring and supervision for all the above interventions.

However, by the time the inspection was concluded in June 2026, representing approximately 40% of the project implementation period, only the construction of Hoima City Stadium had been completed and handed over, although minor modifications were still ongoing to comply with CAF requirements.

Construction of Akii-Bua Olympic Stadium and the nine training facilities was still in progress, while the construction of the five regional stadiums and the procurement and installation of training equipment had not yet commenced. Overall, only 1 out of the 17 planned project deliverables (5.9%) had been completed, 10 deliverables (58.8%) were under implementation,

while 6 deliverables (35.3%) had not yet commenced despite 40% of the project implementation period having elapsed.

### **Implication**

The slow pace of implementation increases the risk that the project may not achieve its intended objectives within the planned timeframe and budget.

### **Management response**

*The observation is noted. However, the slow progress is attributed to the inadequate funding from treasury for the Construction of the two 20,000 stadiums, establishment of 9 training facilities and establishment of the 5 regional stadiums at the same time. National Council of Sports prioritised completion of the components required for the upcoming PAMOJA AFCON tournament in 2027 which should be ready for inspection by the Confederation of African Football at least a year before the event. The progress on the project deliverables are as follows:*

- i. Hoima City Stadium was completed, handed over to NCS on 22<sup>nd</sup> December 2025 and Commissioned by H.E the President of the Republic of Uganda on 24<sup>th</sup> December 2025.*
- ii. Akii-Bua Olympic Stadium in Lira City: Government delayed to release the funds for the Advance payment of USD. 26.7 expected in December 2024 and the Second Instalment of USD. 38.2M expected in August 2025 for the project as per the Contract. However, Government Managed to make good on all its contractual obligation and currently Physical progress of the project is at 36% and it is on course for completion in January 2027.*
- iii. Kyambogo University Training Facility - Phase I was completed and used to host African Nations Championship (CHAN) in August 2025. All the funds for phase II were released by treasury and NCS Disbursed the funds to the Ministry of Defence and Veteran Affairs.*
- iv. Lira and Gulu University training facilities: Memoranda of Agreement were signed between NCS and the respective universities. The designs and Bills of quantities were submitted to NCS by the Consultant and they are under review.*
- v. Pece Memorial War Stadium Training facility: NCS held a meeting with the District Local Government on the 6<sup>th</sup> January 2026 and awaits feedback on the transfer of the Title to NCS. The designs and Bills of quantities were submitted to NCS by the Consultant and they are under review.*
- vi. Hoima Boma: The Hoima City Council is undertaking subdivision of the land to enable NCS obtain the 6.73 Acres required for the training ground under its names as mandated by S.75(1) of the National Sports Act 2023, CAP ab. 151. The designs and Bills of quantities were submitted to NCS by the Consultant and they are under review.*
- vii. King George Stadium (Masindi) Training Facility: The Municipal Council submitted to NCS all the requisite Documentation to facilitate the transfer of land ownership to NCS. The designs and Bills of quantities were submitted to NCS by the Consultant and they are under review.*
- viii. Makerere University Training Facility: A Memorandum of Understanding was signed between NCS and Makerere University, the designs, Bills of quantities and Draft Memorandum of Understanding were submitted to Ministry of Defence and Veteran Affairs for review and costing.*
- ix. Sir Tito Winyi training Facility: The process of land acquisition is ongoing. The designs and Bills of quantities were submitted to NCS by the Consultant and they are Under review.*
- x. Construction of the regional stadiums will immediately follow suite as NCS plans to budget for them in the subsequent financial years.*

### **Recommendation**

The Authority has noted the Entity's response; however, different components of the project are still to commence or be completed, and yet some are critical for the successful hosting of the Africa Cup of Nations tournament in 2027.

The Accounting Officer and the Project Manager should strategize on how best to ensure that all the project deliverables are completed by the end of the project period.

### **2.1.2 Unreadiness of the Training Facilities to support the AFCON tournament**

Whereas Hoima City Stadium had substantially been completed and was undergoing minor modifications to comply with CAF requirements, the inspection established that the training facilities intended to support the hosting of the Africa Cup of Nations (AFCON) in June 2027 were significantly behind schedule, with only one year remaining before the tournament.

The inspection noted that construction of Sir Tito Winyi Secondary School Training Facility and FUFA Kadiba Stadium Training Facility had not yet commenced. In addition, the construction of Pece Stadium (Gulu), Hoima Boma Grounds, King George Stadium (Masindi), Lira Training Facility, and Gulu University Training Facility had each achieved less than 15% physical progress. Only two facilities had registered relatively higher levels of completion, namely Kyambogo University Training Facility with 72% physical progress and Makerere University Training Facility with 48% physical progress.

This level of implementation indicates that the majority of the training facilities are unlikely to be completed, commissioned, tested, and certified in sufficient time to adequately support teams participating in AFCON 2027 unless implementation is substantially accelerated.

