
Vote:153 PPDA

V1: Vote Overview

I. Vote Mission Statement

"To Promote Service Delivery Through Effective Regulation of the Public Procurement and Disposal System."

II. Strategic Objective

1. To ensure the application of fair, competitive, transparent, non-discriminatory and value for money procurement and disposal standards and practices.
2. To harmonize the procurement and disposal policies, systems and practices of the Central Government, Local Governments and statutory bodies.
3. To set standards for the public procurement and disposal systems in Uganda.
4. To monitor compliance of procuring and disposing entities.
5. To build procurement and disposal capacity in Uganda.

III. Major Achievements in 2020/21

Vote Outcomes

The average number of bids received regardless of the method of procurement was approximately 3.3 bids which was a decline in performance from the previous Financial Year during which an average of 3.8 bids were received per procurement.

The proportion of contracts that was awarded through open competition stood at 69.1% by value and 20.3% by number

The total number of contracts awarded to local providers was 97.7%. The number of contracts awarded to local providers remains high because the overwhelming number of procurements is small in value and done by local providers. However, in terms of value, the proportion of contracts awarded to local providers is 58.4%.

The lead time under open domestic bidding is 155.3 days in FY 2019/20. For open international bidding, the lead time is 343 days. The Authority is addressing these delays through regular monitoring and capacity building.

14.8% of the number of contracts in Ministries, Departments, Agencies and Local Governments were completed within contractual time. In terms of value, 75.8% of the total value of procurements were completed within the original contract time.

77% of the Entities (Ministries, Departments, Agencies, Statutory Corporations and Local Governments) that were audited were rated satisfactory. By category, 77% of the Central Government Entities were rated satisfactory and 71% of the Local Government Entities were rated satisfactory. The national average rating is weighed by the value of contracts in the respective Entities.

45% of the Contracts in Entities (Ministries, Departments, Agencies and Local Governments) were completed as per contractual time with 63% of contract in Local government Entities being completed in time compared to 44% in Central Government Entities due to the complex nature of procurement executed by the Central Government Entities.

Key Vote Outputs

Procurement Audits: The Authority issued 45 audit reports in Ministries, Departments, Agencies and Local Governments (10 from Northern Uganda, 15 from Western Uganda, 15 from Headquarters and 5 from Eastern Region)

Investigations: The Authority investigated and issued reports to 66 complaints worth UGX 83 Billion to address irregularities in the procurement processes in Ministries, Departments, Agencies and Local Governments. The Authority found merit in 7 cases no merit in 8 of the investigation cases and recommended corrective measures such as disciplinary action to the responsible staff in the PDEs. The investigations revealed discrimination among providers and gross flouting of procurement procedures.

Administrative Reviews: The Authority received and handled 16 applications for Administrative Review to address complaints of unfair treatment of bidders during the evaluation process. 8 applications were upheld and 8 applications representing 50% were rejected.

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Four applications for review of the Authority administrative review decisions were filed in the Tribunal. Two applications were dismissed indicating that the Authority complied with the provisions of the PPDA, Act 2003 in making its decisions. One application were allowed and one was withdrawn.

The Authority monitored the implementation of reservation schemes in public procurement aimed at increasing local participation in public procurement and produced a report on the benefits of the policy among which include reservation of tenders for management of markets to vendors associations which are dominated by women and youth which has improved working conditions in markets and increased capacity utilization by manufacturer like Nytil which employ many women and youth. The Authority is also working with groups of local providers like Uganda Manufacturers Association and Uganda National Association of Consulting Engineers on enhancing the capacity and competitiveness of local providers in public procurement.

The Authority revised the standard bidding documents to mainstream environmental, social health and safety safeguards in public procurement and the revised standard bidding documents have been disseminated to all Entities. Regional sessions were undertaken in Gulu, Mbarara and Mbale to disseminate the guidelines.

