



## **Public Sector Management**

# **Semi-Annual Budget Monitoring Report**

**Financial Year 2018/19**

**April 2019**

Ministry of Finance, Planning and Economic Development  
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## ABBREVIATIONS

ADB	African Development Bank
APF	Agro Processing Facility
ASAP	Adaptation for Smallholder Agricultural Program
BADEA	Arab Bank for Economic Development in Africa
CAIIP	Community Agriculture & Infrastructure Improvement Programme
CAO	Chief Administrative Officer
D/CAO	Deputy Chief Administrative Officer
DLGs	District Local Governments
DSC	District Service Commission
EAC	East African Community
FGDs	Focus Group Discussions
FY	Financial Year
GoU	Government of Uganda
HR	Human Resource
IDA	International Development Agency
IDB	Islamic Development Bank
IDPs	Internally Displaced People
IFAD	International Fund for Agricultural Development
IFMS	Integrated Financial Management System
IPF	Indicative Planning Figure
IPPS	Integrated Personnel and Payroll System
ISFD	Islamic Solidarity Fund for Development
KIDP	Karamoja Integrated Development Programme
KCCA	Kampala Capital City Authority
LGFC	Local Government Finance Commission
LGs	Local Governments
LGMSD	Local Government Management Service Delivery Programme
LRDP	Luwero Rwenzori Development Project
MDAs	Ministries, Departments and Agencies
MEACA	Ministry of East African Community Affairs
MFPED	Ministry of Finance, Planning and Economic Development
MoLG	Ministry of Local Government
MoPS	Ministry of Public Service
MPA	Millennium Promise Alliance
MPS	Ministerial Policy Statements
MSP	Market stakeholder Platforms
NECOC	National Emergency Coordination and Operations Centre
NDP II	National Development Plan
NPA	National Planning Authority
NARC	National Archives Records Centre
NUYDC	National Uganda Youth Development Centre
OPD	Out Patient Department
OPM	Office of the Prime Minister
PFT	Project Facilitation Team
PHRO	Principal Human Resource Officer

PRDP	Peace Recovery and Development Programme
PRELNOR	Project for the Restoration of Livelihoods in Northern Uganda Region
PSC	Public Service Commission
PSM	Public Sector Management
PWD	Person with Disability
Q	Quarter
S/C	Sub County
SACCO	Savings Credit and Cooperative Organization
T/C	Town Council
UMMDAP	Urban Markets Marketing Development of the Agricultural Project
US\$	United States Dollars
VAT	Value Added Tax

## FOREWORD


Over the years, the Government has implemented a number of interventions that have led to substantial progress in economic growth and national development which is now projected at 6.3% this Financial Year 2018/19 up from 6.1% attained last Financial Year 2017/18. As Government continues to pursue strategies for sustained growth and development, we should step up efforts in monitoring government programs and projects, to ensure that they are implemented in time and cost and any obstacles identified and addressed.

This report from the Budget Monitoring and Accountability Unit points to fair performance among the sectors monitored. It shows that most sectors achieved between 60%-79% of their planned semi-annual output targets. The fair performance points to the need for proper planning and commencement of procurement processes in time. This has resulted in slow absorption of funds and ultimately inadequate service delivery.

The sectors now have a quarter of the financial year to make good the promises made in terms of output and outcome targets. This is to urge all sectors to review the report and take necessary corrective actions to ensure effectiveness by end of the financial year.

Patrick Ocailap

**For Permanent Secretary/ Secretary to the Treasury**



## EXECUTIVE SUMMARY

This report presents findings of a review conducted on selected key Votes within the Public Sector Management (PSM) sector based on approved plans and significance of budget allocations to the votes. Emphasis was placed on programmes with large development expenditures although some recurrent expenditure was also tracked.

Projects selected for monitoring were based on regional representation, level of capital investment, planned annual outputs, and value of releases during Financial Year 2018/19. The methodology adopted for monitoring included literature review of annual progress and performance reports; interviews with the respective responsible officers or representatives; and observations on site. Physical performance was rated using weighted achievement of the set output targets by 31<sup>st</sup> December, 2018.

### Overall performance

The approved budget for the eight votes (inclusive of external financing in Office of the Prime Minister (OPM) and Ministry of Local Government (MoLG) for FY 2018/19 was Ug shs 844 billion (exclusive of LGs, taxes and arrears), of which Ug shs 282.8 billion (34%) was released, and Ug shs 247.8 billion (88%) spent by 31<sup>st</sup> December 2018. This was a fair release and good absorption.

The Public Sector Management (PSM) semi-annual performance in terms of output was poor at 48%. The sector did not achieve its output targets at half year compared to the funds released and spent.

### Highlights of Sector Performance

For decentralized payroll reforms, MFPED released funds to MDAs and LGs, absorption for most LGs was good, however the delayed processing of pension and gratuity files under Ministry of Public Service (MoPS) affected pension and gratuity arrears expenditure in MDAs and LGs, while the delayed disbursement of payment schedules for some Votes like Busitema University and Luwero District affected absorption.

Most LGs had paid, although had not accounted for the pension and gratuity funds because of delayed submission of bank statements from the claimants. The only district that had fully accounted for the pension and gratuity funds was Ntungamo. Gulu University had not accounted for the pension and gratuity arrears. Constant wage shortfalls, understaffing, lack of capacity building still remain a challenge in LGs.

Fair performance was observed in Public Service Selection and Recruitment under Public Service Commission (PSC), Disaster Preparedness and Refugees Management Programme under OPM, Inspection and Quality Assurance Programme under MoPS, Regional Integration under Ministry of East African Community Affairs (MEACA), and Coordination of Local Government Financing under Local Government Finance Commission (LGFC).

For Public Service Selection and Recruitment under PSC, planned outputs were achieved with clear performance targets in tandem with their strategic plan. The E-Recruitment System was developed, tested and deployed. A total of 26 out of 40 Competence Tests were developed and administered for different posts; 25 aptitude tests were also developed and

administered. A total of 106 officers were appointed under graduate recruitment exercise (GRE) of which 61 were male and 45 females.

For the Disaster Preparedness and Refugees Management Programme under OPM, a total of 63,000 out of 100,000 households were supplied with food and non-food items comprising 8,993 bags of 100kgs of maize and beans, and 10,488 pieces of non-food items including blankets and fortified foods.

The demand for service delivery accountability through client charters was strengthened in 16 out of 40 MDALGs, 160 sites were supported on the Integrated Personnel and Payroll System (IPPS) implementation, and 19 out of 40 MDALGs were inspected for compliance with service delivery standards with the Inspection and Quality Assurance programme under MoPS.

On deepening regional integration under MEACA, apart from the operationalization of the National Policy on EAC Integration, other policy frameworks coordinated included: EAC Customs Union where the EAC Single Customs Territory (SCT), and One Stop Border Posts (OSBPs) were being operationalized.

