



THE INSPECTORATE OF GOVERNMENT

REPORT ON A SYSTEMIC INVESTIGATION INTO RECRUITMENTS, RESTRUCTURING AND FILLING OF POSITIONS IN THE NEW STRUCTURE, AT THE UGANDA EXPORT PROMOTION BOARD

EXECUTIVE SUMMARY

1.0 Background

1.1 The Inspectorate of Government (IG) received a complaint wherein it was alleged that:

- a) The recruitment of Mr. Elly Rugwengyere Twineyo as the ED of the UEPB was irregular because he did not have the required degree qualifications to be eligible to hold that position, emerged sixth at the interviews and, was appointed by the BOD without any due diligence carried out.
- b) The recruitment of Ms. Sandra Ayebare as the HRO at UEPB was marred with irregularities in that she did not possess the required qualifications to be appointed to that position among other things and that Mr. Twineyo manipulated the short list and had her short-listed as a favour because they were acquaintances having previously worked together at UMI.
- c) The restructuring process of UEPB and filling of positions in its new structure was marred with irregularities on account of the following:

- (i) The ED *handpicked* the consulting firm that carried out the manpower needs assessment and came up with the new organization structure at his whims in that he used the process to get rid of staff that he did not approve of that he claimed were whistleblowers to the IG;
- (ii) The internal advert to fill positions did not specify the person specifications;
- (iii) The shortlisting exercise carried out by an incompetent team made up of officers on probation that ended up disenfranchising some applicants;
- (iv) The BOD whose term of office had expired hurriedly filled the positions in the new structure in disregard of advice given by the Permanent Secretary, MTIC to suspend all activities regarding recruitment pending planned meeting between the Hon. Minister and the BOD;

d) There were two different versions of Human Resource Manuals in operation at UEPB i.e the older Terms and Conditions of Service and the new Human Resource Manual for staff; and that,

e) The procurement of the new office premises of UEPB located on UEDCL Towers was done without following established public procurement procedures.

1.2 In a letter dated 25th November 2015 Ref HQT 42/10/2015 the Inspector General of Government ordered a halt on all activities related to the implementation of restructuring at UEPB including the termination and recruitment of staff at UEPB until investigations in the matter were concluded.

2.0 Findings

The IG conducted a systemic investigation in this matter and established the following among other things:

- 2.1 It was found that whereas the UEPB Board of Directors had already deliberated and closed the issue of restructuring by the expiry of its term on 31st October 2015, the action of the Board, especially within the last 10 days of the month of October 2015, were quite suspect and ultimately proved to be prejudicial to the smooth functioning of UEPB. This is because on the 27th of October 2015 the Board, purportedly in exercise of its authority made the decision to formally appoint a number of staff as a result of the recently concluded recruitment exercise which in turn arose from the recently concluded and yet disputed restructuring exercise. The decision was made in complete disregard of advice received from the Permanent Secretary in the Ministry of Trade, Industry and Cooperatives on the 22nd of October 2015. The Permanent Secretary wrote to the Executive Director and advised that all matters related to recruitment and exit of staff be suspended pending the Minister holding an exit meeting with both the Board of Directors and subsequently the staff of UEPB on the 29th of October 2015. In response to this letter which had been copied to the Board Chairperson, the same Board Chairperson purported that the letter had been overtaken by events which events involved the Board resolving on 27th October 2015 that newly recruited staff be appointed five days after receiving the request that the process be suspended. This particular turn of events strongly suggested that much as the Board had the authority to take the decision that they did on 27th October 2015, the exercised their authority in a manner that potentially undermined their own appointing authority and in essence disregarded the one opportunity for the Minister to intervene and try to resolve this matter.
- 2.2 It was then subsequently found that the process via which a consultant was selected for the implementation of the restructuring report was critically flawed in significant respects as follows:

- (i) The Board of Directors overstepped its mandate as it went on to direct on questions of procedures and methodology of procurement, which is the mandate of the Contracts Committee as provided for at Section 28(1)(d) of the PPDA Act.
- (ii) When the Board directed that a consultant be hired to come up with a new structure for UEPB in line with a Cabinet decision to downsize UEPB, the Executive Director Mr. Twineyo went on to initiate the procurement of the consultant despite the fact that at the time he was not a legally recognized accounting officer within the meaning of the laws related to procurement.
- (iii) The company which eventually drew up the restructuring report had no obvious or demonstrated competence in the issue of restructuring.
- (iv) The Executive Director, Mr. Twineyo had entrusted the process of bid solicitation to an Office Attendant as opposed to a competent Procurement Officer.
- (v) The Executive Director opted for micro procurement of consultancy services contrary procurement guidelines and without any clearance from PPDA.
- (vi) There was no signed contract between UEPB and the consultant.