The Authority maintains a register of providers. The Register was upgraded to capture gender disaggregated data on provider ownership. During the period, 1033 are new providers were registered while 1583 providers renewed their subscriptions. Of the new registrations, 219 providers were women owned Enterprises.

The implementation status of the e-GP system stands at 67%. Integration with other systems was completed with exception of PBS and NIRA which will be integrated after go live. Stakeholder consultative meetings and change management activities are ongoing. The expected go live date is 31st March 2020 for the 10 Pilot PDEs (8 central Government Entities and 2 Local Government Entities.). Roll out to all Entities (Ministries, Departments, Agencies and Local Governments) is expected to take Place in FY 2020/21. The system is expected to increase the efficiency of the procurement process, increase bidder participation and transparency.

The Authority conducted training under supply and demand driven arrangements targeting different stakeholders bringing the total number of participants trained during the period to 718. Trainings conducted in the period included: training of contracts committee members, training of CSOs, sector specific skilling of technical staff and demand driven trainings. The capacity building interventions targeted the poor performing Entities in the North and North Eastern Regions and training for women entrepreneurs on participation in public procurement in partnership with the Uganda Women Entrepreneurs, Association Limited.

Common User Items and Average Prices Survey: The Authority in collaboration with the Makerere University School of Statistics and Planning conducted a survey to update the list and average prices of common user items .This will enable stakeholders to access the updated indicative market rates and prices to help them make the right decisions on value based pricing of goods, works, and services. The survey was conducted in the major towns of Gulu, Mbarara, Mbale and Kampala.

PPDA supported the operations of the three regional Offices of Eastern, Northern and western Region which has brought its services closer to the citizens. The regional Offices have resulted into closer monitoring of public procurement in the region and increased competition due to increased number of providers registered with PPDA

The progress of the construction of the PPDA Office Block currently stands at 44% against planned progress of 76%. Construction of the Superstructure has been completed. The Office block once completed is expected to house both PPDA and URF and was designed with access for wheel chair users, voice commands for blind and provisions for a breast feeding room for nursing mothers. Project completion and handover is expected to take place in October 2021.

IV. Medium Term Plans

Development and roll out of the electronic government procurement system

Partnering with non state actors in monitoring government contracts Monitoring of the procurement of NDP III flagship projects

Building the Capacity of Local Contractors to participate in public procurement

Construction of URF PPDA Office block

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V. Snapshot Of Medium Term Budget Allocations

Table 5.1: Overview of Vote Expenditures (UShs Billion)

		2019/20 Outturn	2020/21		2021/22	MTEF Budget Projections			
			Approved Budget	Expenditure by End Dec		2022/23	2023/24	2024/25	2025/26
Recurrent	Wage	5.817	6.969	3.312	6.969	7.317	7.317	7.317	7.317
	Non Wage	6.277	6.830	2.355	5.320	5.320	5.320	5.320	5.320
Devt.	GoU	3.150	10.994	0.702	10.994	10.994	10.994	10.994	10.994
	Ext. Fin.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GoU Total		15.244	24.793	6.368	23.283	23.631	23.631	23.631	23.631
Total GoU+Ext Fin (MTEF)		15.244	24.793	6.368	23.283	23.631	23.631	23.631	23.631
Arrears		0.000	0.042	0.000	0.000	0.000	0.000	0.000	0.000
Total Budget		15.244	24.835	6.368	23.283	23.631	23.631	23.631	23.631
A.I.A Total		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total		15.244	24.835	6.368	23.283	23.631	23.631	23.631	23.631
Total Vote Budget Excluding Arrears		15.244	24.793	6.368	23.283	23.631	23.631	23.631	23.631

Table 5.2: Budget Allocation by Programme (UShs Billion)

<i>Billion Uganda Shillings</i>	2021/22 Draft Estimates		
	GoU	Ext. Fin	Total
Governance and Security	21.828	0.000	21.828
Private Sector Development	1.455	0.000	1.455
Grand Total :	23.283	0.000	23.283
Total excluding Arrears	23.283	0.000	23.283