The Coordination of Local Government Financing under LGFC also registered fair performance, local revenue databases were rolled to 15 out of 35 LGs, and technical support on LG budget formulation was provided to 08 weak LGs.

Poor performance was observed under the following: Affirmative Action Programme under OPM, Management Services and Policy Planning and Support Services under MoPS, Economic Policy Monitoring, Evaluation & Inspection Programme under KCCA, Local Government Administration and Development Programme under MoLG, and Development Planning and General Management, Administration and Corporate Planning Programmes under National Planning Authority (NPA).

Under the Affirmative Action Programme, for the restocking output, only 3,434 out of 18,600 cattle were procured and distributed in the sub-regions of Acholi, Lango, West Nile, and Teso. Funds for construction of housing units were still on district accounts for the Post-War Recovery project, this was also evident for micro projects and Parish Community Associations for the Support to Luwero Rwenzori Project.

For Management Services and Policy Planning and Support Services under MoPS, the LGs still had issues of structures, most strategic positions were not filled because of the rigid structures lacking positions at Principal level especially in Finance, Audit, Education, Community Development, Environment, Water, Engineering and this affected service delivery in LGs. Under KCCA, Economic Policy Monitoring, Evaluation & Inspection programme and Policy, Planning and Legal Services both appear both under recurrent and development budget. The institution used over Ug shs 500m for trainings, however it lacked capacity plan and training reports.

For the Local Government Administration and Development programme under MoLG, whereas the average physical progress for ongoing civil works on the 10 markets of Arua, Busia, Entebbe, Kasese, Lopeduru, Lugazi, Masaka, Mbarara, Soroti, and Tororo was 30% against a target of 50% by end of March 2019, civil works for Nyendo market under the Urban Markets and Marketing Development of Agricultural Products (UMMDAP) were incomplete as the contractor had abandoned the site.

For the Development Planning and General Management, Administration and Corporate Planning Programmes under NPA, poor performance was attributed to lack of clear work



plans and performance targets in tandem with the outputs. Though the NDPI end evaluation and mid-term review NDPII reports were produced, most funds were spent on travels abroad, consultancies, workshops, seminars and recruitments.

Low performance in the sector was attributed to; poor planning and coordination that has resulted to less or implementation of activities not in line with the planned outputs. For example under restocking (3,434 cattle procured against annual target of 18,600), reduction of cumbersome systems in Public Service (0% against a target of 20%), reduction of vacancy rate against established in positions including hard-to-reach LGs (0% against a target of 5%), inadequate staffing of LGs resulting in officers being in acting positions for more than six months, this is largely attributed to poor job descriptions, structures, inadequate pay, and political interference in the recruitments.

### **Key Implementation Challenges**

- i) There was delayed expenditure of pension and gratuity arrears in some LGs arising out of the following: delays in the submission of payment schedules, and processing of personal files on pension and gratuity in the MoPS; constant errors; and lack of continuous follow-up by human resource officers from the respective Local Governments. The delayed accountability of pension and gratuity arrears was also due to delayed submission of bank statements from pension claimants.
- ii) Inadequate staffing of LGs that remain constrained by shortage of staff and the result is officers being in acting positions for more than six months contrary to Uganda Public Service Standing Orders, which is largely attributed to poor job descriptions, staffing structures, inadequate pay, and political interference in the recruitments. The departments largely affected are Engineering, Health, Community, Environment, Planning, Finance, Audit, and Human Resource. Apart from the overall shortage of staff, it is important to note that 80% of filled positions are administrative and support staff, leaving a vast majority of core technical positions pivotal for service delivery vacant.
- iii) The Public Service Commission is charged with building capacity of District Service Commissions (DSCs) in Local Governments through induction of new members, and setting performance standards, however inadequate resources have hampered the performance of the PSC in this area. As a result, the LGs especially the newly created districts have recruited unskilled staff hence affecting service delivery. DSCs remain understaffed, while others have inexperienced human resource officers in acting positions.
- iv) Poor planning and coordination for all projects monitored under OPM. For example, planning is top-bottom (beneficiary lists come from OPM especially for Support to Bunyoro and Luwero-Rwenzori projects). This has resulted in politicization of the projects, and as a result the projects are not achieving their intended objectives.

## Recommendations

- i) All PSM votes should adhere to the Sector and PSM strategic plans to address the issues of poor planning and budgeting, high unnecessary expenditures, and uncoordinated capacity building initiatives, plus duplicated programmes.
- ii) The MoPS should review the job descriptions and staffing structures of strategic positions in the Local Governments to address the issue of understaffing.
- iii) The MoLG and the respective LGs should institute disciplinary action against Accounting Officers and Human Resource Officers that do not account for pension, gratuity and salary arrears as scheduled. Additionally, MoPS and the respective LGs should discipline officers who delay the processing of pension and gratuity files in the MoPS and LGs without genuine reasons.
- iv) The MoPS, Ministry of Education and Sports, Ministry of Health, MFPED, HSC, DSC and Education Service Commission, should coordinate issues of recruitments, transfers and promotions to avoid wage shortfalls especially in the education and health sectors.
- v) The MFPED should release more funding for the PSC to induct DSCs especially in the newly created districts.
- vi) The NPA and MoPS, together with Civil Service College should finalize the development of the National Human Resource Plan to address the human resource planning and development issues in the Public Sector.

# CHAPTER 1: BACKGROUND

## 1.1 Introduction

The mission of the Ministry of Finance, Planning and Economic Development (MFPED) is, *“To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development”*. It is in this regard that the ministry gradually enhanced resource mobilization efforts and stepped up funds disbursement to Ministries, Departments, Agencies and Local Governments in the past years to improve service delivery.

Although some improvements have been registered in citizens’ access to basic services, their quantity and quality remains unsatisfactory, particularly in the sectors of health, education, water and environment, agriculture and roads. The services being delivered are not commensurate to the resources that have been disbursed, signifying accountability and transparency problems in the user entities.

The Budget Monitoring and Accountability Unit (BMAU) was established in FY2008/09 in MFPED to provide comprehensive information for removing key implementation bottlenecks. The BMAU is charged with tracking implementation of selected government programmes or projects and observing how values of different financial and physical indicators change over time against stated goals and targets (how things are working). This is achieved through semi-annual and annual field monitoring exercises to verify receipt and application of funds by the user entities. Where applicable, beneficiaries are sampled to establish their level of satisfaction with the public service.

The BMAU prepares semi-annual and annual monitoring reports of selected government programmes and projects. The monitoring is confined to levels of inputs, outputs and intermediate outcomes in the following areas:

- Accountability
- Agriculture
- Infrastructure (Energy and Roads)
- Industrialization
- Information and Communication Technology
- Social services (Education, Health, and Water and Environment)
- Public Sector Management; and
- Science, Technology and Innovation

This report presents the methodology, scope and findings from field monitoring of the Public Sector Management sector for the budget execution period of July to December 2018.