2.3 It was found that whereas the recruitment of the current Executive Director was not fundamentally flawed as alleged there were some minor ambiguities in the academic specifications which could have caused varying interpretations of who was actually qualified for the job. This led to some inconsistencies in the short-listing process as there did not seem to be a uniform understanding of the academic criteria. It was noted though that prior to being substantively appointed Mr. Twineyo was appraised solely by Mrs. Maria Odido the then Chairperson of the BOD instead of the BOD which was in contravention of the UEPB Act. It was also further noted that there did not seem to be properly agreed upon appraisal parameters in place for the Executive Director and this left room for doubt as to whether he was being effectively appraised.

2.4 It was found that the former Board of Directors abdicated their oversight responsibility with regard to appointment of staff in favour of illegally delegated authority to the Executive Director. It was subsequently found that the Executive Director had acted irregularly and incompetently in a number of situations involving appointment of staff as follows:

- (i) Regarding the appointment of Ms. Sandra Ayebare as HRO, the Executive Director failed to detect a significant misrepresentation of her work experience when she indicated that she had worked as a Human Resource Officer at Uganda Management Institute when in actual fact she had only been a trainee. There were also other irregularities apparent in the emoluments that she was receiving during her period of temporary appointment at UEPB.
- (ii) In relation to the same process via which Ms. Ayebare was appointed it was found that the Executive Director had falsely and ultimately adversely excluded one of the candidates for the position of Human Resource Officer at UEPB. The Executive Director falsely informed the Board of Directors that Ms. Agnes Tundu Waibi who had been ranked as second best candidate had an adverse background report at her former workplace in NAADS. When this was crosschecked at NAADS it was found to be false. The Executive Director further took it upon himself to conduct negotiations with candidates outside of those approved by the Board.
- (iii) The Executive Director also exhibited gross negligence or incompetence in the same process of recruitment for Human Resource Officer when he disqualified one Albert Mwesigwa on the grounds that he had falsely indicated that he had worked at the Local Government Finance Commission. It was established that due to a lack of clarity in Mr. Mwesigwa's work experience the Executive Director wrongly assumed that he was at the time of the application still employed at the Commission. The Commission subsequently clarified that Mr. Mwesigwa had been their employee from 2011 up to 2014.

For reasons best known to himself, the Executive Director reported that Mr. Mwesigwa had lied about being employed at the Commission and caused his disqualification for the position of Human Resource Officer at UEPB.

2.5 As concerns alleged victimization of staff on grounds that they were linked to the complaint to the Inspectorate of Government there was no evidence found to support this. However, as was the case for the recruitment of the Human Resource Officer, Ms Sandra Ayebare, it was found that there were significant lapses in the way the Executive Director approached the recruitments for various positions.

(i) With regard to the recruitment for the Senior Export Marketing Executive (Capacity Building), Mr. Moses Mabala, who ironically had not qualified for the position in terms of academic requirements, was disqualified on other grossly irregular grounds by the Executive Director. The Executive Director purported to disqualify Mr. Mabala on the grounds of a disciplinary matter involving an alleged absconding from duty. Mr. Mabala had in fact responded to the allegations but had never been informed of the outcome. However, at the time of short-listing for the position, the Executive Director relied on that ground to disqualify Mr. Mabala without his knowledge contrary to Article 42 of the Constitution.

(ii) It was observed that in some cases, most notably the drivers, they were found to hold falsified academic documents at the time of appointment. This showed that there was no sufficient due diligence being done at the point of recruitment and indeed it was established that there was no formal verification of academic documents of staff at UEPB.

