

Acknowledgments

Transparency International Uganda wishes to express gratitude to the PPDA team and management of TIU for their support, review and inputs in the report. We are very grateful to the participants at the national and local government level for their participation in the study.

Appreciation is expressed to all the research team who worked at the national and local government levels to collect data.

And finally, our heartfelt thanks go to all our study participants for giving us their time and generously sharing their views, opinions and experiences in relation to the key issues in the study. We hope that the findings can feed into ongoing national reflections and programmes of benefit to older people and their families.

This document is an output from a project funded by the Democratic Governance Facility for the benefit of developing countries and beyond.

Acronyms

AG	Auditor General
CAO	Chief Administrative Officer
CSO	Civil Society Organization
DGF	Democratic Governance Facility
DPP	Directorate of Public Prosecutions
GoU	Government of Uganda
GDP	Gross Domestic Product
IEC	Information, Education and Communication
IGG	Inspector General of Government
KIIs	Key informant Interviews
MOES	Ministry Of Education and Sports
MoFPED	Ministry Of Finance Planning and Economic Development
MoLG	Ministry Of Local Government
MoWT	Ministry of Works and Transport
OAG	Office of the Auditor General
OECD	Organization for Economic Cooperation and Development
PDEs	Procuring and Disposing Entities
PDU	Procurement and Disposal Units
PPDA	Public Procurement and Disposal of Public Assets Authority
RA	Research Assistant
RDC	Resident District Commissioner
TIU	Transparency International Uganda
UIA	Uganda Investment Authority
UNRA	Uganda National Roads Authority
UPF	Uganda Police Force

Table of Contents

	<i>Acknowledgments</i>	
	<i>Acronyms</i>	
	<i>Executive summary</i>	
1.	Introduction and background	1
	Introduction	
	Background	
	Study objectives	
2.	Transparency, integrity, and accountability in public procurement: A review	3
2.1.	Accountability	3
2.2.	Transparency and integrity	4
2.3.	Transparency, integrity and accountability in public procurement in Uganda	5
2.4.	Public Procurement Reforms in Uganda	6
3.	Methodological approach	9
3.1.	Overall research design	9
3.2.	Study participants and their selection	9
3.3.	Methods of data collection	9
3.4.	Data processing and analysis	10
3.5.	Quality control and ethical considerations	10
3.6.	Challenges and limitations	10
	Findings of the study	
4.	Perceptions of stakeholders about the accountability, integrity, and transparency of PPDA at the central and local government levels	11
4.2.	Stakeholders' perception about transparency of PPDA	11
4.2.1.	Availability of regulations and standard guidelines for procurement	11
4.2.2.	Access to information	12
4.2.3.	Competitive bidding	13
4.2.4.	Challenges that compromise the level of transparency in PPDA	13
4.3.	Stakeholders' perceptions about the integrity of PPDA	15
4.3.1	Understanding of integrity	15
4.3.2	Existence of ethical standards	15
4.3.3	Factors that influence unethical behaviors	17
4.3.4	Management of unethical behaviors	17
4.3.5	Compliance to PPDA guidelines	17

4.4.	Stakeholders' perception about accountability of PPDA	18
4.4.1.	Understanding of accountability	18
4.4.2.	Perceptions about accountability of the PPDA	19
4.4.3.	PPDA's engagement of stakeholders' in public procurement	19
4.4.4.	Involvement of stakeholders in decision making	22
4.4.5.	Measures taken by the PPDA to deal with public procurement concerns	22
4.4.6.	PPDA engagement with the oversight institutions	23
4.4.7.	Challenges affecting the level of accountability	24
4.5.	Changing context and dynamics in the procurement system	25
5.	Leakage and fiduciary risk zones in the procurement process	27
5.2.	Pre-bidding process	27
5.3.	Bidding	31
5.4.	Post bidding	32
6.	Conclusions and recommendations to strengthen transparency, integrity, and accountability at PPDA.	34
6.1.	Conclusions	34
6.2.	Key recommendations	35
	<i>References</i>	
	<i>Appendix I: study tools</i>	

Executive summary

The report presents the findings of the study commissioned by Transparency International Uganda (TIU) to understand stakeholder's perceptions about accountability, transparency, and integrity in Uganda's Public Procurement and Disposal of Public Assets Authority (PPDA). The study also aimed at exploring key leakage zones in the procurement processes and make recommendations to inform TIU's interventions aimed at promoting integrity, transparency, and accountability at central and local government levels in Uganda, including advocacy for policy reforms.

The study utilized a descriptive design and largely used qualitative approaches of social investigation. However, it drew on secondary sources for quantitative data, where applicable. Primary data was collected through key informant interviews, while secondary data was generated from relevant documents including academic publications and unpublished reports, among others. The primary data was manually analysed using content and thematic analysis. Some verbatim extractions have been inserted in the report reflecting the voices of study participants on key study findings and recommendations.

KEY FINDINGS

Transparency

Availability of regulations and standard guidelines for procurement: the study findings reveal that PPDA has put in place regulations and guidelines to ensure transparency in the processes for procurement and disposal of assets. The PPDA Act 2003 (Amended in 2014) was found to be instrumental in guiding the procurement and disposal processes. It was also noted that specific Procuring and Disposing Entities (PDEs) have other policy documents such as procurement work plans, ethical code of conduct among others, which guide their activities.

Access to information: There is the Access to Information Act 2005 that guarantees the right to access information; it prescribes the types of information that people have a right to access and details the procedures for obtaining access to such information. PPDA in conformity with this act is bound to provide the public with information relating to procurement. The findings also show that PPDA has used a wide range of mechanisms at various levels (international, national and district) to avail information about procurement and disposal processes to the public. These include: the PPDA website (www.ppda.go.ug), print press releases, interactive sessions on TV (UBC or others) and radio, newspaper supplements, PPDA register of providers, public notice boards and other IEC materials (posters, brochures etc). The PPDA website evidently has information regarding the institution, regulations and guidelines on procurement, materials for procurement, as well as opportunities for procurement among others.

Competitive bidding: Although competition in the market is determined by supply and

demand, transparency could affect the level of competition in public procurement through the provision of the number of bidders/suppliers. Findings reveal that PPDA has made efforts to promote transparency particularly by encouraging open competitive bidding. For example the percentage of contracts subject to open competition by value increased from 65% in 2009/2010 to 90% in 2012/2013

Despite the improvement registered in transparency, there were several challenges, which were noted including: patronage of the procurement and contract awarding processes by powerful political figures, conflict of interest, as well as allegations of bid rigging. Some of these challenges reportedly lead to exclusion of potential bidders from the procurement process.

Integrity

Existence of ethical standards: PPDA has put in place a number of measures to counter unethical behaviour by staff members and the public, especially bidders. For example, an integrity policy was developed to minimize, prevent and address drivers of poor service delivery such as corruption, bribery, non-compliance with laws and procedures. However, human resource and funding constraints were reportedly stifling effective implementation of these measures. These challenges notwithstanding, stakeholders perceived such measures as a critical step in promoting a healthy competition in the procurement process. It was noted that despite the existence of ethical standards, the system is faced with a problem of unethical behaviours. The findings further show that there are allegations of conflict of interest from senior officers at national and district levels, and corruption (bribery) in some stages of the procurement process. A PPDA report (2010) revealed that suppliers and contractors spend up to 20% of the contract amount in corruption related payments. This leaves less money to complete work which could result into supply of goods and services which are substandard and at prices more than the market prices.

Compliance to PPDA guidelines: Study findings revealed that PPDA Regulation 96(1) provides that user departments shall prepare annual work plan for procurement based on the approved budget. This shall be submitted to the Procurement and Disposal Unit (PDU) to facilitate orderly execution of annual procurement activities. Local Governments are mandated by law to regularly audit their books of accounts as a means of improving transparency and accountability in the procurement process. However, the findings show that some LGs hardly comply with such provisions of the PPDA Act. A review of literature also shows that most PDUs delay to submit their procurement plans. This could imply that annual consolidated procurement plans by the PDU are lacking which may result in ad hoc procurements, poor contract management due to poor specifications, and lack of qualified professionals to perform quality assurance.

Accountability

The findings also suggest that stakeholders' understanding of accountability was more related to knowledge of and performance of assigned duties as well as the stakeholders' own motivation to pursue self assessment based on the standards set out in their work and job descriptions. Accountability was perceived as the ability of office bearers to explain and justify their personal actions in relation

to the existing laws, procedures and standards of work. Accountability was also understood to mean characteristics of a person related to honesty, exemplariness, leadership and self-respect.

Perceptions about accountability of the PPDA: As the prime regulatory body for ensuring procurement accountability in Uganda through appropriate regulation and supervision, PPDA is expected to be the most accountable institution in order to maintain its moral image. Overall PPDA was perceived to be making inroads in delivering on its mandate of providing oversight and supervision to PDEs and ensuring that appropriate policies, laws, regulations and capacities are in place to guide procurement processes.

Stakeholders' engagement in public procurement by the PPDA: Findings of the study revealed that the procurement process involves a varied range of stakeholders who according to the PPDA Act 2003 include oversight agencies, providers/suppliers, contractors, consultants and other technical staff in government departments. The PPDA Act also provides space for any interested entities to participate in the processes. The study findings show that the different stakeholders were aware of their right to participate, but also to have their different needs addressed by the PPDA. Some of the initiatives through which PPDA engages stakeholders include: organizing capacity building trainings for PDEs in various ministries, local governments and autonomous public institutions; sharing lessons from routine technical audits and assessments; response to information sought by suppliers and the public; and partnership with CSOs especially in mobilization, training, and information sharing and joint meetings. However, given the current amendments in the PPDA Act, stakeholders noted that the PPDA needs to intensify sensitisation and training of all stakeholders to enable them to appreciate amendments and their implications for their work and interests.

Measures taken by the PPDA to deal with public procurement concerns: According to the PPDA Act 2003, one of the key roles of the PPDA is to “monitor compliance of procuring and disposing entities”. It was found that concerns were often related to delays in release of information or reasons for award of a contract to certain bidders or irregularity of procedure. There was evidence to suggest that mechanisms had been instituted so that aggrieved stakeholders can be able to voice their concerns regarding procurements at their locations. At the district level, in some cases, suggestion boxes were used, but there was also the opportunity of reporting cases through the Chief Administrative Officer (CAO) of the district or through the political wing who then presented concerns raised to the contracts committee or the PPDA.

Despite the available mechanisms to ensure accountability there were concerns raised on the process involved. For instance, it was noted in some complaints channelled to either the CAO or the political wing that there is a lack of clarity on the prime responsibility centre, creating an environment of confusion and conflict. There were also reported capacity gaps in procuring certain technical types of consultancies and commercial services like financial institutions and difficulty in obtaining advice on alternative forms of procurement where the conventional procurement guidelines may not apply.

The level of accountability has also been compromised by limited financial and human resource capacity. It was noted that financial resources allocated to PDEs at local and central government level is inadequate to facilitate the activities. A review of literature shows that the staffing level of the authority stands at 70 %. Given the PPDA's mandate and the growing number of PDEs especially at local government level, there are technical constraints related to human resources.

In addition, some participants also revealed that they are not up to date with the current changes. For

instance, it was revealed that the procurement system has changed from procurement compliance to performance beyond compliance. The existing legal framework focuses more on compliance than on performance, which is a gap. Poor record keeping was also revealed as a key challenge to accountability. A review of literature shows that about 82% of the contracts verified did not have a contract implementation plan. This could lead to procurement delays, as well limited information on the value of goods, services and work procured.

Leakage zones and fiduciary risk zones in the procurement process

One of the aspects of investigation for this study was to find out the leakage zones in the procurement process. In order to address this, assessment was done at three phases of the procurement process including: the pre-bidding, the bidding and the post-bidding phase.

The pre-bidding phase involves: needs assessment, planning and budgeting, choice of procedure, definition of requirements and time frame for preparation of bid. Some of the risks identified at this phase include: identified needs that were not critical for their departments; inflation of needs; lack of awareness about procurement strategy; splitting of contracts; exclusiveness especially in designing of some documents that restricted multiple companies from taking part in the bidding; hurried bid processes; and leaking confidential information to particular bidders.

The bidding phase mainly involves invitation to bid and bid awarding. Some of the risks identified during this phase include: releasing confidential information to specific bidders; manipulation of bidding documents; changes in evaluation criteria; introduction of arithmetic errors in financial quotations to ensure the bid of a favoured bidder is the lowest evaluated; hiding bidders' documents or plucking out bidding information from documents presented by bidders; procurer coaching a bidder in tender proposal preparation; and accepting bids submitted after closure.

Under the post-bidding phase, the study focused on contract management, as well as order and payment. Some of the risks identified at this phase include: selection of PDE supervisors who have individual interests in the project; failure to monitor progress of works that results in change in provisions of contract (e.g. buying less equipment than what was agreed upon in contract, theft of equipment before its use, dumping of equipment at sites); failure to synchronize activities, i.e. identifying who provides which service first; limited supervision results into payment for incomplete work; and double payment for goods and services.

s.

Key recommendations

- There is the need to engage stakeholders in actions that contribute to increase in demand

for creating an enabling environment for political will to improve the integrity, transparency and accountability of the PPDA processes. This will contribute to addressing the challenges of political interference and conflict of interest in the procurement processes.

- There is need to enhance the capacity of procurement practitioners and professionals in understanding and responding to the new changes and developments in the laws and procurement systems.
- There is the need to support scaling up of efforts by PPDA to strengthen its e-procurement systems and ensure reliable Internet connectivity. This will help to enhance outreach to many potential bidders and share with them timely procurement and disposal information. In addition, there is the need to build the capacity of potential bidders so as to be able to use the e-procurement system.
- There is the need to carry out a comprehensive mapping of risks of leakages and fiduciary risk zones in the procurement process in order to design mechanisms for primary interventions to reduce or eliminate these risks.
- There is a need for continuous engagement of the civil society, private sector and media as partners to PPDA in promoting accountability, transparency and integrity. The current systems of PPDA—CSO engagement should be promoted and strengthened.

1. Introduction and Background

1.1. Introduction

The report presents the findings of the study conducted to understand stakeholder's perceptions about accountability, transparency, and integrity in Uganda's Public Procurement and Disposal of Public Assets Authority (PPDA). The study was conducted under the auspices of TIU. The report is organized into six sections. Section one presents the background to the study. Section two, presents a review of literature on the study concepts: transparency, integrity, and accountability in Public Procurement. The third section discusses the study methodology and limitations while section four presents stakeholders' perceptions of transparency, integrity and accountability. Under section five, the report presents risk zones in the procurement process and section six presents the conclusions and recommendations.

1.2. Background

There have been increasing concerns about the performance of public and private sector organizations in terms of being transparent, operating with integrity and being accountable. Transparency, integrity, and accountability are critical in fostering effective public service provision, good governance and sustainable development. Where transparency, integrity, and accountability mechanisms are weak or lacking, the needs of the poor are marginalized and the funds intended for services such as health and education are at risk of being misused (TIU, 2011).