## 1.2 Sector Mandate

The mandate of Public Sector Management (PSM) is to promote sound principles, systems, structures and procedures of managing the Public Service. The vision is accessible, timely, reliable, affordable and competitive Public Service, while the mission is to establish a sector able to design and promote mechanisms to strengthen the capacity of PSM in readiness to

anticipate and deliver public service reforms that will promote relevant and competitive Public Service.

### 1.3 Strategic Objectives and Outcomes

The sector objectives are to: (1) Promote development planning, (2) Prioritize management and institutional development sciences in government, (3) Streamline talent management, and (4) Strengthen monitoring, evaluation and learning.

The sector outcomes are: (i) Harmonized government policy formulation and implementation at Central and Local Government levels; (ii) Improved institutional, human resource management at Central and LGs and (iii) Coordinated monitoring and evaluation of policies and programmes at Central and LGs.

The sector priorities as avenues of contributing to the National Strategic Objectives and Vision 2040 are;

- i. Reviewing the architecture of Government service systems to act as a unit, harness synergies and deliver competitive public services.
- ii. Harmonizing policies, laws and regulations at the local government, national, regional and international levels.
- iii. Taking the lead in developing and implementing public service reforms and reviewing performance of the previous reforms leading to a better service delivery.
- iv. Pursuing policies aimed at kick-starting areas of human resource management, and development in the public sector management.
- v. Spear heading comprehensive and integrated development planning at Local and National levels.
- vi. Reviewing and strengthening the foreign policy to enhance collaboration in accordance with the existing and future agreements, standards and protocols within the EAC.
- vii. Contributing to enhancing Uganda's importance and constructive regional role in especially within the EAC framework and great lakes region.
- viii. Developing mechanisms for Local Government Financing.
- ix. Reviewing the architecture of Local Governments to enable them carry out the central role of delivering competitive services to the people.

Financing of the sector is through nine votes consisting of: (1) Vote 003- Office of the Prime Minister (OPM), (2) Vote 005- Ministry of Public Service (MoPS), (3) Vote 011-Ministry of Local Government (MoLG), (4) Vote 021- Ministry of East African Community Affairs (MEACA), (5) Vote 108- National Planning Authority (NPA), (6) Vote 122- Kampala Capital City Authority (KCCA), (7) Vote 146- Public Service Commission (PSC), (8) Vote 147- Local Government Finance Commission (LGFC), and (9) Vote 501-850- 133 Votes in the Local Governments (LGs).

## CHAPTER 2: METHODOLOGY

### 2.1 Scope

The report presents semi-annual performance for selected PSM programmes for FY 2018/19. Monitoring visits covered 16 projects/programmes from eight votes as shown in Annex 1. Selection of areas to monitor is based on a number of criteria:

- Significance of the budget allocations to the votes within the sector budgets, with focus being on large expenditure programmes. Preference is given to development expenditure, although some recurrent costs are also monitored.
- The programmes that had submitted Q2 progress reports for FY2018/19 were followed up for verification as they had specified output achievements.
- Multi-year programmes that were having major implementation issues were also visited.
- Potential of projects/programmes to contribute to sector and national priorities.
- For completed projects, monitoring focused on value for money, intermediate outcomes and beneficiary satisfaction.

### 2.2 Methodology

Physical performance of projects and outputs was assessed through monitoring a range of indicators and linking the progress to reported expenditure. Across all the projects and programmes monitored, the key variables assessed included: performance objectives and targets; inputs and outputs and the achievement of intermediate outcomes. Gender and equity commitments were also assessed.

#### 2.2.1 Sampling

A combination of random and purposive sampling methods were used in selecting projects from the Ministerial Policy Statements and progress reports of the respective departments. Priority was given to monitoring outputs that were physically verifiable. In some instances, multi-stage sampling was undertaken at three levels: i) Sector programmes and projects ii) Local governments and iii) Project beneficiaries.

Outputs to be monitored are selected so that as much of Government of Uganda (GoU) development expenditure as possible is monitored during the field visits. Districts are selected so that as many regions of Uganda as possible are sampled throughout the year for effective representation.

#### 2.2.2 Data Collection

Data was collected from various sources through a combination of approaches:

- Review of secondary data sources including: Ministerial Policy Statements for FY2018/19; National and Sector Budget Framework Papers; Sector project documents and performance reports from the Programme Budgeting System (PBS), Sector Quarterly Progress Reports and work plans, District Performance Reports, Budget Speech, Public Investment Plans, Approved Estimates of Revenue and Expenditure, and data from the Budget Website.
- Review and analysis of data from the Integrated Financial Management System (IFMS) and legacy system; Quarterly Performance Reports (Performance Form A and B) and bank statements from some implementing agencies.

- Consultations and key informant interviews with project managers in implementing agencies both at the Central and Local Government level.
- Field visits to project areas for primary data collection, observation and photography.
- Call-backs in some cases to triangulate information.

### 2.2.3 Data Analysis

The data was analyzed using both qualitative and quantitative approaches. Comparative analysis was done using the relative importance of the outputs and the overall weighted scores.

Relative importance (weight) of an output monitored was based on the amount of budget attached to it; thus the higher the budget the higher the contribution of the output to the sector performance. This was derived from the approved annual budget of each output divided by total annual budget of all outputs of a particular programme/project. The weight of the output and percentage achievement for each output were multiplied to derive the weighted physical performance. The overall programme/project performance is a summation of all weighted scores for its outputs. On the other hand, the overall sector performance is an average of individual programme performances that make up the sector.

The performance was rated on the basis of the criterion in Table 2.1.

**Table 2.1: Assessment guide to measure performance of projects monitored in FY2018/19**

SCORE	COMMENT
90% and above	<b>Very Good</b> (Most of the set targets achieved and funds absorbed)
70%-89%	<b>Good</b> (Some core set targets achieved and funds absorbed to 70%-89%)
50%- 69%	<b>Fair</b> (Few targets achieved and funds absorption is 50%-69%)
Less than 50%	<b>Poor</b> (No targets achieved and or funds absorption is less than 50%)

### 2.3 Limitations of the Report

The preparation of this report was constrained by a number of factors namely:

- Lack of detailed work plans and performance indicators/ targets, progress, monitoring, evaluation and procurement reports for some of the PSM programmes.
- Limited access to quality and reliable administrative data and coverage on the usage of gender statistics which would ensure recruitments, training, promotions and other performance enhancement decisions.