VI. Budget By Economic Classification

Table V6.1 2020/21 and 2021/22 Budget Allocations by Item

<i>Billion Uganda Shillings</i>	2020/21 Approved Budget				2021/22 Draft Estimates		
	GoU	Ext. Fin	AIA	Total	GoU	Ext. Fin	Total
Output Class : Outputs Provided	13.799	0.000	0.000	13.799	12.289	0.000	12.289
211 Wages and Salaries	7.511	0.000	0.000	7.511	7.084	0.000	7.084
212 Social Contributions	0.800	0.000	0.000	0.800	0.771	0.000	0.771
213 Other Employee Costs	1.886	0.000	0.000	1.886	1.967	0.000	1.967
221 General Expenses	1.328	0.000	0.000	1.328	0.420	0.000	0.420
222 Communications	0.112	0.000	0.000	0.112	0.047	0.000	0.047
223 Utility and Property Expenses	0.952	0.000	0.000	0.952	0.987	0.000	0.987

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224 Supplies and Services	0.040	0.000	0.000	0.040	0.077	0.000	0.077
225 Professional Services	0.250	0.000	0.000	0.250	0.252	0.000	0.252
226 Insurances and Licenses	0.241	0.000	0.000	0.241	0.299	0.000	0.299
227 Travel and Transport	0.533	0.000	0.000	0.533	0.214	0.000	0.214
228 Maintenance	0.145	0.000	0.000	0.145	0.172	0.000	0.172
282 Miscellaneous Other Expenses	0.001	0.000	0.000	0.001	0.000	0.000	0.000
Output Class : Capital Purchases	10.994	0.000	0.000	10.994	10.994	0.000	10.994
281 Property expenses other than interest	0.569	0.000	0.000	0.569	0.396	0.000	0.396
312 FIXED ASSETS	10.425	0.000	0.000	10.425	10.598	0.000	10.598
Output Class : Arrears	0.042	0.000	0.000	0.042	0.000	0.000	0.000
321 DOMESTIC	0.042	0.000	0.000	0.042	0.000	0.000	0.000
Grand Total :	24.835	0.000	0.000	24.835	23.283	0.000	23.283
Total excluding Arrears	24.793	0.000	0.000	24.793	23.283	0.000	23.283

VII. Budget By Sub-Subprogramme , Department And Project

Table V7.1: Past Expenditure Outturns and Medium Term Projections by Sub-SubProgramme,Department and Project

<i>Billion Uganda shillings</i>	FY 2019/20 Outturn	FY 2020/21		2021-22 Proposed Budget	Medium Term Projections			
		Approved Budget	Spent By End Dec		2022-23	2023-24	2024-25	2025-26
12 General Administration and Support Services	4.477	6.677	2.431	5.670	5.712	5.712	5.712	5.712
06 Corporate Affairs	1.969	2.615	1.022	2.447	3.018	3.018	3.018	3.018
07 Operations	2.508	4.061	1.409	3.222	2.694	2.694	2.694	2.694
56 Regulation of the Procurement and Disposal System	10.766	18.159	3.937	17.613	17.919	17.919	17.919	17.919
02 Performance Monitoring	4.116	3.232	2.394	3.192	3.541	3.541	3.541	3.541
03 Capacity Building and Advisory Services	1.207	1.429	0.213	1.455	1.455	1.455	1.455	1.455
04 Legal and Investigations	1.042	1.359	0.494	1.326	1.326	1.326	1.326	1.326
05 E-Government	1.251	1.145	0.134	0.646	0.604	0.604	0.604	0.604
1225 Support to PPDA	3.150	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1621 Retooling of Public Procurement and Disposal of Public Assets Authority	0.000	10.994	0.702	10.994	10.994	10.994	10.994	10.994
Total for the Vote	15.244	24.835	6.368	23.283	23.631	23.631	23.631	23.631
Total Excluding Arrears	15.244	24.793	6.368	23.283	23.631	23.631	23.631	23.631