With funding from the Democratic Governance Facility (DGF), Transparency International Uganda (TIU) is implementing activities aimed at promoting integrity, transparency, and accountability of the central and local governments in Uganda. The project focuses at impacting on the quality of life of ordinary Ugandans through improved governance and accountability. The project uses social accountability tools to ensure value for money in education, health and production sectors. This study was aimed at establishing the performance and challenges of the accountability sector institutions in Uganda, documenting their challenges/factors contributing to the weaknesses in addressing the corruption vice, and recommending interventions that can be implemented in order to improve the performance of the institutions. This assignment specifically targets PPDA.

Although some studies on the performance of the PPDA have been conducted (see PPDA, 2007; PPDA, 2010) and the determinants of performance have been analyzed (Basheka, 2009a; Basheka & Sabiiti, 2009; Oluka, 2011), hitherto, no comprehensive analysis has been conducted covering trends in the performance and the individual, institutional and structural factors that affect or have affected PPDA's performance since 2003 when it was established. Additionally, synthesized information on how the PPDA acts, interacts, and interrelates with other accountability entities and how this influences its performance does not exist. Moreover, there is a paucity of studies showing staff and stakeholders' perceptions of the accountability, transparency, and integrity of PPDA as it executes its mandate. This study focuses on the latter.

1.3. Study Objectives

The purpose of this study was to explore and understand stakeholders' perceptions of accountability, integrity, and transparency of PPDA in the course of executing its mandate in Uganda. The aim of the study was to inform PPDA and other stakeholders among others about TIU interventions aimed at promoting integrity, transparency, and accountability at central and local government levels in Uganda, including advocacy for policy reforms. The following specific objectives guided the study:

- To explore the perceptions of stakeholders about the accountability, integrity, and transparency of PPDA at the central and local government levels.
- To identify leakage zones and document fiduciary risk zones for PPDA as an accountability institution.
- To make recommendations on how to strengthen transparency, integrity, and accountability at PPDA.

2. Transparency, Integrity, and Accountability in Public Procurement: A Review

2.1. Accountability

Accountability exists when there is a relationship where an individual or body, and the performance of tasks or functions by that individual or body, are subject to another's oversight, direction, or request that they provide information or justification for their actions (Stapenhurst & O'Brien, n.d, p.1). More specifically, it is the concept that individuals, agencies and organizations (public, private and civil society) are held responsible for executing their powers according to a certain standard (whether set mutually or not) (Tisné, 2010 as cited in McGee & Gaventa 2010, p.4). These definitions imply that accountability applies to both individuals and organizations—public, private, and civil society. They also suggest that accountability is complete if and when it can be enforced and actors take responsibility for their actions and decisions. These views also mirror what Dubnick (2003, p.410) referred to as “answerability”, a situation whereby individuals are held accountable for their actions and decisions by virtue of their roles and positions in an organization or society. Noteworthy, Tisné asserts that accountability is exacted using specific standards. This view implies that accountability standards and procedures for assessing them should be in place to guide individuals and organizations.

Sinclair (1995, p. 219) identified five forms of accountability, namely: “political, public, managerial, professional, and personal”. Similarly, Stapenhurst and O'Brien (n.d, pp.1-4) delineated six types of accountability: “horizontal, vertical, political, legal, diagonal, and social accountability”. It is not the intention of this study to define all these forms of accountability. Horizontal accountability relates to a situation whereby state institutions (e.g. parliament or judiciary) ensure that public agencies and government departments effectively and efficiently implement agreed policies and programs without abusing the resources, authority, and power entrusted unto them (Stapenhurst & O'Brien, n.d). Public accountability refers to a situation whereby public agencies and branches of government answer to individuals, the public, and any other interested party (Sinclair, 1995). Sinclair (1995) noted that such accountability could be through public hearings, newspaper reports, or impromptu and annual audits by the Auditor General's Office.

In this study, the focus was placed on understanding how PPDA adheres to public accountability and how this guarantees the expectations and concerns of citizens and interested groups. Managerial accountability is about how public officers monitor the “inputs and outputs or outcomes” (Alford, 1992 as cited in Sinclair, 1995, p. 227). Personal accountability refers to how individuals that are entrusted with public responsibilities use their “internalized moral and ethical values” to act in a manner that “accepts responsibility” for their actions and engenders doing the right things (Sinclair, 1995, p.230). Both Gini (2010) and Schein (2010a) observed that adherence to existing codes of conduct in any organization is possible only if the personal values and beliefs of leaders and subordinates are congruent with those of the organization (usually promoted through a strong organization culture). Furthermore, numerous writers have pointed out that the leader's personal accountability (i.e., walking the talk) influences the attitudes, perceptions, and behavior of followers and whether the followers will adhere to existing codes of conduct (Covey, 1989; Palanski & Yammarino, 2009; Schein, 2010b; Sinclair, 1995; Uhl-Bien & Carsten, 2010). These perspectives suggest that personal accountability is the foundation for organizational integrity and accountability.

Accountability, integrity, and transparency are instrumental in curbing corruption and creating and sustaining effective and efficient public services (Basheka, 2009b; Buchmann, 2013; Cameron, 2004; McGee & Gaventa 2010; Sinclair, 1995). Accountability and transparency have also been recognized as core elements of good governance (Almquist, 2013; McGee & Gaventa 2010; Stapenhurst & O'Brien, n.d) and key conditions for preventing corruption in public procurement (OECD, 2007). Transparency, integrity, and accountability procedures allow a wide variety of stakeholders to scrutinize public officials' and contractors' decision and performance (OECD, 2006, 2007). Nevertheless, ensuring transparency, integrity and accountability in public procurement processes is challenging. Lack of transparency and accountability in public procurement can affect sustainable economic growth through investment and trade (Basheka, 2010). Similarly, lack of transparency, integrity and accountability in procurement activities can be the source of unwholesome activities such as corruption, scandal and abuse of public resources (Basheka, 2009a; Elliot, 2004).

2.2. Transparency and integrity

Increasing and improving accountability, integrity and transparency in public procurement processes and governance systems have become central themes in Uganda and other countries (see for example Basheka & Bisangabasaija, 2010; PPDA, 2007). Transparency International (2009:44) defined transparency to refer to “a characteristic of governments, companies, organizations and individuals of being open in the clear disclosure of information rules, plans, processes and actions and accountability to be the process of holding actors accountable for their actions”. McGee and Gaventa (2010) observed that despite limited evidence, it seems that individuals and organizations must in the first place be transparent before they can be accountable.

On the other hand, Transparency International (2009: 24) further defined integrity as “behaviors and actions consistent with a set of moral or ethical principles and standards, embraced by individuals as well as institutions that create a barrier to corruption”. Recent ethical scandals in Enron, Boeing, and Arthur Anderson brought into question the integrity of leaders, businesses, governments, and other agencies (Kellerman, 2010; Uhl-Bien & Carsten, 2010). Increasingly, much emphasis is being put on cultivating ethical leadership as a prerequisite for accountability and transparency in organizations (Brown, & Treviño, 2006; Gini, 2010; Uhl-Bien & Carsten, 2010). Without ethical leaders, it is highly unlikely to have and much less talk about integrity in organizations and government (Brown & Treviño, 2006; Kellerman, 2010). Generally, ethical leaders determine whether organizations and governments will develop and enforce ethical principles and standards that advance the common good (Ardichvili, Mitchell, & Jondle, 2010; Gini, 2010; Kellerman, 2010). This implies that at the organization level, assessment of integrity ought to focus on understanding whether an ethical climate exists and how this impacts the behavior and actions of leaders and their subordinates as they perform their duties. Specifically, the assessment should seek to understand if an integrity policy exists, the extent to which undesirable behavior occurs, the attitudes and perceptions underlying such behavior, the factors that lead to desirable and undesirable behavior, and how such behavior is treated within the organization (Brown et al., 2005; KPMG, 2013). While outsiders can make certain judgments about the organization's integrity, the employees and leaders of the organization are better placed to make such judgments.

Transparency is a crucial aspect for a sound and efficient public procurement system characterised by well-defined regulations and procedures open to public scrutiny: clear and standardised tender documents; bidding and tender documents containing complete information as well as equal

opportunity for all in the bidding process (International Trade Centre, 1999). Little or no transparency heightens mistrust between the public and government. Therefore, transparency requires information to be disclosed fully to interested stakeholders as it encourages confidence through free and open exchange of information, which enhances knowledge, improves efficiency, and reduces risks for corruption and waste.

2.3. Transparency, Integrity and accountability in public procurement in Uganda

Increasing and improving accountability, integrity and transparency in public procurement processes and governance systems have become central themes in Uganda and other countries (see for example Basheka & Bisangabasaija, 2010; PPDA, 2007). This focus and interest in procurement is in part motivated by the fact that public procurements account for 18.42 % of the world Gross Domestic Product [GDP] (Mahmood, 2010). In Uganda, they account for 70% of the total public expenditure (Basheka & Bisangabasaija, 2010). Moreover, public procurements provide fertile ground for corruption, bribery, and fraud (Basheka & Bisangabasaija, 2010; Basheka, 2009a). Procurement-related corruption impacts public service delivery, unjustly distributes income, deters investments, and ultimately impedes equitable development (Basheka, 2010, p. 31). Therefore, reforming and improving procurement processes and systems is seen not only as a tool for instilling financial discipline but also as a strategy for minimizing abuse of public resources (Basheka, 2009a; Elliot, 2004; Ntayi et al., 2013).

Studies show that procurement-related corruption is driven by numerous factors. Some writers attribute it to self-interest, weak segregation of duties, usurping of the roles of existing oversight structures, limited knowledge of the duties of oversight structures, and moral decay at the family and society level (Ntayi et al., 2013). Others attribute it to low salaries of public servants, the existence of substantial sums of money in organizations, existence of foreign donations, limited punishment for the corrupt, weak judicial systems, influence peddling by politicians, collusion and conflict of interest and limited community participation in decision-making (Basheka, 2009a).

Mixed perspectives exist in relation to compliance with procurement structures and guidelines in Uganda. Although some studies indicate high compliance to procurement structures by central and local government entities (see Basheka & Sabiiti, 2009), others indicate that gaps still exist (Eyaa & Oluka, 2011; PPDA, 2010). Compliance is positively correlated with “familiarity” with the procurement structures, methods, processes, and regulations (Eyaa & Oluka, 2011, p.41).

2.4. Leakage Zones in Uganda’s Public Procurement Process

As indicated in the discussion above, procurement processes are prone to leakages and corrupt practices around the world and while media and other institutions highlight this fact, efforts to reduce these leakages are not having effect. More and more money is being swindled at all levels of the procurement process. For instance, studies estimate that Uganda loses approximately \$107 Million annually in procurement-related corruption (Muganzi, 2005 cited in Ntayi, Ngoboka, & Kakooza, 2013, p. 417). According to OECD 2007, such losses are not surprising as the bidding process has always been the traditional focus of international efforts.

The pre-bidding and post-bidding processes are given less attention. OECD revealed that some countries indicated that the phases before and after the bidding are regarded rather as internal management procedures and therefore not subject to the same transparency requirements as the bidding process. The PPDA Act in Uganda clearly describes how public procurement may be conducted through all the stages of the procurement cycle. However, still a large number of the internal customers act on their own and more frequently bypass the procuring department (Schiele & McCue, 2006 cited in Patrick Kakwezi and Sonny Nyeko 2010).

Similarly, the Act requires that user departments develop plans timely, although many institutions are lacking in this area. Ambe & Badenhorst-Weiss (2011) reveal that many government entities are still faced with the challenges of improper planning. Luyt (2008) explains the governments' failure to make coherent plans. He attributes this to the inability to quantify the needs of those requiring their services or to properly estimate costs and incompetence in accurately tracking and controlling expenditure.

The post-bidding stage also has a vast number of challenges that developing countries like Uganda encounter. A key issue raised during this stage is the failure to monitor and evaluate projects, which results in deviations and non-compliance among service providers. Ambe & Badenhorst-Weiss (2011) link inadequate monitoring and evaluation to the absence or the poor presence of a control environment. Henceforth, government entities are placed in a difficult position to give effect to or implement as required. Japheth Ocharo Kiage (2013) stressed the importance of monitoring and evaluation in his recommendations to the ministry of energy in Kenya. He noted that for the success of the contracts under execution, the management of the ministry should ensure that proper mechanisms for project monitoring and evaluation are put in place with the input of procurement personnel and the user department.

Therefore, regardless of the efforts by the governments of developing countries, such as Uganda and development partners such as the World Bank to improve performance of the procurement function, public procurement is still marred by shoddy work, poor quality goods and services (Kakwezi and Nyeko 2010). These are all attributed to the leakages that are inadequately addressed in different stages of the procurement process. This section provides an overview of these leakages that happen from the pre-bidding, bidding up to the post-bidding processes.

2.5. Public Procurement Reforms in Uganda

Since the 1990s, the government of Uganda has made substantial changes in the procurement systems spurred by the need to improve efficiency and effectiveness in service delivery. Before then, public procurement was governed by the Public Finance (Tender Board) regulations of 1977 under the Public Finance Act of 1964. In this system, the Central Tender Board in the Ministry of Finance was the sole buyer for all Government entities for goods, services and works above \$ 1,000, except for the police and army, which had their independent tender boards (Thai, 2008, p.396; Edgar 2006; Agaba and Shipman, 2006, p.374; Aya and Naggita, 2011, p.35). The Central Tender Board derived its authority from the Central Tender Board regulations of 1977 enshrined under Public Finance Act Cap. 149. According to the PPDA Annual Report (2005), the system was characterized by heavy clogging of tender requests, bureaucratic delays for the attendants, inefficiency, corruption and lack of accountability and transparency. The reforms were initiated against the backdrop of lack of accountability and transparency and the absence of a culture of value for money in procurements and disposals.

The reforms resulted in the enactment of the Public Procurement and Disposal of Public Assets Act (Act No. 1 of 2003) in 2003. Reforms also led to the establishment of the Public Procurement and Disposal of Public Assets Authority [PPDA] (PPDA, 2010). The PPDA is the principal regulatory body for all public procurement and asset disposals in Uganda. It provides oversight to Procuring and Disposing Entities (PDEs) at the central and local government levels so that they are effective, efficient, and transparent in all their procurements and asset disposals (PPDA, 2010). The specific objectives of the PPDA as set out in Section 6 of the 2003 Act, include to:

- Ensure the application of fair, competitive, transparent, non-discriminatory and value for money public procurement and disposal standards and practices;
- Advise Government, local governments and other procuring and disposing entities on the procurement and disposal policies, systems and practices and where necessary, on their harmonization.;
- Harmonize the procurement and disposal policies, systems and practices of the central government, local governments, and statutory bodies;
- Set standards for the public procurement and disposal systems in Uganda;
- Monitor compliance of procuring and disposing entities; and
- Build procurement and disposal capacity in Uganda.