### **Implication**

Failure to complete the training facilities before the tournament may result in Uganda being unable to provide the minimum training infrastructure required under CAF hosting standards. This could adversely affect Uganda's readiness to host AFCON matches, increase reliance on alternative facilities, escalate project implementation costs through accelerated or emergency works, and expose Government to reputational damage and possible sanctions or restrictions arising from non-compliance with CAF hosting requirements.

### **Management response**

*The training facilities will be completed and ready by December 2026, in time for AFCON. A Memorandum of Understanding was signing with the UPDF to complete all the training facilities in six months from commencement date.*

### **Authority's comment**

The Authority has noted the Entity's response, however the training facilities are behind schedule as it stands. The Entity will have to put in all effort to ensure the project is ready by December 2026.

### **Recommendation**

The Accounting Officer should prioritize and fast track the completion of all training facilities earmarked for the 2027 Africa Cup of Nations (AFCON) for completion by December 2026 as planned. A time bound recovery plan should be developed and implemented for each facility, with clearly defined milestones, adequate resource allocation, and regular progress monitoring

to ensure timely completion, testing, commissioning, and compliance with CAF requirements before the tournament. In addition, the Accounting Officer should closely monitor contractor performance and promptly address any implementation bottlenecks, including delays in funding, approvals, and decision-making, to minimize the risk of further schedule slippages.

### **2.1.3 Change in the Project Scope**

Whereas the project scope as per the approved project concept and profile included the establishment of nine training facilities i.e Makindye, Wankulukuku, Kadiba, Old Kampala Secondary School, Makerere, Philip Omondi, Kyambogo, Masindi and Hoima Boma grounds, the project inspection noted that the scope was changed to incorporate Sir Tito Winyi SS, Lira University, Gulu University and Pece Stadium training facilities, which were not part of the approved scope. The opportunity cost of this was the exclusion of Makindye, Wankulukuku, Kadiba, Old Kampala and Phillip Omondi training facilities from the project scope.

The change in the project scope was attributed to the change in the AFCON hosting venue from Ham's Stadium – Nakivubo, where the training facilities around Kampala had been planned to support the stadium.

#### **Implication**

This is an indicator of inadequate project design and assessment prior to submission and approval of the project.

#### **Management Response**

*The project inspection's observation is noted. However, management is working for the best performance in implementing the project and basing on the project inspections' recommendations and guidance, going forward management will ensure that a comprehensive needs assessment and research is undertaken on projects prior to developing project concepts and profile, and their subsequent approval by the Development Committee to ensure that all the different project components are captured and any changes in the project scope submitted for approval.*

#### **Recommendation**

The Accounting Officer should in future ensure that a comprehensive needs assessment and research is undertaken on projects prior to developing project concepts and profile, and their subsequent approval by the Development Committee. This will ensure that all the different project components are captured. Similarly, any changes in the project scope should be submitted for approval.

### **2.1.4 Delayed conclusion of the project appraisal and approval process**

The Public Investment Management System (PIMS) Framework for Uganda provides the project preparation and development phases of projects, prior to their approval by MoFPED, and the roles of the different stakeholders in the process. These phases include Project Identification Phase (Phase 1), Pre-Investment Phase (Phase 2), Investment Phase (Phase 3) and Operation and ex-post evaluation (Phase 4).

The project inspection noted that whereas the Entity is currently at Investment Phase (Phase 3) through the ongoing design and construction works at Hoima City Stadium and Akii-Bua Stadium, the project inspection noted that the construction works are being executed without conclusion of the project appraisal and approval process as provided under the PIMS

Framework. Specifically, the project inspection noted that the Entity prepared and submitted to MoFPED the Project Concept Note which was approved on 9<sup>th</sup> July 2024 and a Project Profile.

Whereas the Entity was to undertake a pre-feasibility and feasibility studies evaluating the viability of the project and the possible financing options including a Public Private Partnership (PPP) arrangement or a traditional financing approach, a feasibility study for the non PPP projects and a Sustainability Plan for approval of MoFPED prior to commencement of the project, the project inspection noted that these studies were finalized in October 2025 by the Entity when the construction of Hoima City Stadium and Akii Bua Stadium in Lira City have already achieved physical progress of 95% and 16% respectively, thereby rendering the studies to be a formality.

#### **Implication**

Delayed completion of the project appraisal and approval of the project process implies that the projects were carried out without assessment of their viability and funding, which is risky.

#### **Management response**

*The project inspection's observation is noted. National Council of Sports is fast-tracking on the completion of PIMS project appraisal and approval processes. The delay, however, stemmed from a Development Committee recommendation to merge all sports infrastructure projects into a single umbrella project for consideration. This shift caused the entity to lose progress on earlier submitted individual projects which created a risk of losing the PAMOJA bid due to insufficient infrastructure during the CAF inspection.*

#### **Recommendation**

The Authority has noted the Entity's response. The Entity should ensure that the project appraisal and approval processes are completed in time prior to the commencement of the remaining outputs of the project that are yet to be carried out.

