

PRIVATE SECTOR POSITION ON THE PROCUREMENT AND SUPPLY CHAIN MANAGEMENT PROFESSIONALS BILL 2024



PRESENTED TO

**MINISTRY OF FINANCE, PLANNING AND ECONOMIC
DEVELOPMENT**

Business growth is our business

BY

MR. STEPHEN ASIIMWE
CHIEF EXECUTIVE OFFICER, PRIVATE SECTOR FOUNDATION UGANDA

8TH MAY 2025

1. ABOUT PSFU

The Private Sector Foundation Uganda (PSFU) is the apex body representing Uganda's private sector, established in 1995 to drive economic growth through strategic collaboration between businesses, government, and development partners. As of 2024, PSFU's membership has grown to over **340 business associations, corporate entities, and major public sector agencies**, making it the largest umbrella organization for private sector stakeholders in Uganda.

Over nearly three decades, PSFU has positioned itself as the primary platform for advocacy, capacity building, and policy dialogue, effectively championing private sector interests while aligning with national development goals. Through its strong partnerships and extensive member network, PSFU has been instrumental in influencing policies that promote a favorable business environment, enhance competitiveness, and stimulate investment.

PSFU's mission, "**Business Growth is Our Business**," is demonstrated by its strategic focus on increasing private investments and supporting sustainable economic development across critical sectors, including agriculture, manufacturing, tourism, ICT, financial services, and real estate. The organization has successfully led initiatives that have improved access to finance, fostered skills development, and promoted innovation among Ugandan businesses.

In partnership with the Government of Uganda and international stakeholders, PSFU continues to advocate for a business-friendly environment, ensuring that Uganda's private sector remains a key driver of national economic growth and transformation.

2. The Procurement and Supply Chain Management Professionals Bill, 2024: A Private Sector Perspective

The Procurement and Supply Chain Management Professionals Bill, 2024, is a significant legislative initiative aimed at standardizing and regulating procurement and supply chain management in Uganda. This bill seeks to establish a clear framework that enhances professionalism, accountability, and efficiency in procurement processes across both public and private sectors.

Key Highlights for the Private Sector:

- i. **Professional Regulation:** The bill establishes the **Institute of Procurement and Supply Chain Management Professionals (IPSCMP)** as the official regulatory body. This institute will oversee the certification, registration, and ethical conduct of all procurement and supply chain practitioners, ensuring that only qualified professionals manage procurement processes.
- ii. **Standardization of Practices:** The bill introduces standardized guidelines and ethical codes for procurement activities, promoting transparency, consistency, and fairness in transactions. For private sector businesses, this means reduced risks of non-compliant procurement practices and improved supplier relationships.
- iii. **Capacity Building:** The bill emphasizes continuous professional development for procurement professionals, ensuring they possess up-to-date skills and knowledge. This focus on skill enhancement aligns with private sector needs for competent and innovative supply chain management.

Strategic Alignment with National Goals:

The bill supports Uganda's Vision 2040 and the National Development Plan IV by promoting efficient resource management, reducing procurement-related corruption, and improving the quality of goods and services procured. It also aligns with Uganda's growing private sector, where efficient supply chain management is critical for competitiveness.

Impact on the Private Sector:

- i. Enhanced professionalism will reduce risks related to unethical procurement practices.
- ii. Clear standards and guidelines will streamline procurement processes, lowering operational costs.
- iii. Access to a pool of certified procurement professionals will improve workforce quality.
- iv. Improved public-private sector collaboration in procurement practices.

The Private Sector Foundation Uganda (PSFU) recognizes the bill's potential to transform procurement practices and supports its implementation to ensure a competitive, transparent, and accountable procurement environment.