## CHAPTER 3: SECTOR PERFORMANCE

### 3.1 Overall Sector Performance

#### Financial Performance

The approved budget for the eight votes (inclusive external financing in Office of the Prime Minister and Ministry of Local Government for FY 2018/19 was Ug shs 844 billion (exclusive of Local Governments, taxes and arrears) of which Ug shs 282.8 (34%) was released and Ug shs 247.8 (88%) spent by 31st December 2018. This was fair release and good absorption. The detailed performance is shown in Table 3.1.

The Public Sector Management accessed funding from the African Development Bank (ADB), Islamic Development Bank (IDB), Internal Fund for Agricultural Development (IFAD), International Development Agency (IDA) and World Bank (WB) to finance development projects and programmes on loan and one grant Adaptation for small holder Agricultural Program (ASAP) to support the Project for the Restoration of Livelihoods in the Northern Region.

**Table 3.1: PSM Semi-Annual Performance as at 31<sup>st</sup> December 2018 in Ug shs billions**

Institution	Budget	Releases	Expenditures	% Budget released	% Release Spent
Office of the Prime Minister (OPM)	491.2	148	136.3	30.2	92
Ministry of Public Service (MoPS)	30	18	12.4	59.7	69.1
Ministry of Local Government (MoLG)	226	55.5	43.4	24.5	78.2
Ministry of East African Community Affairs (MEACA)	28.4	23.8	21.9	83.7	92.4
National Planning Authority (NPA)	26	14	12.6	53.7	89.7
Kampala Capital City Authority (KCCA)	29	15.9	15.5	56.1	96.9
Public Service Commission (PSC)	8.7	4.7	3.4	54	72.7
Local Government Finance Commission (LGFC)	5	2.9	2.4	55.2	82.6
<b>TOTAL</b>	<b>844</b>	<b>282.8</b>	<b>247.8</b>	<b>34</b>	<b>88</b>

*Source: PBS, MFPED, December 2018*

#### Physical Performance

The Public Sector Management semi-annual performance for FY 2018/19 in terms of output was poor (below 50%). Implementation on ground was minimal due to a number of challenges like: lack of clear quarterly work plans, performance targets and progress reports resulting in implementation of activities not in line with planned outputs and duplicated, top-bottom up planning, lengthy procurement processes, late disbursement of funds for both the donors and GoU; and ambiguous expenditures on workshops and seminars, allowances, travel abroad, and consultancies and understaffing in LGs. Overall physical performance of PSM as at 31<sup>st</sup> December, 2018 is shown in Table 3.2.

**Table 3.2: Overall Performance of the PSM at Vote level as at 31<sup>st</sup> December 2018**

Vote		% Program Performance
003	Office of Prime Minister	41
005	Ministry of Public Service	49
011	Ministry of Local Government	49
021	Ministry of East African Community Affairs	53
108	National Planning Authority	48
122	Kampala Capital City Authority	42
146	Public Service Commission	50
147	Local Government Finance Commission	53
	<b>Average performance</b>	<b>48</b>

*Source: BMAU field findings*

## Gender and Equity Issues

The gender and equity aspect is very minimal in decentralized payroll reforms and client charters under MoPS; disaster management especially in the distribution of relief items under OPM and MEACA.

### 3.2 Vote 003: Office of the Prime Minister

The Mandate of the Office of the Prime Minister (OPM) is to lead government business in Parliament and coordinate government policies across Ministries, Departments, Agencies and other Public Institutions. The vote consists of three programmes namely: Strategic Coordination, Monitoring and Evaluation; Disaster Preparedness and Refugees Management; and Affirmative Action.

The programme outcomes under this vote contribute to the sector outcome of Harmonized Government Policy Formulation and Implementation at Central and Local Government level. The sub-programme outputs under Strategic Coordination, Monitoring and Evaluation, the Affirmative Action and the Disaster Preparedness and Refugees Management were monitored for the FY 2018/19.

#### 3.2.1 Strategic Coordination, Monitoring and Evaluation

The programme outcome is improved Coordination, Monitoring and Evaluation. The sampled projects/sub-programmes and outputs monitored under this programme were: (i) Policy Implementation and Coordination; and (ii) Government Evaluation Facility Project.

#### Financial Performance

The FY 2018/19 budget for the sampled projects under this programme was Ug shs 1.452 billion, of which Ug shs 0.784 billion (54%) was released and Ug shs 0.637 billion (81%) spent by 31<sup>st</sup> December 2018. This was good release and absorption. The overall programme performance at output level is shown in Table 3.3.



**Table 3.3: Performance of Strategic Coordination, Monitoring and Evaluation as at 31<sup>st</sup> December 2018**

Project-Sub programme	Out put	Annual Budget ( Ughs) billions	Cumulative receipts	Annual Target	Cum. Achieved Quantity	Physical performance (%)	Remarks
17 Policy Implementation and Coordination	Government policy implementation and coordination	0.697	0.347	11	4	17.449	(i) Information on Cabinet directive on the National Food and Drug Bill; (ii) Cabinet Policy recommendation on decongestion of Kampala metropolitan area; (iii) The National Partnership forum through Institutional Coordination Framework issues were coordinated.
1294 Government Evaluation Facility Project	Functioning National Monitoring and Evaluation	0.755	0.437	11	4	18.914	The project concluded the end-line data collection for UPE, Youth Livelihood Programme (YLP) and Family Planning impact evaluations. It also conducted monitoring of YLP impact evaluation for quality assurance.
<b>Programme Performance ( Outputs)</b>		<b>1.452</b>				<b>36.36</b>	<b>Poor performance</b>

*Source: IFMS data/OPM Project report/ field findings -February 2019*

### Overall Programme Performance

The overall programme performance was poor at 36.4%. This was attributed to lack of clear performance targets, indicators and progress reports. Activities implemented so far were the development of concept notes with high expenditures.

The key policies under PSM that will deepen implementation of NDP II objectives include: (i) The National Policy of East African Integration, 2015; (ii) Decentralization Policy, 1997; (iii) National Policy on Public Sector Monitoring and Evaluation, 2013; and (iv) Framework for attracting and retaining hard to reach areas, 2010. None of the above policies was effectively coordinated to determine implementation and effectiveness.

### Recommendations

- The OPM Planning Unit should streamline activities to planned outputs and outcomes to the PSM strategic plan and as well focus on policies under PSM that will deepen implementation of NDP II objectives.
- The MFPED should review the Government Evaluation Facility project under OPM which is more of recurrent in nature than development.

### 3.2.2 Affirmative Action

The overall programme objective is to coordinate and monitor the implementation of Government affirmative action programmes in disadvantaged regions and the programme outcome is improved incomes and sustainable livelihood for the people in the disadvantaged areas through improved production and wealth creation.

Five projects/sub-programmes were sampled and visited to assess performance and these included: (i) Dry Lands Integrated Development; (ii) Karamoja Integrated Development Programme (KIDP); (iii) Support to Bunyoro Development; (iv) Post-War Recovery and Presidential Pledges; and (v) Support to Luwero Rwenzori Development Programme (LRDP). The overall programme performance by output is shown in Table 3.4.