#### **2.1.5 Inadequate project funding**

Although the Entity budgeted UGX 863,266,538,735 for the construction of Hoima Stadium, Akii-Bua Stadium in Lira City and upgrade of Kyambogo Training Facility in FYs 2023/2024, 2024/25 and 2025/26, the project inspection noted that only UGX 563,997,794,273 (65.3%) was released to the Entity for the above projects. This impacted on the construction of Akii-Bua Stadium in Lira City the most that only received UGX 144,649,989,072 (51%) of UGX 280,893,133,495 that was budgeted for the ongoing works.

Whereas the releases were fairly commensurate to the budget in FYs 2023/24 and 2024/2025, the project inspection noted that the inadequate project funding was most pronounced in FY 2025/2026 where only UGX 128,971,418,973 (30%) was released out of UGX 426,972,755,688 that was budgeted for.

#### **Implication**

Inadequate funding results into delayed payment of services providers, and ultimately delayed project completion.

#### **Management response**

*The project inspection's observation is noted. However, National Council has continued to engage with Ministry of Finance Planning and Economic Development. Currently Treasury has released 90% of the money budgeted for under Development for the FY 2025/2027 and*

*National Council of Sports expect to receive the balance before end of 3<sup>rd</sup> quarter FY 2026/2027.*

### **Recommendation**

The Authority has noted the Entity's response and the positive progress, however; the 90% project funding delayed and greatly impacted on completion of ongoing projects, and delayed start of other components of the project such as the training facilities.

The Accounting Officer should continue liaising with the Ministry of Finance, Planning Economic Development to ensure that the balance of the project funding is released as planned. Similarly, the released project funds should be properly utilized to ensure that all the project components are completed in time, within scope, cost and quality.

## **A. DESIGN AND BUILD OF HOIMA CITY STADIUM**

### **Background**

On 7<sup>th</sup> June 2024, National Council of Sports entered in to a contract with Summa Turizm Yatirimciligi Anonim Sirketi for the Construction of a 20,000-seater Hoima City Stadium for a period of 18 months at a cost of USD 130,000,000, and this project was fully funded by the Government of Uganda.

The scope of the construction works included the following:

1. Main Stadium (20,000-seater with athletic track);
2. Training facility (track & field with at least 2 changing rooms);
3. 2,000-seater multi-sport indoor stadium;
4. 25 Meter semi - olympic size swimming Pool;
5. Outdoor stadiums (basketball/netball, volleyball/badminton);
6. Open and closed car park (1,000 cars);
7. Spectator piazza;
8. Related infrastructure works within the site boundary (Electricity, water, ICT, sewerage/wastewater treatment plant);
9. Exterior works (Hardscaping and soft landscaping);
10. Perimeter fencing and adjacent beautification;
11. Diversion of the existing public murrum Road crossing the site.

The construction works is currently at 98% completion and is due for handover and commissioning ahead of the scheduled completion date of 28<sup>th</sup> February 2026.

The following exceptions were noted in regard to this project:

## **2.2 Achievement of value for money during contract implementation (Time, Quality and Cost)**

### **2.2.1 Change in the project scope**

There were two changes in the project scope that was noted by the project inspection. The first was the reduction of the parking area from 1,000 cars capacity car park to 935 cars capacity car park, resulting into reduction of the parking space by 65 slots. The project inspection noted that this was done with the view of creating a commercial space in Zone 4C of the main stadium's parking area.

The second change in scope was the introduction of the mezzanine floor in the mini arena, which was not in the original project scope. The Entity's reason for creation of the mezzanine floor was to create more storage area for equipment within the arena.

#### **Implication**

Changes in project scope is a sign of inadequate needs assessment at project design and exposes the Entity to the risk of project cost over runs and delays during project implementation.

#### **Management Response**

*The project inspection's observation is noted. However, Management takes this under advisement to undertake better scoping of the future projects. The mode of issuance of change order that, in accordance with the general conditions of the contract signed (FIDIC Yellow Book, Conditions of Contract for Plant and Design-Build [Second Edition, 2017]), Section 13.3 provides for the issuance of a variation order (Change Order) by the Engineer (MoWT), which served as the basis for its issuance by the consultant (Engineer).*

#### **Recommendations**

The Authority noted the Entity's response. The Accounting Officer should in future ensure that a comprehensive project design and needs assessment is undertaken on projects prior to initiation of the procurement process as provided for under Regulation 3 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services Regulations, 2023).

### **2.2.2 Inadequate planning and design of the outdoor facilities**

The project inspection noted that there was inadequate planning and design of the outdoor training pitch, basketball/ netball court, volleyball/ badminton court and the semi sized Olympic pool, which did not incorporate sitting spaces for spectators. This will require spectators to stand on the pitch side or court side for the entire period of the game.

The project inspection noted that there are already discussions on how the sitting spaces can be provided. Once discussions are completed, it is highly likely that there will be an increase in the cost for the project, since this was not part of the original project scope.

#### **Implication**

Inadequate planning and design results into unnecessary scope changes and contract variations.