Section 6 of the PPDA Act mandates the PPDA namely to: ensure the application of fair, competitive, transparent, non-discriminatory and value for money public procurement and disposal standards and practices; harmonize the procurement and disposal policies, systems and practices of the central government, local governments and statutory bodies; set standards for the public procurement and disposal systems in Uganda; monitor compliance of procuring and disposing entities; and build procurement and disposal capacity in Uganda. It further requires all public procurement and disposal to be conducted in accordance with the principles of transparency, accountability and fairness and in a manner that maximizes competition and achieves value for money. In this vein, the law provides best practices including procurement and disposal principles, rules, administrative review systems, codes of conduct, as well as suspension of providers for offences and disciplinary measures against public officers who commit malpractices. Regulations, guidelines, forms, and standard bidding documents also complement the law. These serve to assist the procuring and disposing entities and providers of services, supplies and works in carrying out procurement and disposal processes (Agaba and Shipman, 2006, p.381).

The PPDA Act 2003 was recently amended to strengthen the PPDA by giving it additional powers and to regulate procurement planning. The amended PPDA Act and its attendant regulations became operational on 3rd March 2014. The PPDA (amended) Act clarifies certain definitions of certain aspects. Unlike the 2003 PPDA Act that defined the role of an Accounting Officer as that of a procuring and disposing entity so appointed by the Secretary to the Treasury, including the Accounting Officer of a local government or a statutory body, the amended law expands the role of an Accounting Officer to include heading of statutory bodies or state enterprises. The widening of the scope of the definition of Accounting Officers will ensure transparency and accountability across government entities that were previously not covered by the old law.

The amended law also established a PPDA Appeals Tribunal for bidders and entities who may want to question or challenge an awarded tender (section 91B, PPDA Act, amended). The tribunal is composed of a chairperson and four members. The person to be appointed chairperson of the Tribunal shall be a person qualified to be a judge of the High Court” This is section 91B (2), appointed by the Minister of Finance, in consultation with the chairperson of the Judicial Service Commission (91B (5), PPDA Act, amended). The four tribunal members shall be selected from the private sector and appointed by the Minister of Finance (91B (6), PPDA Act, amended). Any person appointed to the tribunal shall have the requisite knowledge and experience in public procurement, finance, commerce, business, administration or law (section 91B (3), PPDA Act, amended).

The amended Act makes Accounting Officers personally liable for their actions in the procurement processes and empowers them prior to starting a procurement process to carry out an assessment of the market price of the supplies, services or of the unit costs of the works. The Accounting Officer cannot sign a contract where the price quoted by the bidder is higher than the market price established. It stipulates that an Accounting Officer shall not sign a contract before the Contracts and Disposal Committee approve procurement except in emergencies. And, if it so happens, the Accounting Officer is required to inform the Contracts and Disposal Committee of the contract within seven working days of signing the contract and submit to PPDA a report on the contract within ten working days. This provision is vital in ensuring transparency in the transactions carried out by Accounting Officers.

3. Methodological Approach

3.1. Overall research Design

The study adopted a descriptive study design utilizing qualitative approaches of social investigation to collect and analyze primary data. Secondary data sources were also used in generating quantitative data relevant for addressing the study objectives. A descriptive design helped in providing deeper understanding of stakeholders’ views about the work of PPDA with particular reference to accountability, integrity and transparency.

3.2. Study participants and their selection

The study participants were selected from the Procuring and Disposing Entities (PDEs) including Ministries, semi-autonomous government bodies, and accountability oversight institutions. These entities were selected purposively based on their relationship and work with PPDA. At the central government level, the study participants included members of procurement committees, evaluation committees, boards / councils, user departments and accounting officers, among others. Besides entities at the central government level, the study also involved two local governments – Mukono and Wakiso Districts – so as to find out the vertical relationships involved in PPDA activities and the extent of their implications on accountability, integrity and transparency. Participants at the central and local levels have been purposively selected so as to enable the collection of rich data to address the study objectives. The study was conducted at national level. Selected local governments also participated in the study. Table 1 provides the list of organizations from which participants were selected.

Table 1: Summary of institutions from which study participants were selected (See detailed list of participants attached in appendix)

Public Disposal Entities (PDEs) e.g. members on procurement committees, boards / councils, User departments, accounting officers, evaluation committee)	<ul style="list-style-type: none"> • Ministry of Education and Sports • Ministry of Local Government • Ministry of Works and Transport • Uganda Investment Authority • Uganda National Roads Authority • Public Procurement and Disposal of Assets
Local Governments	<ul style="list-style-type: none"> • Wakiso District • Mukono District
Private Sector	<ul style="list-style-type: none"> • MBW Consults • TECOBA Services • KIRANGI services • DALACH Investments
Private procurement consultants	

3.3. Methods of data collection

Data was largely collected using in depth interviews conducted with key informants from the different entities. These were conducted using an interview guide. Discussions were comprehensively

captured using a digital recorder, supplemented by a note-taker to obtain a full recording of all that was discussed. Overall, interview with key informants were conducted individually or in small groups (See Annex 3 for List of Key informants contacted). Extensive desk review of reports, legislations and policies, among others also provided secondary qualitative and quantitative data relevant for the study.

3.4. Data processing and analysis

Primary data was processed and analyzed on an ongoing basis. Research assistants transcribed every recorded interview. The handwritten transcribed data were later typed and analyzed by carefully and thoroughly reading through them. Follow up interviews were also conducted to fill in information gaps. Initially, the collected data was organized under the major themes drawn from the objectives that guided the study and then subjected to further analysis. Content analysis was undertaken to draw implications of the data and what they mean in the context of the objectives of the assignment. Some verbatim extractions were made from the transcripts that were later inserted directly into the report.

3.5. Quality control and ethical considerations

In order to ensure collection of good quality data, competent and committed research assistants (RAs) were selected. These possessed relevant experience on a wide spectrum of social and political aspects. The RAs were also thoroughly briefed about the study objectives and refresher training was offered to them on qualitative research. As the study progressed, review meetings were regularly held to ascertain progress and challenges faced for corrective action.

For each participating entity, permission was secured from their respective accounting officers before interviews were conducted. For each study participant, informed consent was attained after clearly explaining the objectives and purpose of the study as well as the potential benefits and costs. All documents reviewed were cited correctly in the text and the references.

3.6. Challenges and limitations

Generally the study was well-conducted except for a very few challenges such as the bureaucracy involved in accessing study participants especially in PDEs. After lengthy follow up, this led to the exclusion of some targeted entities.

Given the purpose of the study, only participants directly involved in the procurement process were selected for the study such as PDE officials, procurement consultants, suppliers and contractors. The study also covered only two local governments. Therefore, although it provides pointers to key issues affecting accountability, integrity and transparency in PPDA, its findings cannot be generalised to the entire PPDA processes in Uganda. The study provides issues that need further investigation in a survey with a representative sample.

4. Perceptions of stakeholders about the accountability, integrity, and transparency of PPDA at the central and local government levels

4.1. Introduction

This section presents the findings of the study, which is done in line with the objectives of the study. The first part presents the perceptions of stakeholders about the accountability, integrity, and transparency of PPDA at the central and local government levels. This is broken into subsections to ensure that the core concepts of accountability, transparency and integrity are well presented and explained. In the second part, leakage zones and document fiduciary risk zones for PPDA are presented citing the key facilitators of risks and leakages. The chapter ends with recommendations on how to strengthen transparency, integrity, and accountability in PPDA's work.

4.2. Stakeholders' perception about the transparency of PPDA

The findings reveal that stakeholders were aware of several mechanisms to ensure transparency in the procurement process such as the PPDA Act 2003, mechanisms for disseminating procurement, disposal of information and competitive bidding processes, among others.

4.2.1. Availability of regulations and standard guidelines for procurement

Most stakeholders observed that PPDA operations clearly follow the provisions of the PPDA Act 2003 (amended in 2014). As a result, PPDA was reportedly providing transparent oversight of the procurement and disposal function in line with the act. It was also noted that PPDA has supported PDEs in developing policy documents such as procurement work plans and ethical codes of conduct, among others that have enhanced transparency as well as integrity in their procurement systems. PPDA has also provided relevant standard forms for procurement and disposal functions in different entities. The voice below attests to this.

Our procurement process is very transparent. There are clear stages of approval before any procurement or disposal is done. There are a number of forms that have been developed by the PPDA that require different authorities to approve (PDE official Ministry of works)

4.2.2. Access to information

PPDA also requires transparency from organizations it supervises, for instance, PDEs, ministries and requires feedback from them from time to time. For example, it requires for a monthly report showing all procurements and disposals for a month, evaluation reports, composition of PDU and contracts members and any contracts variations. The issues of blacklisting are also shared to PPDA (KII, PDE official, MoLG)

Besides information sharing by PPDA, the findings also show that PDEs in line with the PPDA Act utilise an array of information sharing channels. These include: newspapers, websites, radios and notice boards, among others. This further proves that PPDA has effectively undertaken one of its oversight roles of ensuring that procurement and disposal information is widely disseminated by the PDEs

We also use Newspapers to avail information on procurement opportunities. This is the main means of communication. These Newspapers traverse the whole country as a significant number of people access procurement information at UNRA. We also use radio stations since they are spread in the whole country (KII, PDE official, UNRA)

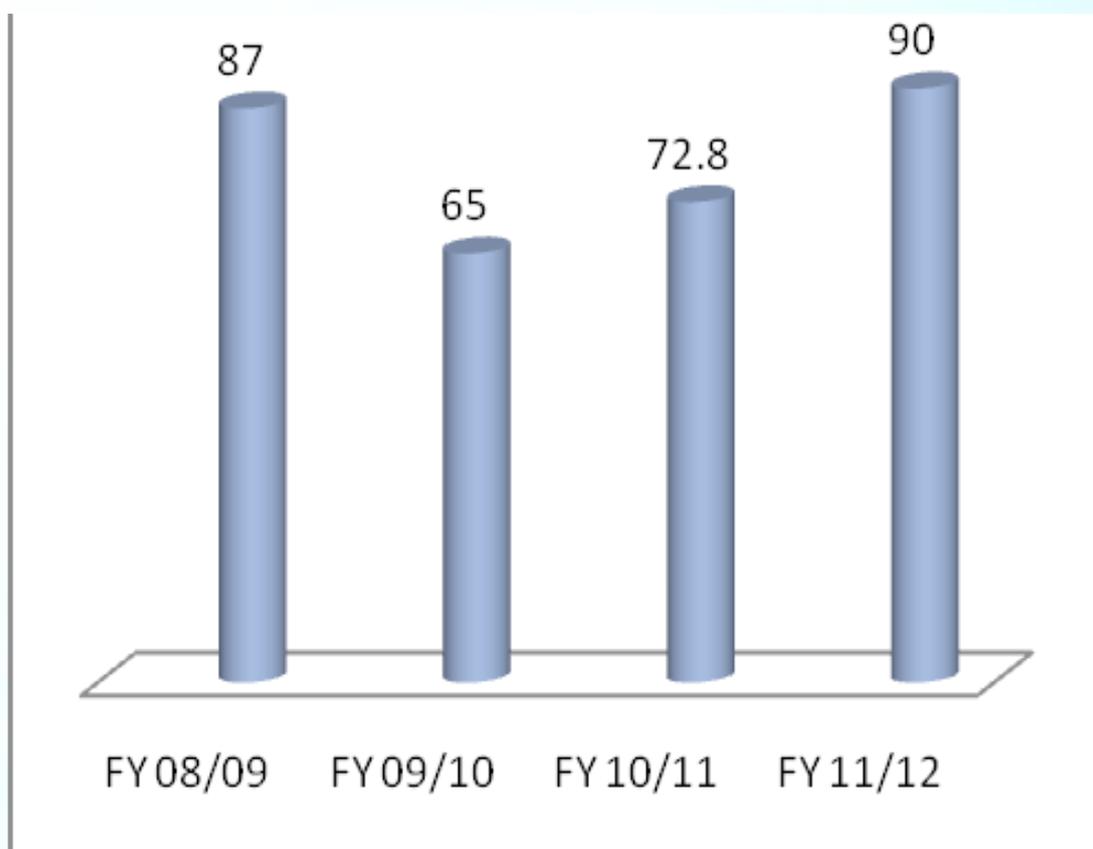
We use the notice board; you should have seen it outside there. On that notice board, we provide information on the selected contractor and those that did not go through clearly stating the reasons why they did not go through (PDE official Ministry of works)

4.2.3. Competitive bidding

Although competition in the market is determined by supply and demand, in public procurement transparency could affect the level of competition through the number of bidders/suppliers. For instance, if information on procedures is difficult to find and is distributed among firms who have some agreements with the procurement officer, then it is likely that other potential bidders/suppliers will not be able to apply on time and may not participate (Olaya, 2006:438). Similarly, if the procurement system is not transparent, potential bidders may be afraid of unfair treatment, favoritism and uncertainty, and decide not to participate (Amaral et al, 2009:167). Findings showed that PPDA ensures transparency by encouraging open competitive bidding as noted by one participant:

Competition is one of the ways we have ensured transparency. You cannot invite one bidder, they must be a minimum of three (3) (KII Procurement office, UIA)

Figure 1: Contracts subject to open competition by value (Sabiiti, 2012).



A review of literature on procurement in Uganda revealed that the percentage of contracts subject to open completion by value has been increasing over time. For instance, Figure 1 shows those contracts subject to open competition by value increased from 65% in 2009/2010 to 90% in 2012/2013. This could imply an increase in transparency in public procurement.

4.2.4. Challenges that compromise the level of transparency in PPDA

Despite the transparency exhibited by PPDA in the procurement and disposal of assets, there were concerns raised by study participants that should be addressed. These included: connectivity problems of the website, conflict of interest and alleged bid 'rigging', among others.

Problems with information dissemination

The connectivity problems of websites were a concern some PDEs had with PPDA. However, suppliers were concerned that bid notice boards exclude most potential bidders who have access problems. This may limit their participation in the procurement processes.

Then Bid notices are supposed to be posted on the website because they should happen in real time. If they are in the papers, they should be posted on the website. This sometimes does not happen (KII, Supplier)

Conflict of interest: Participants noted that transparency is also affected by conflict of interest.

For the bosses, in case you sabotaged them, they would make sure you either lose your job, changed station e.g. take you to Gulu or make you sit on the desk without travel up country. Who would want that to happen? You would have to watch all these in silent. Then even those at the bottom don't have to be annoyed, so you have to give them something for them not to talk behind your back

Haaa...technical know who; some people come and they think someone will back me up and they think they are supposed to get work ...technical know who is what may bring in problems KII, procurement official Mukono District)

Political interference: Despite the achievements made in trying to translate PPDA procedures and guidelines into practice participants cited exclusion of key stakeholders and political influence peddling by powerful political figures especially at local government levels. This limits transparency and demand for accountability.