#### Overall Financial Performance

The FY 2018/19 budget for the sub-programmes was Ug shs 61.227 billion, of which Ug shs 16.222 billion (27%) was released and Ug shs 11.399 (70%) spent by 31<sup>st</sup> December 2018. This was poor release and good funds absorption.

**Table 3.4: Detailed Performance of Affirmative Action Programme as at 31<sup>st</sup> December 2018**

Project-Sub programme	Out put	Annual Budget ( Ug shs billion)	Cumulative receipts	Annual planned target	Cum. Achieved Quantity	Physical performance %	Remarks
Project: 1317 Drylands Integrated Development Project	05 Coordination of the implementation of KIDP	6.945	0.464	3	1.5	5.672	Funds were spent on coordination and operations of project activities under KIDP.
	06 Pacification and development	6.745	0.580	9	4	4.896	Funds under this output were used to procure artificial insemination (AI) tool kits and 21 improved heifers; facilitate extension workers with fuel for their motorcycles; and also 47 extension workers to undertake AI training course; in Nakapiripirit District.
	51 Transfers to Government Units	1.012	0.915	1	0.9	1.488	Funds worth Ug shs 914 million were used for quarterly operational activities by the Project Management Unit under OPM. However, no reports were availed.
	72 Government Buildings and Administrative	4.232	0.614	17	5.7	2.297	Funds were spent on civil works for infrastructure on health, education, and agriculture (grain warehouses, Narisae and Namalera Agricultural

Project-Sub programme	Out put	Annual Budget (Ug shs billion)	Cumulative receipts	Annual planned target	Cum. Achieved Quantity	Physical performance %	Remarks
	Infrastructure						learning Centres) in Nakapiripirt, Moroto and Napak districts.
	73 Roads, Streets and Highways	1.120	0.012	3	1.6	0.982	Funds were spent on rehabilitation/maintenance of 16.5km rural roads; and 20.9 km out of 34.5 km access road connecting Akorikeya PS in Loro sub-county, lorengedwat-Nangaamit-Naachuka (11.2km) and Naronit-Namalera in Lorengedwat and Lotome sub-counties according to the coordinator in charge of roads.
Project:1078 Karamoja Integrated Development Programme (KIDP)	06 Pacification and Development	7.538	2.194	10	2	2.462	Although Ug shs 1.839 billion was spent on agricultural supplies, there was no evidence of procurements made.  According to Nabuin Zonal Agricultural Research Institute, only Ug shs 203 million was disbursed by OPM to support animal breeding program under the Presidential Pledge.
	51 Transfers to Government Units	0.700	0.350	1.0	0.5	0.572	The project supported Namalu Prisons in Karamoja through the Uganda Prisons with Ug shs 350 Million for increased maize production.  However, discussions with Uganda Prisons Officials revealed only Ug shs 100 million was received and spent.  The Ug shs 250 million is unaccounted for.
	72 Government Buildings and Administrative Infrastructure	2.850	0	0	0	0	No funds were released by MFPED

Project-Sub programme	Out put	Annual Budget (Ug shs billion)	Cumulative receipts	Annual planned target	Cum. Achieved Quantity	Physical performance %	Remarks
	75 Purchase of Motor Vehicles and Other Transport Equipment	0.750	0.450	2	1	0.612	Funds were spent on procurement of one station wagon.  This item is budget for every financial year.
	77 Purchase of Specialized Machinery & Equipment	0.150	0	0	0	0	No funds were released under this output.
Project:093 2 Post-War Recovery and Presidential Pledges	01 Implementation of PRDP coordinated and monitored	1.621	0.714	4	2	1.324	Funds worth Ug shs 603 million was spent on project coordination meetings with NGOs and Development partners; and disseminated PRDP/DDEG activities.
	06 Pacification and development	0.745	0.340	4	1.6	0.487	A total of 7,500 out of 15,000 hand hoes and 4,794 out of 5,000 iron sheets were procured.  However the distribution was due for the next quarter.
	07 Restocking Programme	20.000	6.200	2	0.8	12.739	A total of 3,434 out of 18,600 cattle were distributed to 7 districts; Alebtong (495), Kole (546), Amuria (454), Kapelebyong (244), Packwach (330), Moyo (573), Kitgum (792).
	51 Transfers to Government units	1.200	0.600	1	0.5	0.980	According to the Director National Uganda Youth Development Centre (NUYDC) and field findings, funds worth Ug shs 542 million were disbursed to NUYDC for skills development in Omoro District for training students.
	72 Government Buildings and Administrative	2.225	1.355	3	0.5	0.606	The project transferred funds worth Ug shs 952 million to four districts for civil works on construction of staff houses as follows: Ug shs 174 million to Adjumani, Ug

Project-Sub programme	Out put	Annual Budget (Ug shs billion)	Cumulative receipts	Annual planned target	Cum. Achieved Quantity	Physical performance %	Remarks
	Infrastructure						shs 174million to Alebtong, Ug shs 284 million to Katakwi and Ug shs 320million to Kumi DLGs for the construction of staff houses.  Constructions had not yet began as procurement of contractors was ongoing.
	75 Purchase of Motor Vehicles and Other Transport Equipment	0.300	-	0	0	0	No funds were released under this output.
Project:1252 Support to Bunyoro Development	06 Pacification and development	0.429	0.283	3	2.3	0.535	Funds were spent on procurement and distribution of 1,700 Iron sheets to 57 beneficiaries and 10,000 hand hoes to beneficiaries in Bunyoro sub-region, however, only distribution lists of iron sheets were availed to the monitoring team.
Project:0022 Support to Luwero Rwenzori Development Programme	04 Coordination of the implementation of LRDP	0.615	0.303	3	1.3	0.419	Funds worth Ug shs 252 million were disbursed.  However review of beneficiary lists was ongoing and affected implementation on schedule.
	06 Pacification and development	1.450	0.850	3	1.8	1.381	Funds worth Ug shs 328 million were sent to Wakiso District account to support 26 out of 50 micro projects in Wakiso; however the district was still re-assessing the beneficiaries. This affected implementation on schedule.
	75 Purchase of Motor Vehicles and Other Transport Equipment	0.450	0	0	0	0	No funds were released under this output.