#### **Management Response**

*The project inspection's observation is noted. However, during the design and build, these facility spaces aimed to be used for leisure and recreation for the general public, not only to generate non-tax revenue for the Entity but also to address the lack of basic sporting facilities, practice fields, and equipment highlighted in the sports infrastructure development project concept note and profile. It was never intended for large-scale spectators; only a small terrace seating area planned for a few viewers were being proposed during construction.*

#### **Authority's comment**

The Authority has noted the Entity's response, however; there was no provision provided for spectators seating in the current design.

### **Recommendation**

The Entity should ensure that comprehensive planning and design of projects are carried out prior to initiation of the procurement process as provided for under Regulation 3 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services Regulations, 2023).

#### **2.2.3 Delayed commencement of the construction works**

The project inspection noted that the construction works commenced on 1<sup>st</sup> September 2024, three months after the contract was signed on 7<sup>th</sup> June 2024. This was attributed to the delay in completion of advance payment to the contractor and extension of utilities to the project site as provided for under Clause 8.1 of the Special Conditions of the Contract.

### **Implication**

Delayed commencement distorts the project timelines and work programmes, and may result into delayed completion of a project

### **Management Response**

*The project inspection's observation is noted. However, this was attributed to limited and late release of funds from Ministry of Finance Planning and Economic Development. For the FY 2026/2027 this has significantly improved.*

### **Recommendation**

Contract Managers should in future ensure timely commencement of projects in accordance to the Clauses and timelines provided in the Special Conditions of the Contract and Regulations 52(1)(a)(b) of the PPDA (Contracts) Regulations, 2023.

## **2.3 Overall management of projects in accordance with each party's obligations**

### **Obligations of the Entity**

#### **2.3.1 Delayed issuance of a commencement order to the contractor**

Whereas the construction works commenced on 1<sup>st</sup> September 2024, the project inspection noted that the commencement letter was issued 11 months later on 7<sup>th</sup> August 2025, implying that the contractor was operating within the same period without a formal instruction to do so by the Entity.

### **Implication**

Delayed issuance of commencement orders delays project commencement and may become a point of contention during contract implementation.

### **Management Response**

*The project inspection's observation is noted. National Council of Sports was committed to and delivered all temporary utilities (Power and Water) to the site boundary as per the contract to ensure commencement was not delayed. However, the contractor indicated that the said power was insufficient for their construction and required at least 1.25MVA yet only 500KVA transformers were readily available from Umeme at that time. This took the intervention of Ministry of Energy and Mineral Development to deliver power on site. None the less, a commencement order for 1<sup>st</sup> September, 2024 was agreed upon.*

**Authority's comment**

The Authority has noted the Entity's response, however; the commencement order was issued 11 months after contract commencement.

**Recommendation**

Contract Managers should ensure that commencement orders are issued to contractors prior to commencement of contracts in accordance to Regulation 52(1)(b) of the PPDA (Contracts) Regulations, 2023.

**2.3.2 Delayed payments to the contractor**

Whereas GCC 14.7(b)(ii) of the Special Conditions of the Contract states that the period of the employer to make interim payments to the contractor under Sub-Clause 14.6 is 28 days after submission of relevant interim payment application, the project inspection noted delays in payments made to the contractor. Some of these delays were as a result of the delayed approval of the Interim Payment Certificates as shown in the Table 1 below:

**Table 1: Delayed payment to the provider**

| IPC       | USD        | Submission date | Approval Date | Payment date                                  | Delays after 28 days                                                                                                                         |
|-----------|------------|-----------------|---------------|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| IPC No.2  | 6,710,834  | 5/10/2024       | 21/10/2024    | 23/12/2024                                    | 3 weeks                                                                                                                                      |
| IPC No.5  | 4,154,727  | 6/01/2025       | 13/01/2025    | 28/04/2025                                    | 10 weeks                                                                                                                                     |
| IPC No.6  | 4,983,861  | 7/02/2025       | 10/02/2025    | 28/04/2025                                    | 5 weeks                                                                                                                                      |
| IPC No.8  | 7,079,470  | 6/04/2025       | 22/04/2025    | 11/06/2025                                    | 4 weeks                                                                                                                                      |
| IPC No.11 | 15,109,928 | 08/07/2025      | 01/08/2025    | 21/08/2025<br>(USD 4,183,341 partial payment) | 4 weeks. Only a partial payment of USD 4,183,341 was made. The balance had not been paid at the time of conclusion of the project inspection |

**Implications**

- Delayed payment to contractors slows down the progress of construction works, may result into delayed completion of contract. It may also result into litigation due to breach of contract.
- It may lead to payment of interest

**Management Response**

*The project inspection's observation is noted. However, this was attributed to limited and late release of funds from Ministry of Finance Planning and Economic Development. For the FY 2026/2027 this has significantly improved. Going forward management will ensure that service providers are promptly paid within the days stipulated in the Special Conditions of the Contract and Regulation 49 (3) of the PPDA (Contracts) Regulations 2023.*

**Recommendation**

The Accounting Officer should in future ensure that service providers are promptly paid within the days stipulated in the Special Conditions of the Contract and Regulation 49 (3) of the PPDA (Contracts) Regulations 2023.