The challenge here is political influence where politicians tend to interfere with the process (KII, official Mukono District)

Bid rigging: *From the perspective of consultants, contractors and service providers, the bidding processes across different PDEs are marred by rigging. They noted that sometimes PDE officers disclose sensitive information to other bidders of their interest before the competitive bidding process commence. Bid rigging results in unfair competition as certain bidders have more time to prepare their bidding documents. This may exclude 'competent and honest' bidders who may not have adequate time to prepare the bids.*

There is information that should not be leaked to bidders. However, this is done by some PDE staff. They reveal the engineer's reserved price to a bidder of their interest and this information is normally revealed before the job is advertised. This gives a potential bidder more time to prepare his documents yet this is a disservice to other people who would be interested in the job. (KII, Private procurement Consultant)

We have people we know in high places; before those jobs are advertised, we have been

informed of the reserved price. The employees of the PDEs also need money to survive; they do not reveal this information for free. You have to pay them before and when you start the job. I have a number of friends in so many of the PDEs now; when they hear of any job, they call and we discuss how each will benefit. (KII, Contractor)

The above challenges notwithstanding, stakeholders generally perceived PPDA as being proactive in ensuring transparency. This is because it takes the initiative to share information with various stakeholders using print media, emails and their website. However, there were some reservations about the amount of information availed to the general public compared to the procuring entities. It was observed that the public gets more of general information when they go on the website or once in a while there are dissemination campaigns. In addition, procurement delays, conflict of interest, political interference and bid rigging have also affected the level of transparency in the institution, which limits potential bidders to participate in some of the procurement process.

4.3. Stakeholders' perceptions about the integrity of PPDA Integrity

4.3.1. Understanding of integrity

Integrity is one of the core values of PPDA. Integrity can be defined as behaviours and actions consistent with a set of moral or ethical principles and standards, embraced by individuals as well as institutions that create a barrier to corruption. It deals with the moral soundness of an individual in relation to what he or she is expected to perform and deliver guided by the laws and procedures. Therefore for PDE officials to be considered to possess integrity, they would have to be seen to adhere to the principles outlined in the guidelines that help them to perform their duties as expressed in the remarks below;

"The procedures that are laid for us to follow reflect ethics. If you adhere to them, you have ethically conducted yourself. So integrity is behind everything we do (KII, PDE Official, MoLG)

Without integrity, staff and officials of any organization are bound to involve themselves in various unethical behaviors, which might destroy their reputation. So integrity as a value and practice facilitates the officials to reason, conduct and act as per their conscience and organizational rules and procedures to avoid unethical behavior like bribery and corruption.

4.3.2. Existence of ethical standards

In a bid to offer efficient and effective service delivery to the public, PPDA came up with a number of measures including an integrity policy to minimize drivers of poor service delivery such as corruption, bribery, compliance which are perceived as common practices in procurement processes. One of the frequently mentioned actions for minimizing unethical behaviour is that contractors who do not deliver as expected are blacklisted and therefore not contracted in the future. This was perceived to have contributed to improved performance and compliance with standards especially at local government levels.

"PPDA has a system of black listing some of the providers who might not behave in the expected way. But of course when we are sorting out providers like when prequalifying bidders there are things like is he compliant, tax independent, does he have the experience, what about those people who will be on site because we do not expect the director to participate in the actual building (what are their qualifications, competence and experience), so we look at all these when scrutinizing." (KII-Procurement Department, Mukono District)

This could imply that a healthy competition develops among the bidders to see that they meet the requirements, which can enable them to deliver depending on their standards—due to fears of being

blacklisted. Therefore, integrity is paramount in the operation of organizations as it helps the staff members of any organization to conduct themselves as expected. However, despite the existence of ethical standards, the findings revealed that the institution is faced with a problem of unethical behavior from individuals (officials) within as well as bidders. It was noted that although there is an ethical code of conduct that staff has to abide by, this study revealed issues of conflict of interest from seniors officers at national and district levels, bribery and corruption in some procurement processes as expressed in the remarks below:

Many people here indulge in some form of bribery and this happens at all levels. Most people on the procurement process get a cut in case one is not given that cut, they would sabotage the person who did not give them the cut (KII, MoES).

Ok if it is a 500 Million job, we pay from 1million to 20million Uganda Shillings. Such big bribes make us do shoddy work because a lot of money is spent bribing people instead of doing the actual work (KII, Contractor).

When we are to get a certificate for payment, we normally pay a bribe to ease the whole process. To ease the process for you even the accountants need money. In case you don't pay your payments are delayed or you are told that you've done shoddy work. They take long to pay us yet sometime we just borrow money to do this work (KII, Contractor).

Literature reviewed shows that corruption in Uganda is endemic within the public sector (IGG 2010). In most ministries and local governments, private interests may take precedence over government ones as some officers abuse public resources or use their positions to flaunt procedures. The Corruption Perception Index (2014) ranks Uganda as the 140th most corrupt country in the world with a score of 26 (TI, 2014). Under decentralization, local governments are supposed to provide services to the population, yet misuse of funds is reported to be prevalent with little or no action being taken. Given the complexity, the size of the financial flows it generates and the close interaction between the public and the private sectors, public procurement is prone to waste, bribery, fraud and corruption (OECD, 2007). This consequently impedes achievement of value for money. The 2010 procurement and integrity survey revealed that suppliers and contractors spend up to 20% of the contract amount in corrupt payments (PPDA, 2009). This leaves less money to complete work, resulting in the supply of goods and services, which are substandard and priced higher than the market price.

4.3.3 Factors that influence unethical behaviors

There are many challenges faced by the staff members of various organizations and public entities in regard to behavior whether desirable or undesirable. Behaviors will always vary depending on the surrounding circumstances and conditions in an organization. For instance, desirable behavior was perceived to be dependent on a reasonable and timely salary and allowances. Undesirable behavior such as involvement in corruption was perceived to be driven by the perception of staff to not receive from an organization what they have expected or what others take for granted. Some participants singled out delayed salaries as one of the major drivers of unethical behaviour.

"...like now most employees have not received their salaries. I have spent three months without getting my salary, if I weren't a woman because at least we have husbands who care for us but for men they have children, wives, the mothers in the villages to care for so how do you expect such a person to survive and then someone brings you 500.000/= in such a situation. Can you really refuse?" (KII, Procurement Office Mukono District).

Similarly, it was noted by some participants that poor remuneration of the staff has influenced unethical behaviors. In addition, job insecurity by big numbers of temporary staff was perceived to increase susceptibility of such staff to engage in unethical behaviour.

“Pay people well – hunger makes people steal e.g. in a bank, why pay a teller 800,000/= yet she or he is counting a lot of money? The other thing that I did not tell you is that we have so many temporary staff. They are not paid and this is a weak link. If you have such people and they are not happy, they will have to bribe their way out (KII, UNRA)

Therefore, poor remuneration, delayed salaries and job insecurity were perceived to be drivers of unethical behaviour including corruption and bribery in procurement processes.

4.3.4 Management of unethical behaviors

In situations where the staff members or employees are involved in undesirable behaviors such as bribery and there is proof that they have done so, there are penalties in line with the Public Service Statute.

“... if one is found guilty they are suspended according to the public service statute but I have not seen any of that during my term of office I saw some time back and they were suspended.” (KII, Member Contracts Committee, Wakiso District).

“The other thing done to members is giving them suspension because when they found out the issues of this procurement officer he was first suspended and then when they found out that he had actually committed the crime that is when they interdicted him. So they first suspended him until thorough investigations had been done.” (KII - Member Contracts Committee, Mukono District).

However, further research is needed to ascertain the extent to which these laws and procedures are enforced. There is need to gain an understanding of the number of PDE officials who have been prosecuted, suspended or interdicted as a result of indulging in unethical behaviours.

4.3.5 Compliance with PPDA guidelines

PPDA Regulation 96(1) provides that a user department shall prepare an annual work plan for procurement based on the approved budget. It shall be submitted to the PDU to facilitate orderly execution of annual procurement activities. Local governments are also required by law to regularly audit their books of accounts as a means of improving transparency and accountability in the procurement process. A review of literature revealed that PPDA has conducted 360 procurement audits, followed up 225 audit recommendations with PDEs, carried out 229 investigations, 142 administrative reviews, approved 845 procurement deviations and rejected 532 (GoU, 2013). However, although there is some evidence on compliance with PPDA guidelines, a GoU report (2013) revealed that only 27% of the procurement contracts audited were found to have been procured in full adherence to the law. Similarly, participants noted that compliance in PPDA is sometimes more in theory and not in practice.

The other thing is that, in government compliance is more like the Bible truth where as in private sector you can bypass some laws in PPDA. Governments are used to being regulated as compared to private sector. However paper work should not lie to somebody as sometimes government entities show things on paper that they do not do in practice. There is still a gap between regulation and compliance (KII, official -, MoLG)

Then people who earn a certain amount of money are required to declare their assets but they do not (KII, Official UNRA).

Section 90(2) of the Local Government Act CAP 243, Section 12(e) of the Local Government Finance and Accounting Regulations of 2007

A review of literature also shows that most PDUs delay to submit their procurement plans. This could imply that annual consolidated procurement plans by the PDU are lacking which may result in ad hoc procurements, poor contract management due to poor specifications, and lack of qualified professionals to perform quality assurance (PPDA, 2010)

4.4. Stakeholders' perception about accountability of PPDA

This section presents stakeholders' definition and understanding of accountability; their perceptions of PPDA's role in addressing accountability issues / needs; how PPDA engages key stakeholders during decision making processes; mechanisms put in place and implemented for stakeholders to voice out their concerns; involvement of private sector, end users and civil society in the procurement processes; and how PPDA works with the oversight institutions

4.4.1. Understanding of accountability

Before investigating stakeholders' views about PPDA's accountability, we asked them about their own understanding of accountability. The findings suggest that study participants viewed accountability in relation to knowledge of and performance of assigned duties and the requirement of office bearers to explain and justify their personal actions. In a few instances, it was described as being able to explain how resources allocated to a particular task were utilized. Some study participants linked it to personal and organizational values as well as an assessment of achievements in relation to what you are expected to accomplish by society.

I would say that it [accountability] relates to what you have done regarding all issues to do with the office you were appointed to. It is therefore, self-assessment of what you have been able to accomplish.”(KII, PDE, Wakiso district)

How do I feel when I do this? KII, PDE Uganda National Roads Authority (UNRA)

For funds which have been allocated for a certain purpose at the end of the day you should show and explain how you used and what you achieved you become answerable (KII with procurement official at MoLG).

Accountability was also understood at the level of office bearers to mean characteristics of a person related to honesty, exemplariness, leadership and self-respect. It was further related to professional maturity and following the rules and procedures.

“It is professional maturity, as a person matures in the profession they start to appreciate some of those attributes on a very strong account, because he/she has a lot to protect in terms of how they are perceived.” (KII, PDE member, Wakiso district).

It was noted therefore that stakeholders' perceptions were linked to a high degree to the general description of personal accountability as well as organizational accountability in relation to its mandate. Participants overall related accountability to performance as regards assigned scope of work, outputs and outcomes and to personal values. It was also viewed in terms of having a responsibility to deliver to the public services in line with the set standards and procedures.

4.4.2. Perceptions about accountability of the PPDA

As the prime regulatory body for ensuring procurement accountability in Uganda through appropriate regulation and supervision, PPDA is expected to be accountable in order to maintain its moral ground and fulfill its mandate. The findings suggest that the PPDA was overall perceived to be making significant efforts to be accountable as an institution. It was the view of most study participants that PPDA is an accountable institution and has endeavored to effectively deliver on its mandate of providing oversight and supervision to PDEs and ensuring that appropriate policies,

laws, regulations and capacities are in place. These views are summarized in the remarks of study participants below:

“Let me tell you this. I have worked with several institutions in this country, but PPDA is a success story. (KII, Procurement Office, Ministry of Local Government)

“UNRA enforces PPDA rules, procurement is therefore made based on guidelines set up by PPDA. PPDA has put in a lot of effort to ensure that contractors and suppliers do not engage in forging bid documents. PPDA blacklists those who have forged documents. In case you are blacklisted, that is the end of you.” (KII, Contractor with UNRA).

Based on the evidence adduced in this study, the stakeholders/study participants seem to appreciate the level of public accountability of the PPDA. They deemed it both horizontally and publicly accountable basing on its effectiveness in ensuring that government departments conduct procurements according to set regulations. The above remarks also demonstrate that PPDA implements sanctions to ensure that service providers/contractors adhere to the set standards and procedures. However, given the recent developments related to the suspected political interference and bribery in the procurement processes and contract administration of Katosi Road and the controversy surrounding the Uganda Railway Gauge Contract awarding, we need to do in-depth research on the extent to which PPDA and its structures as well as other oversight bodies are able to address political interference in procurement processes. These developments happened when the study was at the tail end.

4.4.3. PPDA’s engagement of stakeholders’ in public procurement

The procurement process by nature involves a varied range of stakeholders who according to the PPDA Act 2003 include oversight agencies such as the Office of the Auditor General (OAG), Office of the Inspector General of Government (IGG), Enforcement bodies (CIP, DPP), MoFPED, Procurement and Disposal Entities (PDEs), Providers-Suppliers, contractors and consultants and other technical staff in government departments. Since the procurements are done for the purpose of delivering public goods, services and assets, it is imperative that the public is involved in the process as key stakeholders. The PPDA act provides space for any interested entities to participate in the processes. This study therefore sought to establish how PPDA engages and addresses the needs of stakeholders during the procurement process.

The study findings show that the different stakeholders were aware of their right to participate and to have their different needs addressed by the PPDA. Stakeholders were able spontaneously and also when probed to mention some proactive initiatives undertaken by the PPDA to address the needs of stakeholders.

Mentoring and organizing capacity building trainings: One of the initiatives taken by PPDA to engage stakeholders was PPDA’s engagement in the continuous mentoring and organizing trainings for stakeholders on the various aspects of procurement. Stakeholders also noted that PPDA makes an effort to update and orient them on new developments in the institution such as the new PPDA Act 2014. It was noted that PDDA has offered trainings to about 23,000 participants at various levels (GoU, 2013). These initiatives were perceived to contribute to capacity building of particularly the PDEs in various ministries, local governments and autonomous public institutions.

Lessons from routine technical audits and assessments: Similarly, the routine technical audits and assessments done were reported as useful tools for advising teams on areas of improvement. PPDA was also perceived as consultative especially in the processes of developing new policies and guidelines and provision of materials.

Quick response to information sought by suppliers and the public: The other key stakeholder reported that PPDA has contributed to reduction in the response time to bidders who have issues. It was reported that it used to take two to three weeks but now takes two to three days. Evidence to support these findings is highlighted in the remarks from study participants below:

“A lot has been done to tell us what is really done in procurement in a meeting that involved all district staff. Technical audits are also often done to see whether we are on the right track and then they give us advice on what should be done, where we are weak they advise and they do assessment as well.” (KII, Contracts Committee Member, Mukono district).