VIII. Sub-SubProgramme Performance and Medium Term Plans

Table V8.1: Sub-SubProgramme Outcome and Outcome Indicators

Sub-SubProgramme : 56 Regulation of the Procurement and Disposal System

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Objective :	The Authority is mandated to regulate the procurement and disposal system in Uganda. The Strategic objectives of the Authority as spelt out in the 2014/15 - 2018/19 Strategic plan are i. To Effectively Regulate the Public Procurement System ii To Leverage Technology for Efficiency in Public Procurement
Responsible Officer:	Benson Turamye Executive Director.
Outcome:	Improved procurement contract management and performance

1. Value for money in the management of public resources

Outcome Indicators	Performance Targets				
			2021/22	2022/23	2023/24
	Baseline	Base year	Target	Projection	Projection
• % of entities rated satisfactory from procurement audits	62.7%	2019	65%	70%	75%
• Proportion of contracts completed as per contractual time.	66.4%	2019	70%	75%	80%

Outcome: Increased participation of local contractors in public procurement

1. Value for money in the management of public resources

Outcome Indicators	Performance Targets				
			2021/22	2022/23	2023/24
	Baseline	Base year	Target	Projection	Projection
• Proportion of contracts by value awarded to local contractors.	62%	2019	70%	75%	80%
• Average number of bids received per contract.	3	2019	4	5	5
• Proportion of contracts by value subjected to open competition	71%	2019	75%	77%	80%

Department: 02 Performance Monitoring

Budget Output: 06 Procurement and Disposal Audit

Number of follow-ups undertaken on procurement audits and investigations recommendations	100	100	100
Number of procurement audits conducted	100	100	100
Number of procurement investigations conducted	100	110	115
Percentage of contracts by value rated satisfactory	65%	70%	75%
Proportion of procurement audits and investigation recommendations implemented	70	72	75

Budget Output: 16 Compliance Monitoring

Level of adherence to service standards (Number of MDAs inspected)	100	100	100
Number of entities rated satisfactory	75	75	75

Department: 03 Capacity Building and Advisory Services

Budget Output: 07 Capacity Building and Research

Number of stakeholders trained	3,500	3,500	3,500
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IX. Major Capital Investments And Changes In Resource Allocation

Table 9.1: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

FY 2020/21		FY 2021/22
Appr. Budget and Planned Outputs	Expenditures and Achievements by end Dec	Proposed Budget and Planned Outputs
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<i>Sub-SubProgramme : 14 56 Regulation of the Procurement and Disposal System</i>		
Development Project : 1621 Retooling of Public Procurement and Disposal of Public Assets Authority		
Budget Output: 14 56 72 Government Buildings and Administrative Infrastructure		
Phased Construction of the PPDA/URF Construction project	80% physical progress on the construction of the PPDA Office Block	Phased completion of the PPDA office block
Total Output Cost(Ushs Thousand)	10,740,800	643,837
Gou Dev't:	10,740,800	643,837
Ext Fin:	0	0
A.I.A:	0	0

X. Vote Challenges and Plans To Improve Performance

Vote Challenges

Delay in Implementation of EGP activities: This is mainly caused by the decision to switch to a locally developed solution which has set the Authority back in the progress made towards the implementation of the system

Weak Contract Management: Though big strides have been made in the post contracting stage, many procurements are mismanaged at the contract management stage where contract managers do not diligently carry out their duties and leave government projects at the mercy of the profit motivated contractors who end up doing substandard work. The Authority recommends that the Accounting Officers should prevail over User Departments to appoint contract supervisors/managers that should report any deviations from the terms and conditions of the signed contracts.