## **Obligations of the Contractor**

### **2.3.3 Failure to submit a program of works**

Whereas GCC 8.3 of the Special Conditions of the Contract required that the programme of works be prepared to indicate quarterly targets which shall be used as a basis for measuring the performance of the contractor, the project inspection noted that the contractor did not submit the program of works to the Entity.

#### **Implication**

This denies the Entity the opportunity to timely assess the planned sequence of works by the contractor.

#### **Management Response**

*The project inspection's observation is noted. However, this arose out the circumstances facing the official commencement date of the project. Weekly look ahead were used to track progress while the Commencement order issue was being sorted.*

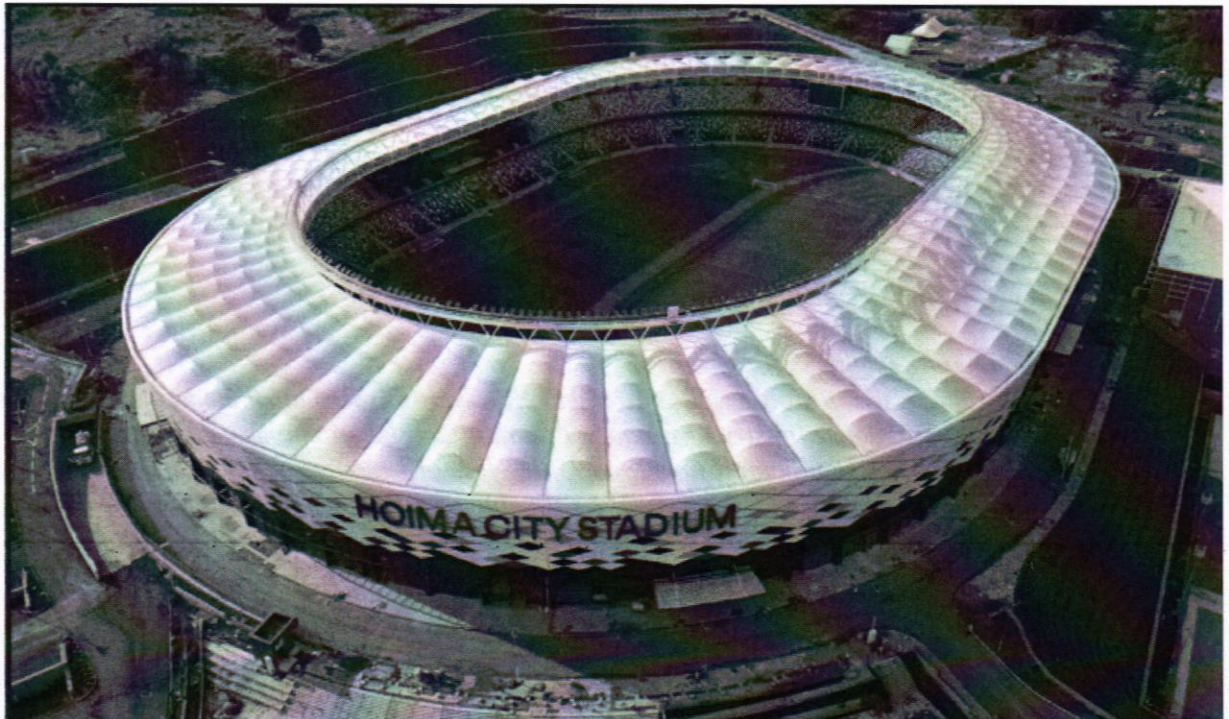
#### **Authority's comment**

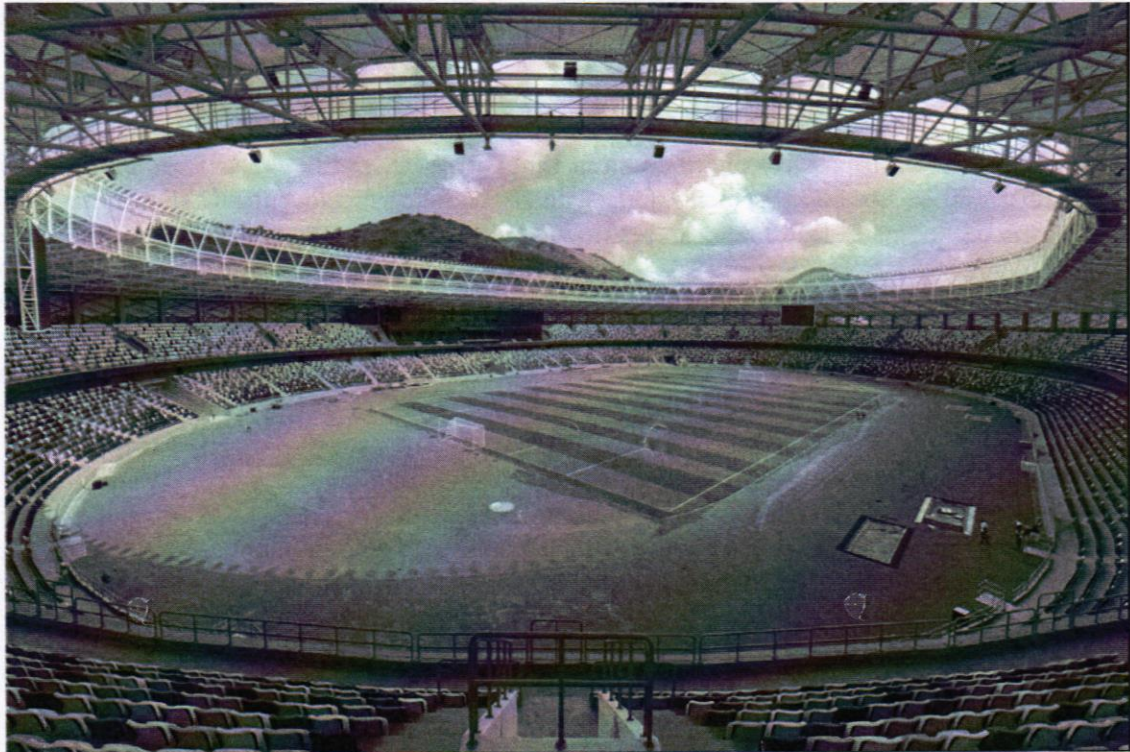
The Authority has noted the Entity's response; however, the weekly look ahead did not negate the contractor from fulfilling its contractual obligation to provide the program of works.

#### **Recommendation**

Contract Managers should in future ensure that contractors submit their program of works in accordance with the provisions in the Special Conditions of the Contract stipulated in the contract and Regulation 52(1)(b) of the PPDA (Contracts) Regulations, 2023.

## **PICTURES OF HOIMA STADIUM**





## **B. DESIGN AND BUILD OF AKII-BUA OLYMPIC STADIUM IN LIRA CITY**

### **Background**

On 6<sup>th</sup> December 2024, the Government of Uganda represented by the National Council of Sports entered into a contract with SAMCO National Construction Company for the Design and Build of Akii-Bua Olympic Stadium in Lira City at USD 129,743,185 for a period of 20 months. The construction is being done with the view of meeting the CAF (Confédération Africain de Football) deadline for infrastructure inspections.

The financing model for the construction of the stadium was designed for a 50-50 cost sharing where the Government of Uganda and the contractor would contribute USD 64,871,641.50 each. The Government of Uganda will however pay back the contractor's 50% contribution upon completion of the contract.

The scope of the construction works included the following:

1. Main stadium (20,000-seater with athletic track);