Project-Sub programme	Out put	Annual Budget (Ug shs billion)	Cumulative receipts	Annual planned target	Cum. Achieved Quantity	Physical performance %	Remarks
	77 Purchase of Specialized Machinery & Equipment	0.150	0	0	0		No funds were released under this output.
<b>Programme Performance Outputs</b>		<b>61</b>				<b>37.5</b>	<b>Poor performance</b>

Source: IFMS data/OPM Project report/ field findings - February 2019

## 1. Project: 1317 Drylands Integrated Development Project

### Background

The Dryland Integrated Development Project in Karamoja is a five-year project (2014-2019) implemented in four sub-counties namely; Nadunget in Moroto District, Lorengedwat in Nakapiripirit District, Lotome in Napak District, and Loroo in Amudat District with approximately 80,184 people in approximately 16,475 households. The project objective is to strengthen the livelihood and reduce vulnerability of pastoralist and agro-pastoral communities of Southern Karamoja sub-region.

The project has four components: (i) Enhancing productivity of dry land agriculture and livestock (ii) Building rural and market infrastructure (iii) Improving access to basic social services (Health and (iv) education Support community business development.

It is implemented by Millennium Promise Alliance (MPA) - a non-profit International organization solely committed to supporting the achievement of the Sustainable Development Goals in Uganda.

### Financial Performance

The five-year donor budget was US\$ 25 million, of which US\$ 8.7 million was allocated and US\$ 7.4 million (85%) was utilized as at 31<sup>st</sup> December 2018. The funding is comprised of Islamic Development Bank (IDB), Islamic Solidarity Fund for Development (ISFD), with the Government of Uganda (GoU) as counterpart funding. Table 3.5 shows a summary of funds utilized as at 31<sup>st</sup> December 2018.

**Table 3.5: Summary of Fund Utilization as at 31<sup>st</sup> December 2018**

	Summary of the Work plan	5 Yr Budget (US\$)	Allocation (US\$)	Utilization (US\$)	Balance (US\$)
1	Enhancing Productivity of Livestock and Dryland Farming	4,770,000	1,344,944	1,177,645.70	167,298.3
2	Building Rural and Market Infrastructure	5,100,000	1,091,179	553,609.44	537,569.56
3	Improving access to health care and nutrition	3,190,000	1,504,741	1,673,125.73	(168,384.73)
4	Improve access to education in rural areas	3,460,000	1,003,036	1,226,998.66	(223,962.66)
5	Support to Community Business	1,710,000	524,350	493,653.57	30,696.43

	Development				
6	Project Management Unit and Audit	3,370,000	3,251,753	2,828,195.09	423,557.91
	Total	21,600,000	8,720,003	7,953,228.19	766,774.81
7	Contingency	3,300,000	-	0	0
	<b>Grand Total</b>	<b>24,900,000</b>	<b>8,720,003.00</b>	<b>7,953,228.19</b>	<b>766,774.81</b>

*Source: Dry Lands Project Progress Report, December 2018*

Under the donor component, 91% of the funds were released for activities which was good release and absorption. These were spent on coordination activities, pacification and development, government buildings and administrative infrastructure and roads, streets and highways outputs.

The approved GoU budget for the dry lands project for FY 2018/19 was Ug shs 1,252 billion, of which Ug shs 1.053 billion (84%) was released and spent by 31<sup>st</sup> December 2018. This was very good release and absorption. Funds were spent on the coordination activities and transfers to Government units for Project Management Unit operations outputs.

## Findings

The districts of Moroto, Napak and Nakapiripirit were sampled and components monitored included; Building Rural and Market Infrastructure (roads and grain stores); Improving access to health care and nutrition (HC, staff houses); and Improving access to education in rural areas (dormitories, classroom blocks).

According to field findings and interactions with the project engineering department, there was evidence of complete and ongoing construction of civil works of health, roads and education. Observations showed that the quality of works on completed infrastructure was good. However, the delays in disbursements affected the completion of most civil works.

The total amount of contractual obligations on civil works for 34 contracts for the FY 2018/19 was Ug shs 10,513,976,907, of which Ug shs 4,281,315,722 was paid by 31<sup>st</sup> December 2018. There were 11 completed civil works and 19 ongoing projects; however 4 had not commenced as new sites were yet to be decided upon. Table 3.6 shows details of 4 completed and 2 ongoing projects monitored.

**Table 3.6: Contractual Status of Completed and Ongoing projects as at 31<sup>st</sup> December 2018**

NO.	CATEGORY	CONTRACTOR	CONTRACT AMOUNT (Ug shs)	AMOUNT PAID TODATE (Ug shs)	PROGRESS TODATE
1.	Construction of a Four (4) Unit Staff House and a chain link fence at Kamaturu Primary School Primary School in Lorengedwat Sub County, Nakapiripirit District.	M/S ALLIED ENTERPRISES AND CONSTRUCTION LTD	415,025,445	191,758,403	Awaiting painting, plumbing and electrical installations
2.	Construction of the Main Administration Block at Lotome Learning Center in Lotome SC, Napak District	M/S ANYAMA RIVER TRADING CO.LTD	445,647,237	246,342,101	Plastering and floor using Terrazzo completed.
3.	Construction of a Two Block-Four Unit Staff House at the Centre of Learning at Lotome SC, Napak District.	M/S HRN BUSINESS SERVICES LTD	269,100,888	116,962,574	Completed and handed over to the project for use.
4.	Construction of Nadunget grain Store.	M/S RYNA CONSTRUCTION COMPANY LIMITED	126,616,140	52,295,790	Completed and ready for handover.
5.	Mechanised Maintenance of Nangamit-Nachuka-Lotome 11.2km; & Naronit-Namalera 6.7km all totalling to 17.9km;	M/S S&A CONSULTANTS LTD	263,127,900	52,625,580	Completed and in use.
6.	Construction of a Dormitory at Nadunget Primary School in Nadunget Sub County, Moroto District.	M/S GUMARE GENERAL STORES LTD	291,086,324	73,643,487	At substantial completion, ready for handover,

*Source: Dry Lands Project December 2018, field findings*

### **Challenge**

Delayed responses from the Islamic Development Bank affected implementation of projects. The funds were released in January 2019 affecting timely completion of projects.

### **Recommendation**

The IDB should have timelines in responding to requests for ‘no objections’ to avoid delayed implementation of civil works.





**Completed Dormitory at Nadunget Primary School in Nadunget Sub-County, Moroto District as at January 2019**



**Incomplete four unit staff house at Kamaturu Primary School in Lorengedwat Sub County, Nakapiripirit District as at January 2019**

## **2. Project 1078: Karamoja Integrated Development Programme (KIDP)**

### **Background**

The project objective is to contribute to human security and promote conditions for recovery and development in Karamoja region. It is implemented in Abim, Amudat, Moroto, Nakapiripirit, Kotido, Kaabong and Napak districts. The period is from 1<sup>st</sup> July 2015 to 31<sup>st</sup> December 2020.

### **Financial Performance**

The approved GoU budget for FY 2018/19 was Ug shs 11.988 billion, of which Ug shs 2.994 billion (25%) was released and Ug shs 2.654 billion spent (89%) as at 31<sup>st</sup> December 2018. This was fair release and good absorption.

