



BACKGROUND

Private Sector Foundation Uganda (PSFU) is Uganda's apex body for the private sector. It is made up of 140 (growing from 11 in 1995) business associations, corporate bodies and the major public sector agencies that support private sector growth. Since its founding in 1995, PSFU has served as a focal point for private sector advocacy, member capacity building and project management.

PSFU offers a range of services to its members which include:

1. Becoming part of a larger body professionally working together to influence policy making processes that stimulate and spur growth of private business in Uganda;
2. Involvement and participation in various business foras, sector working groups on issues affecting the private sector;
3. Exposure to business opportunities in East Africa and beyond; and
4. Information hub on East African Community and other trading blocks in the world.

In line with the mandate of member capacity building, PSFU was assisted by the ACT programme to equip its members with tools to fight corruption.

PURPOSE OF THE ACT PROGRAM

Component 3: To strengthen the role of the Private Sector in the fight against Corruption.

Wide Spread and Persistent corruption remains one of the leading challenges for governments and the business sector world over. Realizing that the private sector has a critical role to play in the development and sustaining of practices of accountability and transparency, both in the relationships with government departments in the context of competing for government contracts, and in dealing within the private sector. The proposed activities were therefore aimed at engaging the private sector in doing good business ethics and the fight against corruption.

PLANNED ACTIVITIES

1. DEVELOPING PROFESSIONAL CODES OF CONDUCT

15 Private Sector Associations were trained under the ACT program on developing codes of conduct and appreciating the relevancy of having codes of conduct. 10 of these trained Private Sector Associations have already established their business codes of conduct:

Association of Microfinance Institutions in Uganda,
Uganda Printers' association,
Uganda Crane Creameries Cooperative Union,
Uganda Tourism Association,
Uganda Small Scale Industries Association,
National outdoor Advertising Contractors' Association plus others

2. BUSINESS ASSOCIATION OF THE YEAR AWARDS.

In an effort to reward good governance practices among business associations, an annual award was created with the help of the ACT program. This was first of its kind.

The award criterion focused on; good governance, membership development, activities for members, representation of members, lobbying and advocacy, financial management of association, communication, HIV/AIDS and health program at workplace, and also aimed at establishing codes of conduct.

In 2008, we received 48 nominations and attracted support from corporate companies like FINA Bank, Roofings Limited, Chemiphar, UMI, etc

3. PROCUREMENT AND TENDERING TRAINING

This aimed at strengthening Private sector stakeholders who mainly supply to government to understand PPDA procurement guidelines and also the COMESA procurement guidelines.

It enhanced their capacity to understand the procurement process and guidelines that need to be followed when procuring with government and in turn detect and combat corruption.

A total of 83 representatives were trained and they came up with policy issues which will be incorporated in the PSFU policy platform for action.

4. Auditing Criterion

The Uganda National Association of Building and Civil Engineering Contractors (UNABCEC), has designed an auditing criterion to aid in carrying out test cases on the roads that have been constructed by their members as a way of promoting the fight against corruption in the construction sector.

3. MEDIA CAMPAIGN

The media campaign in form of live radio programs, newspaper supplements, Television Talk shows, print media has increased awareness on codes of conduct, good procurement and tendering processes with Government.

SUCCESS STORIES AND SUSTAINABILITY

- Uganda Insurers Association the winners of the Association of the year award 08 and 09 reviewed and adjusted their code of conduct after a few consultations on how to make it better and all the insurance companies who are their members adhere to this new code of conduct.
This Association after winning the award replicated the plaque and each member received the same plaque for their offices.
- PSFU developed a training module for codes of conduct and tendering skills after the training conducted under the ACT program and plans to continue training the Private

Sector Associations under the Business training Unit that will be active come 2010 under the PRO INVEST fund.

- The Business Association of the Year Award has been made an annual event and has been taken up by the World Bank for the next three years plus other funding from HIPS/USAID project and corporate companies. This year received over 400 entries from 50 districts compared to 48 entries from 10 districts last year.
- The media activities will be sustained by PSFU through its various member activities.
- Advocacy of any policy issues regarding corruption will be sustained at PSFU through the various interactions with the president on quarterly basis, meeting with the various ministerial officials and through our annual publication of the platform for Action which is PSFU's main advocacy tool.

RECOMMENDED FOR FURTHER FUNDING

- Test Cases for UNABCEC members
- Codes of Conduct for PSAs
- PSA foras on corruption: to get a united clear voice for the private sector in the fight against corruption.

ACT

ANTI-CORRUPTION COUNTRY THRESHOLD PROGRAM



RESOLUTIONS FOR THE TENDERING AND PROCUREMENT SKILLS TRAINING FOR PRIVATE SECTOR ASSOCIATIONS SUPPORTED BY PSFU UNDER THE USAID/ACT PROGRAM – LUGOGO CONFERENCE HALL – 2nd -3rd JULY 2009.

The Procurement and Tendering Skills training for Private Sector Associations that took place between 2nd and 3rd July 2009 at Lugogo Conference Hall highlighted various concerns from which the following recommendations accrued.

- It was recommended to PPDA that all government procuring entities post their procurement plans onto their websites.
- It was recommended to PPDA to ensure that URA issues a standard annual Income Tax Clearance Certificate **only once** - to serve in all government procuring entities for the business community during the prequalification exercise.
- It was also recommended that tender hunting should be open to all once they are pre-qualified by a single government institution.
- It was recommended that PPDA produces a simplified prequalification tender document of not more than 20 pages; and that this document should not cost more than UGX 20,000 across the board.
- It was also recommended that a tender document should not cost more than UGX 100,000, without the approval of PPDA.
- It was also recommended that there should be a regular interface between the procuring officials and the business community to address the salient issues that affect the procurement process.
- It was also recommended that bid securities be requested for, after the award of the tender; to avoid locking up investment capital.
- It was recommended that business firms be availed with a report after prequalification.
- It was recommended that the time frame of advertising should be at least 1 calendar month between the 1st date of advertising and the time of closing the tender.
- It was recommended to PPDA to ensure that priority of tenders and contracts in some sectors, be given to local business firms and that PPDA should lobby

parliament on regulations that will restrict contracts/ tenders from going out of the country to foreign firms; in case foreign firms are awarded contracts, a clause for sub-contracting a certain percentage of the business to local firms should be included.

- It was recommended to PPDA that contract committees comprise of: procuring entity, Civil Society Organizations and the business community.
- It was recommended that the Private Sector should be involved in contract management.
- Participants also recommended that financial support and necessary resources be provided to PPDA to ensure that it can implement its mandate through out the country.