2. 2 no. Training facility (track & field with at least 2 changing rooms);
3. 2,000-seater multi-sport indoor stadium;
4. 25-meter semi - Olympic size swimming pool;
5. Outdoor stadiums (basketball/netball, volleyball/badminton);
6. Mixed use open and closed car park (1,000 cars);
7. Spectator piazza;
8. Related infrastructure works within the site boundary (electricity, water, ict,
9. Sewerage/wastewater treatment plant);
10. Exterior works (hardscaping and soft landscaping);
11. Perimeter fencing and security systems;
12. Sinking of a borehole to provide an alternative water source;
13. Club house
14. Hostel
15. 2 no. 5 aside pitches
16. Furnishing of all facilities

The following exceptions were noted from the project inspection:

### **2.4 Achievement of value for money during contract implementation (Time, Quality and Cost)**

#### **2.4.1 Delayed commencement of works**

The project inspection noted that the project commenced on 3<sup>rd</sup> May 2025 and yet the contract had been signed 150 days earlier on 6<sup>th</sup> December 2024. This was attributed the delayed advance payment to the contractor since GCC 8.1(a)(b) indicated a project start being contingent upon fulfilment of advance payment and a site free of any incumbrances by the employee.

#### **Implication**

Delayed project commencement hinders timely project completion which denies the intended beneficiaries the value they would have derived from the outcome of timely completed works.

### **Management Response**

*The project inspection's observation is noted. However, this was attributed to the delayed release of funds by Treasury for advance payment which was a required for issuance of a commencement order as per the special conditions of the Contract S.9; contract forms (8.1A). The Commencement order was subsequently issued for the 3<sup>rd</sup> May 2025.*

### **Recommendation**

The Authority noted the Entity's response, however; delayed project commencement by five months is excessive and should have been mitigated, considering the stadium was part of the projects being constructed to host African Cup of Nations games 2027.

Contract Managers should in future ensure timely commencement of projects in accordance to the Clauses and timelines provided in the Special Conditions of the Contract and Regulations 52(1)(a)(b) of the PPDA (Contracts) Regulations, 2023.