“Since 2003 PPDA has been arranging procurement workshops and forms and every year they have been writing to PDEs to discuss procurement issues e.g. challenge and new developments. This has fed into the new PPDA guidelines for a trend of improvement.” (KII, Procurement Office, Ministry of Works and Transport)

The focus on a sustained sensitization drive for the different procurement entities by the PPDA is a good initiative, which might contribute to increase in compliance to procurement regulations. This is supported by other studies suggesting that familiarity with procurement regulations is a significant predictor of compliance with procurement regulations. Some studies argue that the more procurement personnel are familiar with the regulations, the more compliant they are likely to be (Eyaa and Nagitta, 2011).

Partnership with CSOs: The findings also reveal that PPDA also harnesses the potential of CSOs in promoting accountability. PPDA has been engaging with CSOs in various ways including mobilization, training, and information sharing and joint meetings

“I think the positive thing PPDA is doing is the mobilizing CSOs to take interest in public contracting and to monitor is good. In fact when we started this Coalition all our general meetings have taken place at PPDA. They have conducted trainings for the coalition; the first one the old law and they are scheduling another training on the new law and regulations.” (KII, Uganda Contract Monitoring Committee Member)

Despite PPDA's successes in engaging different stakeholders, some local government officials raised concerns about absence of guidelines in procuring certain technical types of consultancies and commercial services. It was noted that PPDA should provide more support in alternative forms of procurement where the conventional procurement guidelines may not apply. Other stakeholders suggested that PPDA should consider the approach of working through public private partnerships as they have registered success elsewhere, especially for bigger projects

It has been on the ground as I have told you and it has really offered a lot of support. The cadre-ship and professionalism has been developed but this needs to be continuous especially in the areas like procurement of consultancy services. The staff needs to be given more training on other more sophisticated areas of procurement. (KII, Member contracts committee Wakiso district)

Commercial procurements are a little bit different from public procurements; they require banks to follow some procurement systems as those followed by ministries, which aren't feasible. And this could be because they haven't worked it out before or it hasn't worked well with others (KII, Private Procurement Consultant)

Also PPDA should pick interest in public private partnerships because it is globally one of

the strategies being used to deliver big projects like airport construction, construction of ports etc. governments are constrained; therefore other alternative procurement methods improving joint partnerships should be developed (KII, Procurement Office, Ministry of Works and Transport).

Overall, this study found that stakeholders perceived PPDA to be engaged constructively in responding to their needs for information, training and consultation on new policies and guidelines. Activities such as trainings, mentoring meetings and materials like forms, that have been developed by PPDA were well received and appreciated by the intended end users. PPDA nonetheless still needs to address certain issues raised such as the need for support especially for alternative procurements.

4.4.4. Involvement of stakeholders in decision making

The involvement of stakeholders in making key procurement and disposal of assets decisions is important in ensuring acceptance/ownership of projects, their timely execution, protection and sustainability. The findings indicate that PPDA is to a large extent consultative providing oversight and quality assurance in procurement processes. It was noted that the PPDA requires that need assessments be carried out in the communities, which are the intended beneficiaries of the service. Efforts are also made to engage stakeholders in the mobilization and identification of potential bidders.

In the community projects everyone who is concerned gets to monitor them, so it is not limited to a certain committee. Everyone who is interested or who participated in the selection of that project is free to monitor, meetings are only held once a year (KII, Member Contracts committee, Mukono District).

Involvement of stakeholders in decision-making by the PPDA therefore seems apparent as per the evidence obtained in this study. It is one aspect however, that would require triangulation with interviews in the community to validate the contributions in this study.

4.4.5. Measures taken by the PPDA to deal with public procurement concerns

According to the PPDA Act 2003, one of the key roles of the PPDA is to “monitor compliance of procuring and disposing entities”. Therefore, the PPDA is mandated to deal with all procurement concerns by developing mechanisms to allow space for stakeholders to voice their concerns about any bidding processes and providing satisfying and timely responses. It was found that concerns were often related to delays in release of information or reasons for award of a contract to certain bidders or irregularity of procedure. There was evidence to suggest that mechanisms had been instituted so that aggrieved stakeholders can be able to voice their concerns regarding procurements at their locations. At the district level, in some cases, suggestion boxes were used, but there was also the opportunity of reporting cases to the accounting Officer. The evidence to support these observations is further illustrated in the remarks below:

Findings show that room for voicing concerns existed and mechanisms for providing response/feedback were in place. However, some stakeholders noted that the system of registering complaints about the decisions taken by PPDA is being abused and causing unnecessary delay of projects because the loss of a contract means a lot to a bidder. Therefore, an increasing tendency exists for bidders to apply for administrative reviews every time they lose a bid.

“The incentive for public sector is so high because the loss of a project means that they might take like 2 years before they get another one yet they have to be paying the rent and other bills. The incentive is so high to win so if you don’t have the redress mechanism where people can complain there is likely to be a problem, so it is important to have that. But that aside, I think there is also a tendency to abuse the process. The moment complaints drag on too long service is undermined. (KII, Uganda Contract Committee Member)

4.4.6. PPDA engagement with the oversight institutions

The PPDA being a statutory institution established by an act of Parliament would naturally be monitored and answerable to state structures. According to the PPDA Act 2003, PPDA is answerable to Ministry of Finance Planning and Economic Development (MoFPED). PPDA has a board appointed by MoFPED. Findings indicate that some study participants were generally aware that the PPDA has institutions that provide oversight over its work. The institutions mentioned included the Inspectorate of Government (IGG), MoFFD, the Parliament of Uganda and the Ministry of Ethics and Integrity. There were, however some stakeholders especially at the local government level that were not aware of institutions providing oversight for PPDA's operations and how they execute it.

"I think it is answerable to parliament although they are supervised by the Ministry of Finance, but they report directly to parliament and that is important. The independence of their decision is much insulated for example in other cases a minister will issue regulations but the PPDA regulations are passed by parliament given the sufficient levels of independence." KII, Uganda Contract Management Committee Member

"Not aware, I have only heard of PPDA coming to supervise the Procurement and Disposal Unit (PDU)" KII, Contract Committee Member, Mukono

From the above, it is clear that PPDA works with other oversight bodies and receives oversight from MFPED as well as Parliament. However, knowledge among stakeholders in the private sector, CSOs and local government about these institutions and how they provide oversight to PPDA was limited. Few participants were able to explicitly state the institutions, which provide oversight to PPDA and fully give an account of how it is done. Most expressed a lot of uncertainty or ambiguity on whether the oversight function works for PPDA and how it works. Those who were more informed about PPDA oversight agencies noted that one of the weaknesses was that despite parliament having a constitutional oversight role on all government departments and projects including PPDA it does not effectively perform this function. At best, oversight provided by Parliament was perceived as sporadic and opportunistic. For instance, Parliament only comes in to engage PPDA if say, a road construction project is not done well. The foregoing discussion points to the need for sensitization of stakeholders on PPDA oversight arrangements and engagement with oversight bodies to ensure that PPDA effectively fulfills its mandates.

4.4.7. Challenges affecting the level of accountability

Limited financial and human resource capacity: The findings of this study reveal that the institution has challenges related to capacity in terms of human and financial resources. Given the increasing demand for services, it was noted that financial resources allocated to PDEs at local and central government level is inadequate to facilitate the activities. At district level, study participants attributed this to limited resources generated from the local revenue.

The district lacks enough resources which it gets from local revenue and that it gets from the central government it is not enough for putting up facilities for its people (KII, procurement official Mukono District).

Besides the financial constraints, another challenge related to inadequate human resources especially at the local government level. According to PPDA (2013), the staffing level of the Authority stands at 70 %. Given the authority's mandate and the growing number of PDEs, especially at local government level, there are technical constraints related to human resources. In addition, the PPDA's main functions are centrally located. This was perceived to have an effect extending quality procurement services to the upcountry PDEs, contract implementation and may be contributing to weak supervision of contractors.

To me I think PPDA should have regional offices. But of course this is subject to funding availability. We have 111 districts, urban authorities etc. KII, Procurement Office, Ministry of Local Government.

Weak monitoring/limited supervision: Contract monitoring and supervision is integral in accountability. However, concerns were raised by study participants regarding weaknesses in the monitoring processes.

First and foremost we as the contracts committee we are supposed to be monitoring these works we give out but we have not been doing so and we have been advocating for us to do it so that we know who are these people, we make reports, we can recommend with the basic knowledge so we are saying we are none performers other than looking at their paper work (KII, contracts committee member, MoLG).

We are supposed to monitor in liaison with the CAO, RDC and other big offices here to monitor these suppliers, technical people should also monitor to ensure technical compliance to what they are supposed to do (KII, PDU official Mukono).

PPDA at least at a quarterly basis should come and visit us but since we started we have never seen any of them and they have not oriented us (KII, PDU official Mukono)

The weaknesses in monitoring could potentially lead to payment for incomplete work, double payment for goods and services as well as unrealistic variation orders. In addition, support supervision was also noted to be inadequate. Some participants observed that PPDA is mandated to orient new staff recruited especially at district level. However, PPDA doesn't have the capacity to visit every PDE on a quarterly basis much as it would have been a best practice.

Similarly, it was noted that it is not PPDA's mandate to orient all new staff posted to each PDU in PDEs although the Accounting Officer may write officially to PPDA in case there is need of training or hands on support for the respective members of the PDU

4.5. Changing context and dynamics in the procurement system

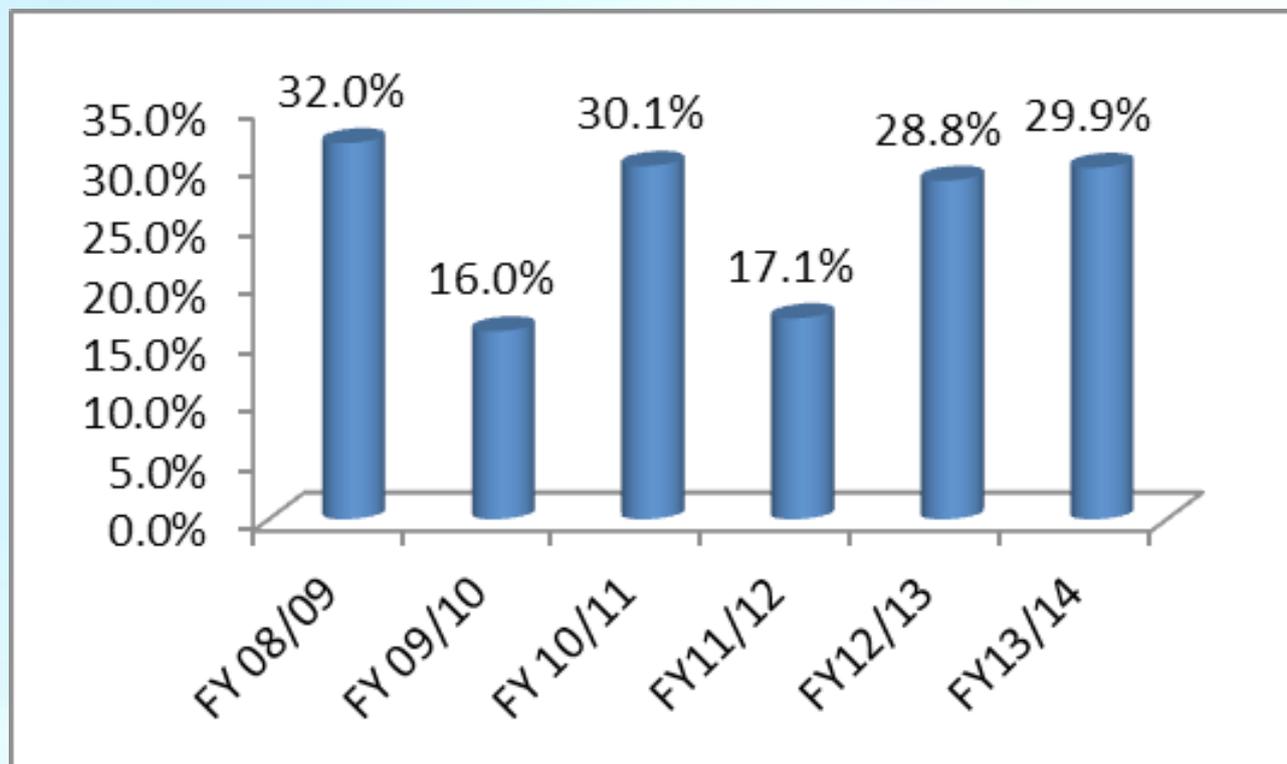
As noted earlier, the procurement system in Uganda is still growing and the demand for services is also increasing. This therefore leads to new changes occurring in the procurement system. Although this could be a positive move, it was noted that it affects the institutions especially if it is not moving at more or less the same pace with the changing contexts. Similarly, the institution has undergone several reforms. However, discussions with study participants noted that some of them are not up to date with the current changes. For instance, it was revealed that the procurement system has changed from procurement compliance to performance compliance. The existing legal framework focuses more on compliance than performance which is a gap.

...we have been operating within the legal frame work but many things have changed. Therefore practitioners must be trained to catch up with the changes. In the procurement frontier there has been change from procurement compliance to performance compliance. The legal framework focuses more on compliance than performance that is a gap

In, addition, study participants revealed that PPDA has not yet developed materials for projects such as design and building that may require other methods of procurement.

Since I am involved in big and complex project you find that there are areas where PPDA is lacking e.g. in some big projects that may require other methods of procurement that are not provided for in the PPDA law or have not been fully developed e.g. design and build projects. It is over of the areas where PPDA has not developed materials to procure projects... (Kil, Procurement official, MoWT)

Figure 2: Contracts with complete records by Number (Procurement Performance Measurement Systems (PPMS) – various reports)



Poor record keeping: A review of literature shows that accountability has been affected by poor record keeping. Figure 2 shows that in FY 2013/14, about 70% of the contracts verified did not have complete records especially contract implementation plans. This leads to procurement delays, as well limited information on the value of goods, services and works procured

5. Leakage and fiduciary risk zones in the procurement process

5.1. Introduction

This section provides an overview of these leakages that happen from the pre-bidding, bidding and to the post-bidding processes.

5.2. Pre-Bidding process

Needs assessment, planning and budgeting: The procurement process starts with a user department identifying a need, which is forwarded to the PDU. It is recommended that ample time should be given to this first stage of the procurement process if relevant needs are to be identified and costed appropriately. Mamiro (2010) and Luyt (2008) have observed that many public institutions have poor procurement planning and management processes that result in the formulation of irrelevant needs and unrealistic budgets. Similarly, the findings pointed to several risks in the procurement process.

