



Public Procurement and Disposal of Assets Authority

PUBLIC NOTICE

14 March 2024

UPDATE ON THE GRIFFIN SAENDA AND AQUATIC SPORTS COMPLEXES CONTRACT PRICE ESCALATION REQUEST TO PPDA BY THE MINISTRY OF YOUTH AND SPORTS.

The Ministry of Youth and Sports had previously entered into contracts for two significant projects: a contract with China Civil Engineering Construction Cooperation to construct an Aquatic Sports Complex in Lilongwe at a contract price of **K8,212,029,659.69**; and a contract with China Railway 20 Bureau Group Corporation to construct the Griffin Saenda Indoor Sports Complex in Lilongwe at a contract price of **K7,770,430,406.57**. The Ministry submitted a request to the PPDA for the adjustment of the contract sums for these projects.

Upon meticulous review of the submission for the price escalation, the PPDA raised pertinent questions, relating to what constitutes approximately 71.6% price escalation request for the Aquatic Center, and 102% for the Griffin Saenda Sports Complex project. Recognizing the complexity of the matter, the Authority deemed it necessary to engage the Auditor General to conduct a comprehensive technical audit to ascertain the validity of the proposed adjustments.

The technical audit was subsequently commissioned, and today, the 14th of March 2024, the Auditor General presented the technical audit report to the Authority in the presence of all key stakeholders including the Ministry of Youth and Sports, Ministry of Transport and Public Works (Director of Buildings).

The Authority being in receipt of this report will proceed to consider the report and deliberate on the findings and recommendation and make its determination on the Ministry of Youth and Sports' request for price escalation of the two projects. The determination will be communicated to the Ministry in due course.

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