#### **2.4.2 Slow progress of the construction works**

The project inspection noted that the stadium construction is behind schedule. As at 30<sup>th</sup> June 2026, the physical progress of the construction works was at 63 compared to the overall time progress of 68.3% and a financial progress of 50%. Whereas there were verbal explanations pertaining to how the contractor and consultant planned to mitigate this, there was no documented recovery program availed to the Authority as evidence of the same. The slow progress was mainly attributed to the delayed payments by the Entity and the complex initial foundation and structural works for the stadium, among others.

### **Implication**

Slow progress of construction works may result into the project not being completed within the contract period. Additionally, it may delay the Entity and the project beneficiaries from benefitting from the project.

### **Management response**

*The project inspection's observation is noted. However, following full payment of contribution from client as per contract for the construction stage, the contractor was instructed to start implementing recovery Mechanisms.*

### **Recommendation**

The Authority has noted the Entity's response. The Project Manager and the Contract Manager should ensure that the project is completed within the contract period in accordance with Regulations 52(1)(a)(b), and Regulation 52 (3)(a) of the PPDA (Contracts) Regulations, 2023.

#### **2.4.3 Insufficient project funding**

Whereas the National Council of Sports budgeted UGX 241,000,000,000 for the design and Build of Akii-Bua Olympic Stadium in FYs 2024/2025 and 2025/26, the project inspection noted that the Entity received only UGX 144,649,989,072, which is 60% of the project budget for the two years. This, coupled with the release of funds has greatly impacted on the project.

Consequently, the Government of Uganda has failed to meet its contractual obligations arising from the counterpart financing model of 50-50 project cost sharing prescribed in the contract. According to the cash flow projection, both the Government of Uganda and the contractor would individually contribute 50% of the cost of project amounting to USD 64,871,641.50,

with the Government paying back the contractor's 50% upon completion and handover of the project.

The payment structure indicates that the Government of Uganda should have completed the payment of its 50% (USD 64,871,641.50) by August 2025. However, only USD 39,730,812.02, translating to 61% of the expected funds from the Government of Uganda had been paid by 31<sup>st</sup> October 2025, two months after the expected contract payment date of August 2025. This has been partly the cause of the slow works progress due to the persistent delay in paying the contractor.

#### **Implication**

The insufficient funding has led to delays in payment of the contractor, which has in turn slowed down the progress of the construction works.

#### **Management Response**

*The project inspection's observation is noted. However, this was attributed the inadequate and late release of fund by treasury. Management continued engaging Treasury to ensure availability of sufficient funding to support the timely execution and completion of the stadium. Currently all the 50% contractual obligation was cleared by the client.*

#### **Authority's comment**

The Authority has noted the Entity's response, however; whereas all the 50% funding has recently been met, the project had challenges arising from insufficient funding such as delayed payments to the service provider and slow progress of construction works among others.

#### **Recommendation**

The Accounting Officer should in future liaise with the Ministry of Finance, Planning and Economic Development to ensure availability of sufficient funding to support the timely execution and completion of projects.

## **2.5 Overall management of projects in accordance with each party's obligations**

### **Obligations of the Entity**

#### **2.5.1 Delayed advance payment**

The project inspection noted that there was delayed payment of advance payment funds from the Government of Uganda counterpart funding worth USD 26,671,542,50, contrary to GCC 14.7 of the Special Conditions of the Contract which required the advance payment to be paid 28 days after signing of the contract. Whereas the contract was signed on 6<sup>th</sup> December 2024, the advance payment was made on 10<sup>th</sup> April 2025, four months after the contract was signed. This resulted into a delay of three months.

Similarly, whereas GCC 14.2 of the Special Conditions of the Contract required that advance payment of 20.7 % be made upon submission of an unconditional, irrevocable on demand guarantee, the Authority noted that the contractor provided their advance guarantee on 25<sup>th</sup> January 2025, but the advance payment was made on the 10<sup>th</sup> April 2025, 2.5 months after submission of the performance guarantee.

**Implication**

Delayed advance payments constraints the contractor from quickly mobilizing the relevant resources required for project commencement. This in turn delays commencement of projects.

**Management Response**

*The project inspection's observation is noted. However, this was attributed the inadequate and late release of fund by Treasury. Management continued engaging treasury to ensure that contractors are promptly paid within the days specified in the Special Conditions of the Contract and Regulation 49 (3) of the PPDA (Contracts) Regulations 2023. Currently all the 50% Contractual obligation was cleared by the client.*

**Recommendation**

The Authority has noted the Entity's response. The Accounting Officer should ensure that contractors are promptly paid within the days specified in the Special Conditions of the Contract and Regulation 49 (3) of the PPDA (Contracts) Regulations 2023.

**2.6 Adherence to Environmental, Social, Health and Safety (ESHS) requirements****2.6.1 Laxity in enforcement of protective gears**

Under health and safety, the contractor was required to take all reasonable precautions to maintain the health and safety of the personnel however, some of the contractor's staff on site were working without the necessary protective gears such as helmets, gloves, boots and masks, thereby exposing staff to risk of accidents.

**Implication**

Failure to adhere to health and safety requirements may result in serious injuries or fatalities at the construction site. A work-related injury cannot only put an employee out of work for a while and impact their quality of life, it may potentially damage the reputation of both the contractor and the Entity.