Irrelevant needs: It was reported that some user departments identified needs that were not critical for their departments. This leads to wastage of organization resources as money is swindled and used for personal gain. One of the PDE employees had this to say:

In some instances, some of these user departments come up with needs that are not necessary for example identifying the need of procurement of equipment like a photocopier that already exists in the organization. This leads to fake procurements as they never buy such equipment, however organize documentation that shows that the procurement was done. This happens in places where the PDUs and accounting officers are weak or corrupt for their major role is to ascertain if such procurement needs stipulated in the plans of the organization are relevant. (KII, PDE UNRA)

Inflation of needs: It was reported that some user departments identified needs that were not critical for their departments. This leads to wastage of organization resources as money is swindled and used for personal gain. One of the PDE employees had this to say::

The other problem here is the inflation of needs; some departments can request for 10 cartons of paper yet they need 6 cartons. Then when it comes to budgeting, costs of items are inflated. Entities are required to conduct market surveys to obtain information on prices of goods and services, however some do not do this because of limited resources for such surveys or they surveys are regarded gratuitous. Yes, PPDA has costs attached to most of the goods and services however, these are played around with. We know that prices of goods and services are always fluctuating, cement might be 28,000/= today, however it would 35,000/= in the next 3 months. Because market surveys are rarely done, it will be budgeted at 35,000/= even though the procurement is to be done in this current month. (KII, Private procurement consultant)

The discussions above suggest that many public procurement entities fail to properly identify needs, quantify the needs of those requiring their services or properly estimate costs, which affect the performance of the entire procurement process.

Choice of procedure: : As stipulated by PPDA, PDUs prepare annual procurement plans that

recommend the method of procurement for each contract package and the time estimated for each stage of procurement. The PPDA guidelines emphasize that the choice of procurement method shall be in accordance with the thresholds specified in guidelines issued by the authority. The study found many leakages at this procurement stage.

Lack of awareness of procurement strategy: Study findings revealed that although the PPDA act provides for accreditation of alternative procurement systems in justifiable cases, some PDEs lacked appropriate procurement strategies for complex projects. Procurement scholars, Patrick Kakwezi and Sonny Nyeko revealed that procurement departments of public entities in Uganda are faced with the problem of not having enough information about the procurement procedure, its inputs, outputs, resource consumption and results and are therefore unable to determine their efficiency and effectiveness. Interviews with some of the study participants confirmed this leakage;

I am involved in big and complex projects and getting a procurement method for them is hard at times. PPDA is lacking in the procurement of such complex projects like dam construction. It has not fully developed procurement methods for them. (KII, Procurement Officer, PDE, Ministry of Works)

It was observed that PDEs were constrained to procure their requirement, and hence opted for utilising methods of procurement for smaller requirements or taking longer periods for procurement duly considering the number of procurement steps. In some instances, they resorted to splitting the requirements to procure through non-optimal methods of procurement.

Splitting of contracts: the findings also reveal that some contracts are split by the PDEs so as to avoid open bidding. They selected a procurement method that limits competition for example, single sourcing instead of open tendering. When it comes to single outsourcing, PDE staff exhibit as they may choose companies where they have vested interests. This was mentioned by a private procurement consultant interviewed:

Contract splitting is done for those small jobs that are never taken seriously. If procurement costs 4 million and this requires open bidding procurement, the procurement could be split into two thus costing 2 million at each phase. Here the procurement procedure would be turned to be a non-competitive one such that PDE staff identifies companies in which they have individual interests to supply them goods and services. (KII, PDE staff)

Further still, emergency situations are also prone to many leakages as there is no time for lengthy procurement procedures and therefore the procurer resorts to using restrictive procurement methods like single sourcing or limited competition. There is a higher possibility to choose contractors that are of interest to PDE staff.

Definition of requirements

While preparing bidding documents, PDEs are expected to explain, quantify and define the characteristics of goods and services and the kind of companies that can provide them. It was realized that bidding documents are tampered with to suit providers of interest.

Exclusiveness: Some documents are designed in a way that they restricted multiple companies from taking part in the bidding process as the technical requirements of the bid are designed to suit specific companies. This leakage was identified by a PDE staff interviewed as seen below:

The PPDA guidelines emphasize that the bidding documents should not appear to favor certain companies; therefore brand names of items should not be included in a document as they would lead to unfair competition. However some PDUs prepare bidding documents that tailor product requirements to suit companies that they have special interests in. This is not allowed in public procurements because it limits the number of bidders.

Time frame for preparation of bids:

Bid processes hurried: With late disbursement of funds, the bidding processes is at times hurried which leads to preparation of disorganized documents and not clearly specifying the technical requirements for contracts. This was shared by some of the study participants:

Sometimes the bidding processes are hurried because the needs of the user departments are sent in late to the PDUs. The time to check these documents and align them to the annual procurement plan is limited so bid documents are hurried and as a result disorganized or sometimes have sections that lack clarity. This in a way compromises the bidding process as incompetent bidders are chosen who submit half-baked documents. The bid processes are hurried sometimes because of late release of funds. This results into rushing the whole procurement process because PDEs would like to accomplish the work in time. (KII, CSO staff)

Leaking confidential information to particular bidders: Sometimes PDE officers disclose sensitive information to bidders of their interest before the competitive bidding process. This results in unfair competition as certain bidders have more time to prepare their bidding documents..

There is information that should not be leaked to bidders; however this is done by some PDE staff. They reveal the engineer's reserved price to a bidder of their interest and this information is normally revealed before the job is advertised. This gives a potential bidder more time to prepare his documents yet this is a disservice to other people who would be interested in the job. (KII, Private procurement Consultant)

We have people we know in high places; before those jobs are advertised, we have been informed of the reserved price. The employees of the PDEs also need money to survive, they do not reveal this information for free, you have to pay them before and when you start the job. I have a number of friends in so many of the PDEs now; when they hear of any job, they call and we discuss how each person will benefit. (Contractor, UNRA)

Summary table of risks in pre bidding

Pre bidding	Risks involved
Needs assessment, planning and budgeting	<ul style="list-style-type: none"> • Inadequate needs assessment • inflation of needs • inflation of required quantities to favor a particular supplier, • failure to develop annual procurement plans
Choice of procurement	<ul style="list-style-type: none"> • Lack of procurement strategy most especially for complex projects • Contract splitting to avoid threshold or procurement regulations requirements • Abuse of emergency contracts
Definition of requirements	<ul style="list-style-type: none"> • technical specifications restrictive or tailored to suit a particular product, • terms of reference tailored to favor a preferred consultant, technical specifications • terms of reference are vague or not based on performance requirements, • Selection and evaluation criteria outlined in the bidding documents may be unclear and non-objective.
Time frame for preparation of bid	<ul style="list-style-type: none"> • Hurried bidding process which results into preparation of disorganized bidding documents by procurers • Particular bidders receive bid notices before others resulting into un fair competition

5.3 Bidding

The bidding stage has been identified as the stage with most leakages. It is during the evaluation and tendering stage that there are most leakages as this is when bidders have the biggest interface with the PDEs and this is when award decisions are determined (OECD, 2007).

Invitation to bid

Releasing confidential information to specific bidders: There is lack of transparency at this stage. The most critical information released is the estimates and reserved price. This information is meant to be kept confidential but with ulterior motives of some PDE staff, this information is given out. Earlier disclosure of bid information to a particular bidder causes unfair advantage over the other bidders.

Bid Awarding

Manipulation of bidding documents: It was noted in the study that bid documents are tampered with during the evaluation process. It is generally believed that the risk of corruption is especially high during evaluation (OECD, 2007) as occur receipts of bribes from potential bidders, kickbacks, conflict of interest whereby the procurer has vested interests in the contract. These leakages were mentioned by study participants:

During the evaluation process, there is change of information of bidding documents to favor a few bidders. Papers are plucked out of bidding documents; bidders never get know about this and even if they knew and complained, they would be told that they did not submit them. Then bids disappear altogether because these are given to only one PDE. If the documents were submitted to two different places, this issue would be resolved.

I submitted my document for a job in Karamoja to one PDE that I would not want to mention; however I was told by some PDE staff (who are friends of mine) that some papers had been plucked out of my document. They wanted to favor a certain lady's company because she is giving them more money than what I was offering them. (KII, contractor)

Changes in evaluation criteria: Study participants also revealed that changes are made to the evaluation criteria to favor particular bidders of interest. The risks involved include changes in bid security ceilings, introduction of arithmetic errors in financial quotations to ensure the bid of a favored bidder is the lowest evaluated or most economically advantageous bid, changing bid submission or inserting more information to favor a particular bidder.

Summary table of risks in bidding phase

Bidding	Risks involved
Invitation to bid	<ul style="list-style-type: none"> • Releasing nonpublic information to specific bidders • presentation of forged documents like bank guarantees, academic transcripts, staff employed thus licensing un qualified companies • procurer coaching a bidder in tender proposal preparation • accepting bids submitted after closure

Award	<p>Evaluation process</p> <ul style="list-style-type: none"> • (evaluation process)- Kickbacks and bribes from companies that evaluation committees have vested interests • Evaluation process- changes in evaluation criteria to favor particular bidders e.g. introduction of arithmetic errors in financial quotations to ensure the bid of a favored bidder is the lowest evaluated • Hiding bidders' documents or plucking out bidding information from documents presented by bidders <p>Contract award</p> <ul style="list-style-type: none"> • favoritism and leakage of information in tender negotiations • lack of access to award information • lack of clear complaints mechanisms or procedures for administrative review • Bribes given to contract committee members
-------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

5.4 Post Bidding

Contract management

Japheth Ocharo Kiage in his study on factors affecting procurement performance, revealed that contract management influences procurement performance to a great extent and that contract management entails planning, organizing, control and directing payments. A review of records revealed that only 48% of government contracts completed on time (GoU, 2013). Similarly, participants in this study shared that many public entities left contract management to the user and contractor and as a result shoddy work was received. This current study also observed that the leakages in contract management are the result of limited or no supervision at all for services rendered.

Staffs are put as supervisions but they don't even know the contract in detail, so contractors use this opportunity to provide unsatisfactory services as they are sure that the site engineers are ignorant about the deliverables of the contract. For sure here you wonder who to blame; whether the PDE, supervisor or contractor. Then end users sign off certificates, however they don't have the expertise in whatever they are signing for. Headmasters of UPE schools sign on certificates pleased that they have more classrooms yet they are of poor quality. Then when it comes to supplies like solar panels, they sign on quantity received but not their quality. (KII, private procurement consultant)

Changing provisions in contract: More still, there are changes in provisions of the contract despite having contract award agreements signed between accounting officers of PDEs and service providers. With the limited supervision, it is not surprising that there are deviations from the arrangements stipulated in the contracts.

The biggest problem is changing provisions in the contract. E.g. during construction, they can change specifications which affects quality. If it is cement mixes for a "bim" that should be 1 ft, contractors can decide to use 250cm such that they can save money. (KII, PDE, UNRA)

There are also Variations in scope; introducing things that weren't required. E.g. introducing a retaining wall, during construction and the contractors work hand in hand with their station supervisors to ascertain that there is need for the wall even when it is not required. (KII, private procurement consultant)

There is skipping of some work that is stipulated in the contract, this is done by many of suppliers. For example if one is to install equipment, they sometimes skip training the end use on how to use the equipment. This results into leaving the equipment redundant since

the end users lack the competence of operating the equipment. (KII, private procurement consultant)

Order and payment

Payment for unsatisfactory work: Baquero (2005) argues that traditional government contracts worldwide have tended to focus on inputs rather than outputs. From the interviews conducted, what Baquero argues seems to be true: it was noted that a lot of time is invested by PDE staff in the pre-bidding and bidding stages as compared to the post-bidding stage that requires supervision of works. Study participants revealed that contractors are paid for no work done or incomplete work. These contractual payment decisions have had costly consequences for public finances, and the country at large as tax payers' money is wasted twice to ensure successful completion of projects.

Summary table of risks in post bidding

Post Bidding	Risks involved
Contract management	<ul style="list-style-type: none"> • Selection of PDE supervisors who have individual interests in the project • Failure to monitor progress of works that results into change in provisions of contract (e.g. buying less equipment than what was agreed upon in contract, theft of equipment before it used, dumping of equipment at sites) • Failure to synchronize activities i.e. identifying who provides which service first. (desks can be dumped at a school before classrooms have been finished)
Order and payment	<ul style="list-style-type: none"> • Limited supervision results into payment for incomplete work • Double payment for goods and services • unrealistic variation orders • postponement of payments to have prices reviewed so as to increase the economic value of the contract • PDE staff request to be paid a percentage of the contractor's invoice amount before the contractor's payment can be processed.

The discussion above clearly shows that with less focus on the entire procurement process, there are increasing deficiencies and fragmentations in governance, interpretation and implementation of procurement policies and guidelines.

6. Conclusions and recommendations to strengthen transparency, integrity, and accountability at PPDA.

6.1 Conclusions

Overall, it was generally perceived that the PPDA has been proactive in ensuring that it is an transparent organization. This was rooted in the fact it takes the initiative to share a big amount of information with various stakeholders using print media, emails and their website. Likewise, PPDA has consistent demands from all its stakeholders. However, there were some reservations about the amount of information availed to the general public compared to the procuring entities. It was observed that the public receives more general information visiting the PPDA website as well as via sporadic dissemination campaigns. Delays in responding to concerns and bid rigging have also affected the level of transparency in the institution, which limits potential bidders to participate in some of the procurement process. In regard to integrity, an integrity policy was set up to offer efficient and effective service delivery to the public through minimizing all forms of poor service delivery such as corruption, bribery, compliance. The existence of such ethical standards provides grounds for healthy competition among bidders. However, despite the existence of ethical standards, it was noted that the institution is still affected by a problem of unethical behaviors from some of its staff as well as bidders/service providers.

In relation to accountability, stakeholders' understanding of accountability at a personal level related more to knowledge of and performance of assigned duties as set out in the contract as well as having the ingenuity to assess him/herself. This embodies honesty, exemplariness, leadership, ethical uprightness and self-respect attached to performance as regards the assigned scope of work, outputs and outcomes and to personal values. PPDA is engaged in capacity building of the staff and stakeholders at both central and local government level through continuous mentoring and training of staff on the different aspects of procurement and on new developments. For instance, PPDA have gone a long way to build capacity of PDE staff, provide routine technical audits and assessments as well as being consultative especially when proposing new guidelines and provision of material support to PDEs. Audits are done with different entities and all contracts awarded which are above 2,000 dollars are published. PPDA has also endeavoured to deliver effectively on its mandate of providing oversight and supervision to PDEs by ensuring that appropriate policies, laws, regulations and capacities are in place. However, the level of accountability is compromised by several challenges related to weak contract monitoring, weak supervision to PDEs at local government levels, limited financial and human resource capacity, changing context and dynamics in the procurement system and poor record keeping.

Study participants identified some risk zones in the procurement processes that need to be given attention. These included: departments prioritising irrelevant needs, inflation of needs, PDEs having limited capacity of procurement strategies for complex projects, changing provisions in contract, changes in evaluation criteria, manipulating bid documents etc.