### **Findings**

The districts of Amudat and Nakapiripirit were sampled and visited to assess progress of civil works under the Government Buildings and Administrative Infrastructure output.

**Government Buildings and Administrative Infrastructure:** The rolled over Girl's Dormitories at Lolachat Primary School in Nakapiripirit District and Karita Primary School since FY 2014/15 in Amudat District were monitored. By 31<sup>st</sup> December 2018, civil works on dormitories and toilets for both schools had been completed. Quality of works was good. Procurement of 80 beds (40 in Karita and 40 in Lolachat) in Nakapiripirit was pending because of inadequate funding.



**Completed Girls' dormitory at Lolachat Primary School in Nakapiripirit district as at January 2019**



**Completed Girls Dormitory in Karita Primary School, Amudat district as at January 2019**

## Challenges

- Unexplained expenditures under the project on funds released against outputs. For example, Ug shs 1.6 billion is unaccounted for under Pacification and Development and Ug shs 250 million under Transfers to Government Units in Namalu Prison in Nakapiripirit District.
- The project lacks quarterly work plans to assess performance against planned outputs, has ambiguous planned activities of which some are not implemented. For example, under the Pacification and Developments output.
- The payments for the dormitories in Amudat and Nakapiripirit districts worth Ug shs 170 million is long overdue thus affecting the realisation of project objectives.

## Recommendation

- The OPM project should realign the planned outputs to activities to avoid high and unexplained expenditures.

### 3. Project 1252: Support to Bunyoro Development

#### Background

The project objective is to support households to improve the livelihoods and socio-physical infrastructure in the districts of Hoima, Kibaale, and Bullisa, Masindi, Kiryandongo, Kagadi and Kakumiro. The project period is from 1st July 2010 to 31<sup>st</sup> December 2020 and it is coordinated by OPM.

#### Performance

The approved GoU budget for FY 2018/19 was Ug shs 429 million, of which Ug shs 283 million (66%) was released and Ug shs 245 million (87%) spent. This was good release and absorption.

#### Findings

**Pacification and Development:** The districts of Hoima, Masindi, and Kagadi were sampled to assess progress. A total of 1,700 iron sheets and 10,000 hand hoes were procured by OPM and distributed by MPs to various groups in Bunyoro sub-region; however, only distribution

lists for iron sheets were availed to the monitoring team. Reports from the various District Coordinators indicated that they were not consulted.

### Challenges

- Non-adherence to project guidelines, MoUs and poor coordination between OPM, the Bunyoro Regional Coordination Office, and District Coordinators affected proper implementation of the project.
- Poor planning which is top-bottom (beneficiary lists come from OPM), without consulting the respective district technical staff and political leadership. This has resulted in delayed implementation and politicization of the projects.



**Beneficiaries from Kyerama Primary School, Hoima receive iron sheets from Support to Bunyoro Project**

- Understaffing: Most staff coordinating the project are seconded staff from OPM and are based at the headquarters. Only a support staff is based at the Regional Bunyoro Office.

### Recommendations

- The OPM and the districts should constantly hold meetings to address concerns affecting implementation of activities, and conduct evaluations to determine the impact of the project in the region.
- The OPM should adhere to the project guidelines and MoUs with LGs under this project to address the issue of top-bottom planning and carry out midterm evaluations to determine the impact of this project in the Bunyoro region.
- The OPM Human Resource Unit should evaluate performance of the current staff and address the issues of recruitments of qualified permanent contract staff and salary payments for the Bunyoro Coordinating Office.

## 4. Project 0022: Support to Luwero Rwenzori Development Programme (LRDP)

### Background

The project objective is to enhance household incomes and is implemented in 13 districts<sup>1</sup> in the sub-regions of Luwero and Rwenzori Triangle. The project period is from 1/7/2009 to 30/06/2021.

**Performance:** The approved GoU budget for FY 2018/19 was Ug shs 2.665 billion, of which Ug shs 1.153 billion (43%) was released and Ug shs 580 million (50%) spent by 31<sup>st</sup> December 2018. This was good release and fair absorption.

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<sup>1</sup> Butambala, Lwengo, Mukono, Wakiso, Kayunga, Kasese, Luwero and Kabarole, Kyenjojo, Kyegegwa, Mubende, Mityana and Nakaseke

## **Findings**

The districts of Luwero and Wakiso were sampled and visited to ascertain receipt and utilization of funds for Parish Community Associations (PCAs) and micro projects. The PCAs model provides funding modalities to farmers and other groups within a Parish in a coordinated manner of self-regulation, appraisal, supervision and monitoring of funding to their members. It also seeks to bring gender and equity (SACCO, Civilian, veterans, youth and women) with an aim of ensuring that their activities in a Parish are harmonized to create synergy for development

Field findings revealed that for both Luwero and Wakiso, funds were still on the district accounts. Luwero District received Ug shs 472 million for 17 PCAs and Ug shs 50 million for seven groups under LRDP special micro projects. According to the Luwero District Planning department, funds for PCAs and micro projects were received but not transferred to the beneficiaries. The District Council was re-appraising the beneficiary lists submitted from OPM.

## **Challenge**

There were no targets achieved as the district officials and the political leadership were reviewing beneficiary lists from OPM. This affected the prompt utilization of the funds during this quarter. Non-involvement of district officials by OPM in the planning and budgeting process is affecting the implementation of project activities.

## **Recommendation**

The OPM and the district should harmonize and adhere to project guidelines and MoUs for effective implementation of this project.

## **5. Project 0932: Post-War Recovery and Presidential Pledges**

### **Background**

The project objective is to initiate, design, coordinate and implement special programmes and projects for the troubled and disadvantaged areas of Northern Uganda and Karamoja regions and reducing vulnerability of women, youth, PWDs, children, ex-combatants, and the elderly by supporting them out of poverty. The coverage includes 55 districts and nine municipalities in the greater North covering eight sub-regions of West Nile, Acholi, Bunyoro, Lango, Teso, Karamoja, Elgon and Bukedi.

### **Financial Performance**

The approved GoU budget for FY 2018/19 was Ug shs 26 billion, of which Ug shs 9.209 billion (35%) was released and Ug shs 5.336 billion (58%) spent as at 31<sup>st</sup> December 2018. This was fair release and absorption.

### **Findings**

The districts of Kole, Packwach, Alebtong, and Kumi were sampled to ascertain receipt of funds and cattle. Pacification and Development and the Restocking outputs were sampled.

**Pacification and Development:** According to field visits, out of the 15,000 hand hoes planned for in FY 2018/19, 7,500 were procured and out of the 5,000 iron sheets, 4,794 were procured under presidential pledges in September 2018. A total of Ug shs 202 million was

spent on procurements. However, these were still kept at the OPM stores in Kampala awaiting distribution to the beneficiaries in Quarters 3 and 4.