2.6 Further allegations beyond the ones discussed in the findings were found not to have merit.

3.0 Recommendations

In light of the findings of the report, it was recommended as follows:

1) The current BOD:

- a) is advised to get technical assistance from the specialized Ministry of Public Service to assist it to;
 - (i) prepare person specifications for all jobs at UEPB to avoid ambiguities as found by this investigation;
 - (ii) design templates to be used for outputs, performance indicators and performance targets attached to all jobs at UEPB and to be used as tools for annual performance measurement for the holders of those jobs; and,
 - (iii) in designing templates for annual performance plans to be filled and signed by all employees for their respective jobs inclusive of those on probation;

- b) should ensure that in future,
 - (i) all UEPB staff inclusive of those on probation sign performance plans that detail the specific outputs, performance indicators and performance targets to make appraisals more focused and meaningful;
 - (ii) staff appointed on probation at UEPB are given exclusive probationary contracts in strict compliance with the provisions of the Employment Act; and,
 - (iii) the ED is appraised by the BOD but not singly by any member of the BOD. In such endeavor, the BOD Committee concerned with Human

Resources carries out the actual appraisal and submits an appraisal report for discussion and consideration by the entire BOD;

- c) Should require Ms. Ayebare to show cause why disciplinary action should not be taken against her for dishonesty when she received and kept a total of UGX 1,996,096/= between August 2013 and March 2014 in social security contributions by UEPB to NSSF and gratuities.
- d) Should review the appointment of Ms Sandra Ayebare on the grounds that she misrepresented her previous work experience.
- e) Require Mr. Twineyo to show cause why he should not be sanctioned for providing misleading and detrimental information to the Board about the employment backgrounds of Ms. Tundu and Mr. Mwesigwa in a manner which ultimately led to Ms Ayebare's appointment as HRO.
- f) Should ensure that the ED and other staff of UEPB that record and prepare minutes of the BOD, Committees of the BOD and Management Committees are trained in the area of minute taking, recording, presentation, filling and storage;
- g) Should require Mr. Twineyo the ED of UEPB to show cause as to why he should not be sanctioned for:
 - (i) irregularly assuming the role of accounting officer in the procurement of a consultant for the restructuring exercise; and,
 - (ii) for failure to ensure that UEPB signed a contract with M/s. Consult Info Services in accordance to the provisions of the PPDA (Contracts) Regulations.

- h) is advised to internalize the provisions of the PPDA Act and its attendant regulations and guidelines to avoid any scenarios of overstepping its mandate in as far as public procurement and disposal of public assets is concerned.
- i) reviews Section 1.6.4 of the HR Manual that illegally authorizes the BOD to delegate its appointing function to the ED in order to bring it into conformity with Section 11(4) of the UEPB Act;
- j) verifies academic documents of all staff inclusive of those appointed following the restructuring exercise;
- k) should validate and then ratify all appointments of UEPB serving officers with running contracts illegally appointed by Mr. Twineyo like in the case of Ms. Opus;
- l) should consider reviewing the person specification regarding professional experience required for the positions of Senior Export Marketing Executive (Capacity Building), Senior Partnership and Liaison Executive, Senior Trade Information Executive (Regions), Senior Trade Information Executive (Product & Services) and Senior Export Marketing Executive (Products & Services) to open up for internal promotions of staff;
- m) should in the interest of fairness review the matter of Mr. Mabala and Ms. Onguzu with the view of considering his absorption in the new UEPB structure to any other position as recommended in the Interview Report like other persons were treated.
- n) should ensure that in future all drivers at UEPB,
 - i) have valid driving permits at all times as required under Section F-i (d) of the Uganda Government Standing Orders and that no Driver is allowed to

- drive a Government vehicle without a valid driving permit;
 - ii) undertake periodic re-testing every three years by the Chief Mechanical Engineer of Ministry of Works and Transport as required under Section F-i (d) of the Uganda Government Standing Orders; and,
 - iii) undergo the annual eye testing as required Section F-I (e) of the Uganda Government Standing Orders;
- q) should ensure that in future academia of all applicants for jobs at UEPB are verified with the awarding Institutions as part of due diligence to avoid appointing persons with questionable documents; and,
- r) should carry out a verification exercise of academic documents for all existing UEPB staff and take appropriate action on all those staff found to have false academic documents.