6.2 Key Recommendations

- There is need to engage stakeholders in actions that contribute to increase in demand for creating an enabling environment for political will to improve the integrity, transparency and accountability of the PPDA processes. This will contribute to addressing the challenges of political interference and conflict of interest in the procurement processes.
- There is need to enhance capacity of procurement practitioners and professionals in understanding and responding to the new changes and developments in the laws and procurement systems.
- There is need to support scaling up of efforts by PPDA to strengthen its e-procurement systems and ensure reliable Internet connectivity. This will help to enhance reach out to many potential bidders and share with them timely procurement and disposal information. In addition, there is need to build the capacity of potential bidders so as to be able to use the e-procurement system.
- There is need to carry out a comprehensive mapping of risks to leakages and fiduciary risk zones in the procurement process in order to design mechanisms for primary interventions to reduce or eliminate these risks.
- There is need for continuous engagement of the civil society, private sector and media as partners to PPDA in promoting accountability, transparency and integrity. The current systems of PPDA—CSO engagement should be promoted and strengthened.
- There is need for CSOs acting as a coalition or as individual entities to build on existing mechanisms to continue to empower communities to demand for transparency and accountability in all procurement processes especially at the local government level.
- Given the limitations of the current study, there is need to commission a larger survey with a statistically representative sample to investigate the magnitude of issues generated by this study and to generate findings that can be generalized to the whole Country procurement processes. This study generated indicative findings and issues that can be used to generate hypotheses for testing in a survey.
- There is need to recruit and train more staff for PDDA to enable it cope with the growing needs for procurement services.
- There is need for PPDA to expand its outreach to sensitization of the public on its mandate, the procurement laws and procedures.
- There is a need to strengthen the chain of procurement systems- including partnerships with the other oversight institutions and law enforcement agencies like the Police
-

References

- Baquero, P. I., (2005). Performance-based procurement: the key to effective basic services provision in developing countries. Available at: <http://www.unpcdc.org/media/5874/performance-based%20procurement%20-%20the%20key%20to%20effective%20basic%20services%20provision%20in%20developing%20countries.pdf> accessed on 15-09-2014
- PPDA Act, amended 2004
- PPDA (2010), The 2nd Public Procurement Integrity Survey. PPDA, Kampala-Uganda.
- Price, T. L. (2010). Understanding ethical failures in leadership. In G. R. Hickman (ed.), *Leading organizations: perspectives for a new era (2nd ed., pp. 402-405)*. Thousand Oaks, CA: Sage Publications, Inc.
- Public Procurement and disposal of Assets Authority [PPDA]. (2007). Report on the compliance and performance indicators for the Uganda procurement system. Kampala: Author
- Public Procurement and Disposal of Public Assets Authority [PPDA]. (2010). Final Report Baseline Survey on the Public Procurement System in Uganda. Kampala: Authored by REEV Consult International
- Sabiiti C. K. (2013) Performance of the Public Procurement and Disposal System in Uganda-PPDA Public Procurement Symposium & Exhibition 19th– 20th Sept 2012. PPDA, Kampala, Uganda (unpublished)
- Schein, E. H. (2010a). *Organizational culture and leadership (4th Ed.)*. San Francisco, CA: Jossey-Bass
- Schein, E. H. (2010b). The learning culture and the learning leader. In G. R. Hickman (ed.), *Leading organizations: perspectives for a new era (2nd ed., pp. 331-344)*. Thousand Oaks, CA: Sage Publications, Inc.
- Sinclair, A. (1995). The chameleon of accountability: forms and discourses. *Accounting, Organizations, and Society*, 20 (2/3): 219-237.
- Stapenhurst, R., & O'Brien, M. (n.d). "Accountability in Governance." World Bank governance papers. Retrieved from <http://siteresources.worldbank.org/PUBLICSECTORANDGOVERNANCE/Resources/AccountabilityGovernance.pdf> on February 6, 2014.
- Thai V. Khi (2008), International Handbook of Public Procurement, CRC Press
- Transparency International. (2009). The Anti-Corruption Plain Language Guide. Retrieved from http://www.transparency.de/fileadmin/pdfs/Themen/Wirtschaft/TI_Plain_Language_Guide_280709.pdf on February 6, 2014.

Appendix I: study tools

KII Guide (IDI) (PPDA and PDEs)

Read the following to the respondents.

Introductory and Consent Note

Good morning/ Good afternoon. My name is _____, and we are conducting a study for Transparency International Uganda (TIU). TIU seeks to explore the perceptions of stakeholders about accountability, integrity, and transparency of PPDA in the course of executing its mandate in Uganda. The study will identify leakage zones, map fiduciary risk zones and raise “red flags” for government accountability institutions. Results are expected to inform TIU interventions aimed at promoting integrity, transparency, and accountability at central and local government in Uganda, including advocacy for policy reforms in order to improve on the quality of life of ordinary Ugandans through improved governance and accountability.

You have been selected participate in this study. The information collected will only be used for the above purposes. All the information is strictly confidential. I also have a recorder that will help me to capture the discussion to ensure that I do not miss anything. May I use it? [Moderator seeks consent].

I would also like to clarify that this interview is entirely voluntary and that you have the right to **withdraw** from interview at any point without consequence.

Thank you very much.

At this time, do you have any questions?

Are you willing to participate in this study?

Yes 1) Proceed

No 2) Thank the participant and STOP HERE

May I begin the discussion now?

Yes 1) Continue with the Key Informant Interview

No 2) STOP HERE

Start Time: ____:____

Thank you

General information

1. What is the organizational mandate (activities implemented by your organization)?
2. Please tell me about your roles and responsibilities in _this organization/institution.
3. Could you please tell me about the procurement and disposal processes of your organization (**probe**: procurement plan, procurement committee, pre bidding, bidding, post bidding, etc)
4. Are you personally involved in the procurement and disposal processes? If so, what are your roles and responsibilities?

Transparency

1. Does your organization have a communication policy regarding procurement and disposal? (**if yes, policy should be seen**)
2. How do you avail information to potential bidders on existing procurement and disposal opportunities? (**Probe**: media, notice boards, email, etc). How long does this process take?
3. What kind of information do you give out to the public and who often has access to such information?
4. In case of information regarding changed bidding and disposal procedures, how do you ensure that the public (potential bidders, suppliers, etc) have access to such information?
5. Do you have mechanisms for handling grievances and complaints related to procurement and disposal? (**probe**: appeals for loss of bid, de-briefing to allow unsatisfied bidder to ascertain the facts, etc)
6. In your opinion, what are the **strengths** of the current procurement and disposal procedures of your organization? (**probe**: access to information, handling complaints, policies/guidelines, etc to prevent fraud and corruption, etc)
7. What are the **weaknesses** in the current procurement and disposal procedures of your organization? (**probe**: access to information, handling complaints, policies/guidelines, etc to prevent fraud and corruption, etc)
8. What can be done to strengthen transparency in procurement and disposal processes of PPDA? (**Probe**: information dissemination, complaints and grievances handling,

Integrity

1. What systems are in place regarding ethical conduct of staff members (probes: existence of core values, procurement laws and regulations, organizational polices)?
2. How does the organization ensure that these systems are followed by employees? (Probe for: trainings, mentorship, role modeling, rewards/ punishment, audits, etc).
3. What values and beliefs guide/influence your decision-making while executing your duties? Do your values and beliefs sometimes conflict with those of your organization? (Please explain).
4. Have you heard, witnessed or encountered cases of unethical behavior in your organization? (probe: favors, corruption, theft, bribes, manipulation for individual interest, etc)
5. What internal and external factors contribute to employees' engagement in such undesirable behaviors above (in number 4)?
6. How does your organization handle such undesirable behaviors above (in number 4)? (probe: legal action, dismissals, disciplinary action, suspension, etc)
7. How are such undesirable behaviors perceived within the organization?
8. Are there fora through which employees can openly share such experiences in 4 (above) and

report them for appropriate management action?

9. What are your recommendations for eliminating unethical behaviors in your organization particularly in the procurement processes?

Accountability

Personal accountability

1. What comes to your mind when someone talks about personal accountability?
2. In your opinion what are the characteristics of a person who embodies personal accountability?
3. What personal values, beliefs, and behaviors do PPDA staffs embody? (Probe for how these values and beliefs are applied their day-to-day activities, especially in relation to their decisions and actions in PPDA or PDE?
 - a. How do employee personal values and belief relate with those PPDA or PDE?
4. How do employee personal values affect PPDA's performance?
5. What is PPDA's leadership doing to align personal values and beliefs to those of PPDA? (Probe for the specifics things being done, where, and by whom)
6. If not doing anything to align personal values with those of the organization (i.e., PPDA), ask why.
7. Probe whether he or she thinks it is necessary to align or not, get reasons for all answers

Public accountability

8. What proactive and reactive steps has PPDA taken to address the needs of stakeholders in public procurement? Probe for
9. Engagement of key stakeholders in its decision-making processes related to procurement and asset disposal
10. Evaluation of performance, policies, and practice in consultation with its key stakeholders.
11. Measure taken to deal public procurement concerns
12. Whether information on procurement and asset disposal has been provided through public hearings, newspaper reports, and other mechanisms
13. What mechanisms are in place for stakeholders to voice out their grievances and receive an appropriate response.
14. How has PPDA ensured fairness and timely resolution of formal administrative complaints
15. related to the procurement process?
16. How have stakeholders – in particular private sector, end-users, civil society or the public at large – been involved in the procurement process, if so how?
17. Does this PPDA hold regular meetings with the public/service providers to discuss public procurement issues?

Managerial accountability

18. What mechanisms, systems and processes does PPDA use to guide procurement and disposal of public assets? Probe for:
- a. Procurement guidelines
 - b. System to link individual performance with payments
 - c. How managers and supervisors promote accountability and ethical conduct as part of their responsibility and are held accountable for their own conduct
 - d. If specific individual(s) or office exists within PPDA to monitor the ethics and accountability function, supported by knowledgeable staff, adequate for the size and goals of the organization
 - e. How and when accountability reports are made to the oversight
 - f. Standards and principles expected of third parties (i.e., supplies, vendors, contractors, consultants, agents and contractual workers)
19. Has the institution received any complaints for investigation? If yes (probe for
- a. Number of complaints received for investigations since 2009-2012
- Number of complaints investigated
- Number of complaints completed
- b. Number of complaints resolved/conclude
20. Does the institution compile compliance reports? If yes (probe for
- a. Number of compliance reports issued (indicate total no. of compliance check reports, including outsourced compliance check reports)
 - b. Number of critical recommendations on general Implementation of the law made in compliance check reports during the monitoring period?
21. Does this institution carry out audits? How regularly are the audits conducted? Who is responsible for conducting the audits?
22. What internal control processes over individual transactions ensure the management of the procurement function, and how coordination is ensured between internal control and external audit of procurement processes?
- a. Does the institution carry out Value for money audits (Internal and external) if yes (Probe for
 - b. Number of audits conducted since 2009-2012
 - c. Number of audits followed up
 - d. Number of recommendations per audit
 - e. Number of recommendations verified as implemented during follow-up
23. What mechanisms are in place to prevent fraud and corruption in procurement on the part of

the procurement officers and the suppliers/contractors?

24. Have there been any collaborative linkages undertaken for improved accountability. (Probe for prosecutions, investigations, action plans and resolutions made when the accountability bodies work together).

Horizontal accountability

25. Which institution(s) oversee/supervise PPDA operations? Probe for how and when do the oversight institution(s) provide (s) oversight
26. What mechanisms does the oversight institution use to ensure that PPDA effectively and efficiently implement agreed policies and programs without abusing the resources, authority, and power entrusted to it?
27. What reports do the oversight institutions issue and at what intervals?
28. Are independent watchdogs such as parliament, IGG, Auditor general, Judiciary etc. also involved in monitoring the procurement process? If yes, probe for how they provide a framework for accountability, transparency and integrity in public procurement. If no, probe for how it affects accountability in Public procurement?
29. In your opinion, is the oversight institution effective in fulfilling its role of supervising the work of PPDA?
- a. If yes, how and under what circumstances?
 - b. If no, why?
 - c. Also probe for factors that prevent the oversight institutions to effectively play its roles
30. In your opinion, what strategies, activities, resources, and procedures should be in place to ensure that the oversight institution undertakes its work? (For any suggestions, probe for how they can be actualized)
31. In what ways does PPDA account to the oversight institution? Probe for:
- a. Approaches used and at what intervals
 - b. Perceived effectiveness of the accountability mechanisms

Challenges of the institution

9. What is your opinion on the effectiveness of PPDA in executing its regulatory function in the country
10. What do you think is the level of PPDA influence on the procuring entities in conducting the procurement? Probe further for the level of independence of procuring entities in conducting public procurement? Conflict between the PPDA regulatory function and the Procurement function of the procurement entities?
11. Comment on the level of competence of procuring entities in conducting public procurement?
12. What are the key factors affecting the institution in enforcing its mandates. Probe for: challenges related to
- *Jurisdictional Limitations*

- *Poor record keeping*
- *Contract Management*
- *Rate of non responsive bids*
- *Public perception of tender evaluation confidentiality*
- *Rotational use of prequalification list*
- *Dispute Resolution Mechanism (Among others)*

13. Are there opportunities for increasing the effectiveness of the PPDA. Probe for:

- *Capacity Building to mitigate the risks in the individual operation, eliminate multiple procurement practices and mainstream best practices into procurement practices with international best practices and local capacity.*
- *Benchmarking; learning from best practices (national and international)*
(Among others)

14. What would you recommend to ensure effective accountability of PPDA (Probe for Recommendations on each of the challenges/risks identified)

Mapping fiduciary risks

15. At what stage in the procurement process are leakages most experienced? Probe for

- What risks in procurement system at each phase of procurement
- How the risks are identified: the mechanism used (e.g. internal management accountability framework, audit, etc.)

16. What mechanism are in place to improve planning and implementation process in public procurement in the case of decentralised units (e.g. annual procurement plans, internal control based on materiality and risk, procedures for management approval of business cases to justify major contracts, model for risk sharing between government and bidder, etc.)

17. Are there accountability chains for officials working in vulnerable positions in relation to procurement (e.g. general managers such as budget holder, procurement officials, etc.)

18. What capacity building measures are in place to ensure accountability, transparency and integrity (e.g. professional training that includes accountability, transparency and integrity issues) and to respond to a potential need or dilemma (e.g. advisory service).

19. What specific anti-corruption and conflict-of-interest policies help promote accountability, transparency and integrity in public procurement? Probe for

- Clear separation of duties and authorizations between the individuals/bodies
- Rotation of officials,
- Disclosure requirements such as declarations of financial interests etc.