3. Private Sector Position on the Bill

| Section | Clause(s) | Provision Summary | Private Sector Proposal | Justification |
|--|---------------|---|--|---|
| Title of the Bill | N/A | The title reads "Procurement and Chain Supply Management Professionals Bill, 2024." | Revise to "Procurement and Supply Chain Management Professionals Bill, 2024." | Aligns with standard international terminology (CIPS, ISM, UN), enhancing global recognition. |
| Applicability | Clause 2 | Applies to public, private, and self-employed professionals. | Support scope but recommend targeted support for rural and informal sector professionals. | Ensures inclusion (e.g., cooperative members in agriculture require capacity-building to comply). |
| Part II: Institute of procurement and supply chain management in Uganda | | | | |
| Institute Establishment | Clauses 4–6 | Establishes the Institute, outlining objectives, membership, and authority. | Support establishment; recommend PSFU's inclusion in an advisory role for public-private dialogue. | Enhances sector representation, ensuring balanced policy input. |
| Institute Governance (Council) | Clauses 8–12 | Defines Council structure, powers, and appointments. | Recommend Council members be nominated by the Institute, vetted, and approved by the Minister, including SME representatives. | Promotes independence, mirrors best practices (e.g., Uganda Law Society governance). |
| Examinations and Certification | Clauses 14–16 | Establishes an Examinations Board for curricula, exams, and certification. | Support certification; recommend alignment with international qualifications (CIPS, ISM) and Mutual Recognition Agreements (MRAs). | Prevents duplication for internationally certified professionals and supports global mobility. |
| Part III: Regulation of procurement Practice | | | | |
| Continuous Professional Development (CPD) | Clause 24 | Mandates CPD for all licensed professionals. | Support CPD; propose subsidies, e-learning, and partnerships with educational institutions. | Ensures equitable access, especially for rural professionals (e.g., Karamoja). |

| Section | Clause(s) | Provision Summary | Private Sector Proposal | Justification |
|---|-----------------|--|--|---|
| Part IV: Professional Discipline | | | | |
| Ethics and Disciplinary Framework | Clauses 25–29 | Introduces a Code of Ethics and disciplinary mechanisms. | Support ethics framework; recommend an accessible appeals process, with private sector representation. | Ensures fairness and accountability, especially for SMEs. |
| Licensing and Practice Regulations | Clauses 21–23 | Defines licensing and renewal procedures (3-year validity). | Support licensing but propose tiered fees based on income, with an online renewal option. | Fairer for low-income practitioners (e.g., junior officers earning UGX 400,000/month). |
| Entry Requirements | Clauses 6(2), 7 | Sets degree, exams, and fitness criteria; outlines disqualifications. | Propose a "grandfather clause" for experienced practitioners and modular bridge training. | Recognizes skills of experienced professionals lacking formal degrees (e.g., NGO procurement officers). |
| Term of Office (Governance) | Not specified | No clear term limits for governance bodies. | Recommend 5-year terms for Council and Committee members. | Ensures consistency, aligns with best practices (e.g., Board terms in other sectors). |
| Sanctions and Enforcement | Clause 30 | Defines penalties for unlicensed practice, including fines and imprisonment. | Support deterrents but propose graduated penalties and awareness campaigns during rollout. | Avoids disproportionate punishment for informal practitioners. |
| Regulatory Scope and Powers | Clause 31 | Grants the Minister and Council authority to enact regulations. | Recommend harmonization with PPDA and URSB to prevent regulatory overlap. | Clarifies roles, avoiding duplication (e.g., PPDA already oversees public procurement). |
| Transitional Provisions | Clause 33 | Provides current IPPU members a 3-year grace period to comply. | Support transition but recommend extending to 5 years, with capacity-building for IPPU members. | Accounts for education access challenges in rural areas. |
| E-Procurement | Implicit | No clear emphasis on digital procurement practices. | Recommend inclusion of mandatory e-procurement training and digital tool adoption. | Promotes transparency and efficiency (e.g., remote SME participation in IFMS). |
| Collaboration Framework | Implied | No formal structures for multi-stakeholder collaboration. | Propose a framework for collaboration with civil society, academia, and private sector. | Encourages shared ownership, mirrors best practices in health and education sectors. |
| Review Mechanism | Not stated | No provision for periodic review. | Recommend a mandatory 5-year review clause. | Ensures the Act remains responsive to changing industry needs. |

4. Conclusion

The Procurement and Supply Chain Management Professionals Bill, 2024 is a vital step toward professionalizing procurement in Uganda. The private sector supports its intent but recommends key improvements: a clause for experienced practitioners, private sector representation on governance bodies, mandatory e-procurement training, and a five-year review clause. These reforms will enhance inclusivity, ensure global alignment, and strengthen Uganda's procurement systems, directly contributing to national goals under Vision 2040 and NDP III. By addressing these areas, the Bill can drive transparency, efficiency, and capacity-building across Uganda's procurement landscape.