Corruption and Unethical Practices: Public procurement is prone to corruption, particularly due to the high value transactions, complexity and close interaction between the public and private sector through the bidding processes. Evaluation of Bids persists to be perceived as the stage most susceptible to corruption. Corruption in procurement erodes bidder confidence and results into higher bid prices that ultimately increases the cost of delivering services to citizens. While PPDA cannot alone totally remove corruption that is pervasive in the society, as the Regulator, it is incumbent upon PPDA to ensure that the system promotes transparency, efficiency, economy, fairness, and accountability where corrupt activities will be more difficult to conceal and will be easier to punish administratively or criminally. This requires strong partnerships with other oversight and enforcement agencies as well as the civil society.

Delays in Evaluation of bids especially for High Value Contracts: There still exist challenges in the evaluation of procurements which stem from unethical conduct where evaluators disclose information unofficially which results into lengthy appeals that sometimes end up in courts of law. This unnecessarily lengthens the procurement process. The amendment of the PPDA Act should be able to solve some of these delays.

Poor Planning in Procurements: Entities are continuously failing to plan and cost procurements especially the big and complex projects and as a result they end up over or undervaluing procurements. This is caused by failure of Entities to clearly scope the proposed projects.

Manual Procurement System: As a regulator, the Authority is constrained by the inaccurate data and reports submitted by Entities due to the manual system. This has been worsened by failure to have easy access to the Integrated Financial Management System (IFMS) real time to verify accuracy of the data submitted by the Entities. The manual procurement process is further more prone to manipulation/bid tampering and inefficiencies in the process.

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Limited funding for Audit coverage: Due to funding constraints, the Authority is not able to audit all the Entities under its jurisdiction and currently conducts audits on a sample and risk basis. The current audit coverage is only 49% and this position is continuously being worsened by the ever increasing number of both Central and Local Government Entities.

Delays in amendments to the Local Government PPDA Regulations: The amendment process of the Local Governments (PPDA) Regulations was halted; pending the finalisation of the review of the PDPA Act. It is now planned that the review of the PPDA Regulations and Local Government (PPDA) Regulations, 2006 shall be reviewed at the same time for a harmonised position. This delay in the amendments of the Local Government (PPDA) Regulations, 2006 may continue to hamper efficiency in the Local Government procurements.

Delay in investigations: This is caused by increasing number of complaints from anonymous complainants who cannot be contacted to substantiate the complaints and poor record keeping by the entities leading to delays in submission of procurement files and repeated requests to provide documents.

Plans to improve Vote Performance

Development and roll out of the electronic government procurement system
 Partnering with non state actors in monitoring government contracts Monitoring of the procurement of NDP III flagship projects
 Construction of URF PPDA Office block

XI Off Budget Support

Table 11.1 Off-Budget Support by Project

<i>Billion Uganda Shillings</i>	2020/21 Approved Budget	2021/22 Draft Estimates
Sub-SubProgramme 1456 Regulation of the Procurement and Disposal System	2.40	0.00
<i>Recurrent Budget Estimates</i>		
02 Performance Monitoring	1.00	0.00
<i>406-European Union (EU)</i>	<i>1.00</i>	<i>0.00</i>
03 Capacity Building and Advisory Services	0.30	0.00
<i>421-UN Agencies</i>	<i>0.30</i>	<i>0.00</i>
05 E-Government	1.10	0.00
<i>420-Joint (Multi/Basket) Financing</i>	<i>1.10</i>	<i>0.00</i>
Total for Vote	2.40	0.00

XII. Vote Cross Cutting Policy And Other Budgetary Issues

Table 12.1: Cross- Cutting Policy Issues

Issue Type: HIV/AIDS

Objective :	To reduce the Incidence of HIV/AIDS among Staff.
Issue of Concern :	The staff of the Authority require continuous sensitization about the HIV/AIDS Scourge
Planned Interventions :	Corporate membership with the Uganda AIDS Support Organization. Organizing sensitization meetings, voluntary counseling and testing sessions
Budget Allocation (Billion) :	0.020
Performance Indicators:	4 sensitization sessions held for staff
Objective :	To provide care for staff and dependents living with HIV/AIDS

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Issue of Concern :	there might be some staff living with HIV/AIDS
Planned Interventions :	Provision of staff medical insurance with a provision for care for people living with HIV/AIDS
Budget Allocation (Billion) :	0.220
Performance Indicators:	% staff covered on the Medical insurance scheme

Issue Type: **Gender**

Objective :	To promote the participation of special interest groups in public procurement
Issue of Concern :	Low levels of participation of women, youth and disabled in public procurement
Planned Interventions :	Building the capacity of the marginalised groups to meaningfully and competitively participate in public procurement
Budget Allocation (Billion) :	0.050
Performance Indicators:	Number of marginalised stakeholders in public procurement.