20. What ethical standards, prohibitions and restrictions apply to officials/contractual staff involved in procurement as well as bidders/intermediaries/contractors, in what form (e.g. anticorruption clause, integrity pact, code of conduct, etc.) and how they are communicated and enforced (e.g. condition for entry into an awarding procedure).

21. Are there specific policies to establish or verify the integrity of bidders/ suppliers/contractors

(e.g. “white listing”, assessment of integrity and/or financial competence, disclosure of commissions paid to individuals/firms for services provided in the procurement process) and whether they apply to all contracts?

END OF INTERVIEW MANY THANKS FOR YOUR COOPERATION

End Time: ____:____

KII Guide (IDI) (Suppliers/Contractors)

Read the following to the respondents.

Introductory and Consent Note

Good morning/ Good afternoon. My name is _____, and we are conducting a study for Transparency International Uganda (TIU). TIU seeks to explore the perceptions of stakeholders about accountability, integrity, and transparency of PPDA in the course of executing its mandate in Uganda. The study will identify leakage zones, map fiduciary risk zones and raise “red flags” for government accountability institutions. Results are expected to inform TIU interventions aimed at promoting integrity, transparency, and accountability at central and local government in Uganda, including advocacy for policy reforms in order to improve on the quality of life of ordinary Ugandans through improved governance and accountability.

You have been selected participate in this study. The information collected will only be used for the above purposes. All the information is strictly confidential. I also have a recorder that will help me to capture the discussion to ensure that I do not miss anything. May I use it? [Moderator seeks consent].

I would also like to clarify that this interview is entirely voluntary and that you have the right to withdraw from interview at any point without consequence.

Thank you very much.

At this time, do you have any questions?

Are you willing to participate in this study?

Yes 1) Proceed

No 2) Thank the participant and STOP HERE

May I begin the discussion now?

Yes 1) Continue with the Key Informant Interview

No 2) STOP HERE

Start Time: ____:____

Thank you

General information

5. Tell me about your company; what activities are you involved in?
6. Please tell me about your roles and responsibilities in company.
7. Have you personally been involved in the procurement and disposal processes with PPDA/PDEs? If so, tell me about these processes (**Probe** for knowledge about procurement plan, procurement committee, pre bidding, bidding, post bidding phases, etc)

Transparency

22. How does PPDA/PDE avail information to potential bidders on existing procurement and disposal opportunities? (**Probe**: media, notice boards, email, etc). How long does this process take?
23. What kind of information is given out to the public and who often has access to such information? How easy or hard is it to get such information? What information is never given out by PDEs/PPDA?
24. Do contractors/bidders/Suppliers pay any money to get information related to procurement and disposal opportunities? (**Probe**: How much money is paid to get such information?)
25. In case of information regarding changed bidding and disposal procedures, how does PPDA/PDE ensure that the public (potential bidders, suppliers, etc) have access to such information?
26. During the procurement process, do all bidders/ contractors/suppliers receive the same kind of information (**Probe**: for favoritism of some companies)
27. Does PPDA/PDE have mechanisms for handling grievances and complaints related to procurement and disposal? What are these mechanisms?(**probe**: appeals for loss of bid, debriefing to allow unsatisfied bidder to ascertain the facts, etc)
28. In your opinion, what are the **strengths** of the current procurement and disposal procedures of your PPDA/PDE? (**probe**: access to information, handling complaints, policies/guidelines, etc to prevent fraud and corruption, etc)
29. What are the **weaknesses** in the current procurement and disposal procedures of PPDA/PDE? (**probe**: access to information, handling complaints, policies/guidelines, etc to prevent fraud and corruption, etc)
30. What can be done to strengthen transparency in procurement and disposal processes of PPDA/PDEs? (**Probe**: information dissemination, complaints and grievances handling,

Integrity

1. What systems are in place regarding ethical conduct of staff members in PDEs/PPDA (probes: existence of core values, procurement laws and regulations, organizational policies?)
2. What are some of the unethical behaviors portrayed by PDE/PPDA staff during the procurement process? (**probe**: favors, corruption, theft, bribes, manipulation for individual interest, etc)
3. What internal and external factors contribute to PDE/PPDA employees to engage in such undesirable behaviors above (in number 2)?
4. Are you aware of any systems within the PDE/PPDA to handle such undesirable behaviors above (in number 2)? (**probe**: legal action, dismissals, disciplinary action, suspension, etc)

5. How common is it to be asked for illegal payments by PDEs/PPDA? Are these illegal payments usually asked for or expected by PPDA/PDE officials
6. At what stage in the procurement process are you more likely to be asked for an informal payment (How much money is paid?)
7. How do suppliers/ contractors/ bidders perceive these informal payments?
8. Can one win a bid without paying these informal payments?
9. How have suppliers/ contractors/ bidders contributed to this unethical behavior in the procurement process?
10. Are there fora through which suppliers/ contractors/ bidders can openly share such abuses by PDE/PPDA employees and report them for appropriate management action? (Probe: Meetings, Complaints desks)
11. What are the common obstacles when reporting such abuse of office by PDE officials? (Probe: for intimidation and lack of adequate information on procedures)
12. What are your recommendations for eliminating unethical behaviors in PPDA/ PDE particularly in the procurement processes?

Accountability

32. What proactive and reactive steps has PPDA taken to address the needs of stakeholders in public procurement? Probe for
 - a. Engagement of key stakeholders in its decision-making processes related to procurement and asset disposal
 - b. Evaluation of performance, policies, and practice in consultation with its key stakeholders.
 - c. Measure taken to deal public procurement concerns
 - d. Whether information on procurement and asset disposal has been provided through public hearings, newspaper reports, and other mechanisms
33. How has PPDA ensured fairness and timely resolution of formal administrative complaints related to the procurement process?
34. How have stakeholders – in particular suppliers/ contractors/ bidders or the public at large – been involved in the procurement process, if so how?
35. Does this PPDA hold regular meetings with the suppliers/ contractors/ bidders to discuss public procurement issues?
36. Which institution(s) oversee/supervise PPDA operations? Probe for how and when do the oversight institution(s) provide (s) oversight
37. What mechanisms does the oversight institution use to ensure that PPDA effectively and efficiently implement agreed policies and programs without abusing the resources, authority, and power entrusted to it?
38. Are independent watchdogs such as parliament, IGG, Auditor general, Judiciary etc. also involved in monitoring the procurement process? If yes, probe for how they provide a framework for accountability, transparency and integrity in public procurement. If no, probe for how it affects accountability in Public procurement?

39. In your opinion, are the oversight institutions effective in fulfilling its role of supervising the work of PPDA?
- If yes, how and under what circumstances?
 - If no, why?
 - Also probe for factors that prevent the oversight institutions to effectively play its roles
40. In your opinion, what strategies, activities, resources, and procedures should be in place to ensure that the oversight institution undertakes its work? (For any suggestions, probe for how they can be actualized)

Challenges of the institution

- What is your opinion on the effectiveness of PPDA in executing its regulatory function in the country
- What do you think is the level of PPDA influence on the procuring entities in conducting the procurement? Probe further for the level of independence of procuring entities in conducting public procurement? Conflict between the PPDA regulatory function and the Procurement function of the procurement entities?
- Comment on the level of competence of procuring entities in conducting public procurement?
- What are the key factors affecting the institution in enforcing its mandates. Probe for: challenges related to
 - Jurisdictional Limitations*
 - Poor record keeping*
 - Contract Management*
 - Rate of non responsive bids*
 - Public perception of tender evaluation confidentiality*
 - Rotational use of prequalification list*
 - Dispute Resolution Mechanism (Among others)*
- Are there opportunities for increasing the effectiveness of the PPDA. Probe for:
 - Capacity Building to mitigate the risks in the individual operation, eliminate multiple procurement practices and mainstream best practices into procurement practices with international best practices and local capacity.*
 - Benchmarking; learning from best practices (national and international)*
 - (Among others)*
- What would you recommend to ensure effective accountability of PPDA (Probe for Recommendations on each of the challenges/risks identified)

END OF INTERVIEW MANY THANKS FOR YOUR COOPERATION

End Time: ____:____

Key Informant Interview (KII) Guide (CSOs)

Read the following to the respondents.

Introductory and Consent Note

Good morning/ Good afternoon. My name is _____, and we are conducting a study for Transparency International Uganda (TIU). TIU seeks to explore the perceptions of stakeholders about accountability, integrity, and transparency of PPDA in the course of executing its mandate in Uganda. The study will identify leakage zones, map fiduciary risk zones and raise “red flags” for government accountability institutions. Results are expected to inform TIU interventions aimed at promoting integrity, transparency, and accountability at central and local government in Uganda, including advocacy for policy reforms in order to improve on the quality of life of ordinary Ugandans through improved governance and accountability.

You have been selected as a key informant to participate in this study. The information collected will only be used for the above purposes. All the information is strictly confidential. I also have a recorder that will help me to capture the discussion to ensure that I do not miss anything. May I use it? [Moderator seeks consent].

I would also like to clarify that this interview is entirely voluntary and that you have the right to withdraw from interview at any point without consequence.

Thank you very much.

At this time, do you have any questions?

Are you willing to participate in this study?

Yes 1) Proceed

No 2) Thank the participant and STOP HERE

May I begin the discussion now?

Yes 1) Continue with the Key Informant Interview

No 2) STOP HERE

Start Time: ____: ____

Thank you

General information

1. What is your organizational mandate (activities undertaken by your organization)?
2. Please tell me about your roles and responsibilities in _this organization/institution.
3. What is your understanding of integrity, transparency, and accountability? (Probe for personal interpretations and understanding about the concepts)
4. Please tell me about your knowledge about the role of PPDA (**probe:** roles, knowledge of PPDA guidelines, etc)
5. How has your organization been working with the PPDA?

Transparency

1. How does your organization get information from PPDA about existing procurement and disposal opportunities? (**Probe:** media, notice boards, email, etc).
2. What kind of information do you get from PPDA on procurement and disposal opportunities? What do you often do after receiving such information?
3. Do you have any problems related to information from PPDA about procurement and disposal? (**probe:** inaccessibility, insufficient information, short notice, discrimination, inconsistencies, etc)
4. Do you think PPDA has adequate and accessible mechanisms through which stakeholders (e.g. suppliers, bidders, etc) channel their complaints and grievances on decisions and actions taken? (**probe:** complaints committee, de-briefing sessions, meetings, etc)
5. What are your likes and dislikes about the manner in which PPDA handles the pre-bidding, bidding and post bidding phases of procurement and disposal?
6. What should be done to strengthen transparency in procurement and disposal in PPDA? (**Probe:** information dissemination, bidding procedures, personnel involved, etc)

Integrity

1. What systems are in place for ethical conduct of staff members in conducting business with PPDA? (**Probe:** core values, procurement laws and regulations, organizational policies?)
2. How does your organization ensure that these systems are followed by employees? (**Probe:** trainings, mentorship, role modeling, rewards/ punishment, audits, etc)
3. What specific mechanisms are in place to prevent fraud and corruption in procurement and disposal on the part of the procurement officers and the suppliers/contractors?
4. Have you heard, witnessed or encountered unethical behavior or misconduct by PPDA staff? (**probe:** favors, corruption, theft, bribes, manipulation for individual interest, etc)
5. If yes in 4, how was such a case handled/treated? (**Probe:** reported misconduct to PPDA, reduced business with PPDA, changed to another PPDA staff, etc).
6. Does your organization and PPDA have fora in which staff openly and confidently share and discuss ethical standards, dilemmas and the ethical implications of their actions and decisions?
7. What should be done by PPDA to eliminate unethical behavior/misconduct of staff in procurement and disposal processes?

Accountability

1. What proactive and reactive steps has PPDA taken to address the needs of stakeholders in public procurement? Probe for
 - a. Engagement of key stakeholders in its decision-making processes related to procurement and asset disposal
 - b. Evaluation of performance, policies, and practice in consultation with its key stakeholders.
 - c. Measure taken to deal public procurement concerns
 - d. Whether information on procurement and asset disposal has been provided through public hearings, newspaper reports, and other mechanisms
2. What mechanisms are in place for stakeholders to voice out their grievances and receive an appropriate response.
3. How has PPDA ensured fairness and timely resolution of formal administrative complaints related to the procurement process?
4. How have stakeholders – in particular private civil society or the public at large – been involved in the procurement process, if so how?
5. Does this PPDA hold regular meetings with the public/service providers to discuss public procurement issues?
6. Which institution(s) oversee/supervise PPDA operations? Probe for how and when do the oversight institution(s) provide (s) oversight
7. What mechanisms does the oversight institution use to ensure that PPDA effectively and efficiently implement agreed policies and programs without abusing the resources, authority, and power entrusted to it?
8. What reports do the oversight institutions issue and at what intervals?
9. Are independent watchdogs such as parliament, IGG, Auditor general, Judiciary etc. also involved in monitoring the procurement process? If yes, probe for how they provide a framework for accountability, transparency and integrity in public procurement. If no, probe for how it affects accountability in Public procurement?
10. In your opinion, are the oversight institutions effective in fulfilling its role of supervising the work of PPDA?
 - a. If yes, how and under what circumstances?
 - b. If no, why?
 - c. Also probe for factors that prevent the oversight institutions to effectively play its roles
11. In your opinion, what strategies, activities, resources, and procedures should be in place to ensure that the oversight institution undertakes its work? (For any suggestions, probe for how they can be actualized)
12. In what ways does PPDA account to the oversight institution? Probe for:
 - a. Approaches used and at what intervals

- b. Perceived effectiveness of the accountability mechanisms

Challenges of the institution

8. What is your opinion on the effectiveness of PPDA in executing its regulatory function in the country
9. What do you think is the level of PPDA influence on the procuring entities in conducting the procurement? Probe further for the level of independence of procuring entities in conducting public procurement? Conflict between the PPDA regulatory function and the Procurement function of the procurement entities?
10. Comment on the level of competence of procuring entities in conducting public procurement?
11. What are the key factors affecting the institution in enforcing its mandates. Probe for: challenges related to
- *Jurisdictional Limitations*
 - *Poor record keeping*
 - *Contract Management*
 - *Rate of non responsive bids*
 - *Public perception of tender evaluation confidentiality*
 - *Rotational use of prequalification list*
 - *Dispute Resolution Mechanism (Among others)*
12. Are there opportunities for increasing the effectiveness of the PPDA. Probe for:
- *Capacity Building to mitigate the risks in the individual operation, eliminate multiple procurement practices and mainstream best practices into procurement practices with international best practices and local capacity.*
 - *Benchmarking; learning from best practices (national and international)*
(Among others)
13. What would you recommend to ensure effective accountability of PPDA (Probe for Recommendations on each of the challenges/risks identified)

Mapping fiduciary risks

14. At what stage in the procurement process are leakages most likely to be experienced? Probe for What risks in procurement system at each phase of procurement
15. What can be done to improve transparency, integrity and accountability in Public procurement?

END OF INTERVIEW MANY THANKS FOR YOUR COOPERATION

End Time: :