**Management Response**

*The project inspection's observation is noted. However, the contractor was instructed to ensure that all the workers on site irrespective of their employer (main contractor/subcontractor) must have appropriate PPE's. A resident member from the consultant's team was also nominated to champion adherence to Environmental, Social, Health and Safety in a bid to further address this matter.*

**Recommendation**

The Contractor and the Contract Manager should strictly enforce health and safety measures and ensure that they are adhered to at construction sites, through provision of helmets and first aid kits on site.

**2.6.2 Execution of the construction works without an ESIA Certificate**

The project inspection noted that the contractor was operating without an Environmental & Social Impact Assessment (ESIA) certificate from the National Environment Management Authority (NEMA) from the time the construction commenced on 3<sup>rd</sup> May 2025 up to the time of the project inspection in October 2025.

**Implication**

Without ESIA, environmental risks (pollution, habitat destruction, resource depletion) may not be properly assessed or mitigated, which can lead to real harm, regulatory non-conformities, and potentially disaster (health, environmental, social).

**Management Response**

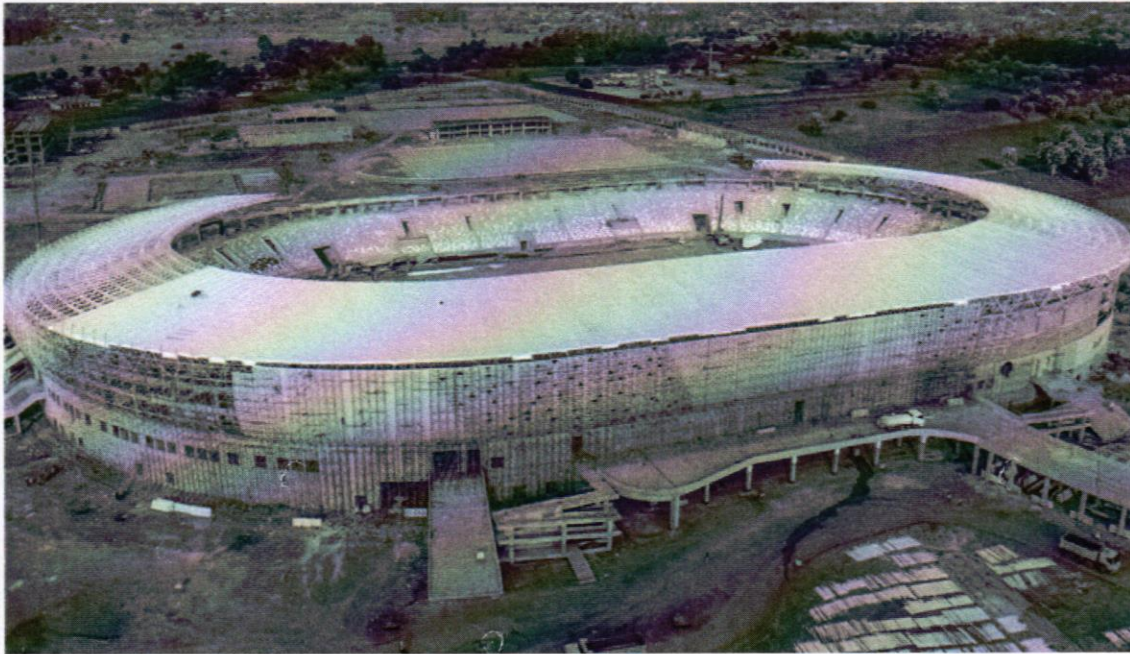
*The project inspection's observation is noted. However, An ESIA Certificate No. CERT/17061/2026/1 dated 6<sup>th</sup> January 2026 was issued by NEMA and is available for project inspection validation.*

**Recommendation**

The Entity's response has been noted. However, the certificate was obtained on 6<sup>th</sup> January 2025, eight months after commencement of the construction works.

The Entity should in future ensure that ESIA certificates are obtained at project commencement.

**PICTURES OF AKII-BUA STADIUM – LIRA CITY**



## **2.7 Conclusion**

Whereas only only 1 out of the 17 planned project deliverables (5.9%) had been completed, 10 deliverables (58.8%) were under implementation, while 6 deliverables (35.3%) had not yet commenced despite 40% of the project implementation period having elapsed, the audit noted that the ongoing and completed projects have the biggest scope and are the most relevant for the upcoming AFCON tournament scheduled for June 2027. To enable the training facilities to be completed by December 2026 as planned, the Entity should ensure that all the necessary available funding is secured.

## **2.8 Overall recommendations**

The Accounting Officer should ensure that all the project components i.e the two national stadiums (Hoima City Stadium and Akii-Bua Olympic Stadium), nine training grounds and the five regional stadiums are constructed and completed by FY 2028/2029 when the project period ends, with a particular focus on ensuring that all the AFCON facilities are completed and approved by CAF in time for the tournament in June 2027.