Issue Type: **Enviroment**

Objective :	To promote sustainable business practices in public procurement
Issue of Concern :	Failure of Entities to incorporate aspects of sustainable procurement in their procurement processes
Planned Interventions :	Training of stakeholders in sustainable procurement and life cycle costing as per the National Public Procurement Policy
Budget Allocation (Billion) :	0.080
Performance Indicators:	Stakeholders trained in sustainable procurement practices

XIII. Personnel Information

Table 13.1 Staff Establishment Analysis

Title	Salary Scale	Number Of Approved Positions	Number Of Filled Positions
Executive Director	L1	1	1
Director Capacity Building & Advisory Services	L2	1	1
Director Corporate Services	L2	1	1
Director Legal & Investigations	L2	1	1
Director Operations	L2	1	1
Director Performance Monitoring	L2	1	1
Manager Board Affairs	L3	1	1
Manager Capacity Building	L3	3	3
Manager Compliance Monitoring	L3	1	1
Manager Finance and Administration	L3	1	1
Manager Human Resources	L3	1	1
Manager Information Systems	L3	1	1
Manager Internal Audit	L3	1	1

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Manager Legal and Advisory Services	L3		2	2
Manager Planning and Monitoring & Evaluation	L3		1	1
Manager Procurement	L3		1	1
Manager Procurement Audit and Investigations	L3		2	2
Executive Assistant to the ED	L4		1	1
Senior Administration Officer	L4		1	1
Senior Capacity Building Officer	L4		2	1
Senior Database Analyst	L4		1	1
Senior Finance Officer	L4		2	2
Senior Human Resource Officer	L4		1	1
Senior IT Support Officer	L4		1	1
Senior Library and Client Support Officer	L4		1	1
Senior Officer Advisory Services	L4		2	2
Senior Officer Internal Audit	L4		1	1
Senior Officer Investigations	L4		3	3
Senior Officer Legal	L4		3	2
Senior Officer Performance Audit	L4		9	9
Senior Officer Performance Monitoring	L4		2	2
Senior Officer Strategy, Monitoring and Evaluation	L4		1	1
Senior Public Relations Officer	L4		1	0
Senior Research Officer	L4		1	1
Data Analyst	L5		1	0
E-Procurement Officer	L5		10	8
Finance Officer	L5		1	1
Monitoring & Evaluation Officer	L5		1	0
Officer Compliance Monitoring	L5		2	2
Officer Performance Audit	L5		22	22
Registry Officer	L5		1	1
Research Officer	L5		1	1
Accounts Assistant	L6		1	0
Administrative Assistant	L6		7	6
Front Desk Officer	L6		2	2
Stores Assistant	L6		1	1

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Driver	L7	14	11
Office Assistant	L8	2	2

Table 13.2 Staff Recruitment Plan

Post Title	Salary Scale	No. Of Approved Posts	No Of Filled Posts	Vacant Posts	No. of Posts Cleared for Filling FY2021/22	Gross Salary Per Month (UGX)	Total Annual Salary (UGX)
Accounts Assistant	L6	1	0	1	1	2,300,000	27,600,000
Administrative Assistant	L6	4	3	1	1	2,300,000	27,600,000
E-Procurement Officer	L5	10	8	2	2	5,200,000	62,400,000
Senior Officer Legal	L4	3	2	1	1	5,500,000	66,000,000
Total		18	13	5	5	15,300,000	183,600,000