**Restocking output:** The beneficiary districts included: Packwach which got 330; Kitgum got 792, Moyo got 573; Kole got 546, Alebtong got 495, Kapelebyong and Amuria got 698. The districts of Kole, Alebtong and Packwach were sampled.

The supplier for Kole was M/s Acaki Ki Kwene Construction, for Alebtong it was M/s Kangwa Godwin Limited, Packwach - M/s Peace Investments Limited and M/s Otuke Private Sector Enterprises Ltd. The detailed information on the procurements and costs were not availed to the monitoring team. The animals which were distributed to women, elderly, youth and persons with disability were young heifers and were appreciated by the beneficiaries.

The District Veterinary Officers (DVOs), beneficiaries and sub-county officials acknowledged receipt of heifers. Three town councils were visited to ascertain the quality, gender and equity in the distribution. Distribution details are shown in Table 3.8.

**Table 3.8: Distribution of Heifers in Districts as at 31<sup>st</sup> December, 2018**

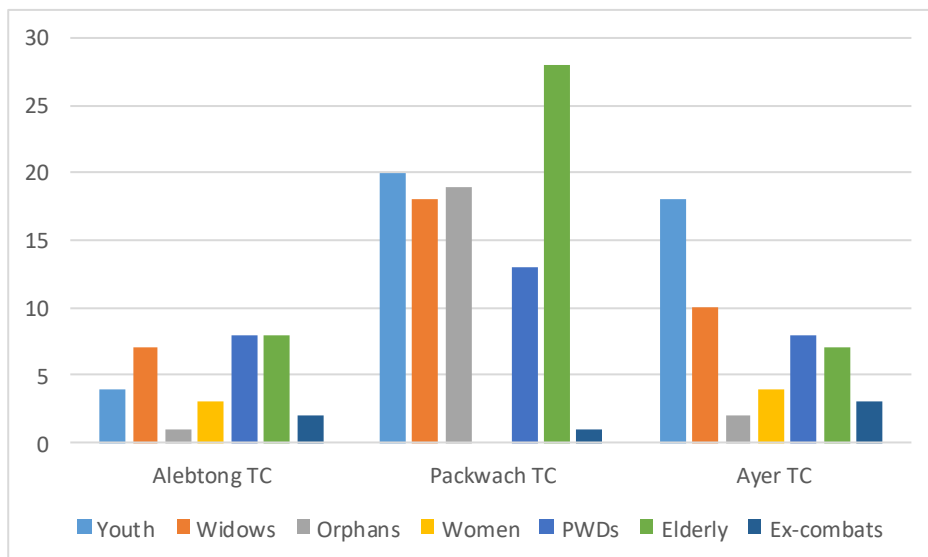
Kole		Alebtong		Packwach	
Sub-county	No.	Sub-county	No.	Sub-county	No.
Ayer Town Council	52	Alebtong Town Council	33	Packwach Town Council	80
Alito	91	Amugu	44	Pakwach	40
Okwerodwot	104	Aloi	66	Panyimu	50
Ayer	78	Omoro	66	Alwi	40
Akalo	52	Awei	44	Panyango	70
Bala	104	Akura	55	Wadelai	50
Aboke	65	Apala	55		
		Abia	66		
		Abako	66		
<b>Total</b>	<b>546</b>		<b>495</b>		<b>330</b>

*Source: Alebtong, Kole and Packwach District Veterinary Offices, January, 2019*

There was a gender and equity aspect in the distribution of animals under the restocking output as shown in Figure 3.1.

In Alebtong Town Council, the persons with disabilities and elderly were the highest beneficiaries, while in Packwach TC, the elderly and youth were the highest beneficiaries; for Ayer TC in Kole District, the youth were the highest beneficiaries.

**Figure 3.1: Gender and Equity Aspect in the Distribution of Heifers in Town Councils as at 31<sup>st</sup> December 2018**



*Source: Alebtong, Kole and Packwach districts, February, 2019*

### Challenges

- There were no procurement details on total costs per animal. For example the Ug shs 2.9 billion spent is not in tandem with total number of animals procured.
- Late release of funds hindered construction of houses under the Government Buildings and Administrative Infrastructure.

### Recommendation

The MFPED should set stringent measures on usage and accountability of funds.

### Overall Performance of Affirmative Action Programme

The performance of the Affirmative Action Programme was poor at 38%. This was attributed to minimal implementation of planned outputs in the field against expenditures, lack of progress reports, minutes on coordination meetings held; unexplained high expenditures on workshops and seminars.

### Recommendation

The OPM should align their planned outputs to the PSM strategic plan to avoid high and unexplained expenditures.

### 3.2.3: Disaster Preparedness and Refugees Management Programme

The programme objective is to strengthen capacities for mitigation, preparedness and response to natural and human induced disasters, and to lead and enhance national response capacity to refugee emergency management. The programme outcome is Effective Disaster, Preparedness and Refugee Management. The Humanitarian Project was monitored under this programme.

## 1. Project 0922: Humanitarian Assistance

### Background

The project objective is to coordinate timely response to disasters, and provide and distribute food and non-food relief to disaster victims in 194 districts. The relief food items include maize, beans, rice and other assorted foods while the non-food items include tarpaulins and blankets. The project period is effect from 1/7/2015 to 30/6/2020.

### Performance

The approved GoU budget for FY 2018/19 was Ug shs 6.418 billion, of which Ug shs 4.428 billion (69%) was released and Ug shs 4.387 (99%) spent by 31<sup>st</sup> December 2018. This was very good release and absorption. Table 3.8 shows the detailed programme performance as at 31<sup>st</sup> December 2018.

**Table 3.8: Performance of the Disaster Preparedness and Refugees Management Programme as at 31<sup>st</sup> December 2018**

Project-Sub programme	Out put	Annual Budget ( Ug shs)	Cumulative receipts	Annual target	Cum. Achieved Quantity	physical performance %	Remarks
Project:0922 Humanitarian Assistance	IDPs returned and resettled, Refugees settled and repatriated	2.418	1.228	2	1	18.839	By January, 2018 there were ongoing civil works on resettlement housing project in Bulambuli District. Roofing of the 26 out of 101 houses was completed. Construction of the splash apron was ongoing and painting of external walls was completed for 5 houses, and ongoing for the 21 houses.
	Relief to disaster victims	3.200	3.200	100,000	63,000	31.410	The project supplied a total of 63,000 out of 100,000 households with food and non-food items in 9 regions.
	Government buildings and Administrative Infrastructure	0.800	-	-	-	0	No funds were released for this output.
<b>Programme Performance ( Outputs)</b>		<b>6.418</b>	<b>4.428</b>			<b>50.25</b>	<b>Fair performance</b>

*Source: IFMS data/OPM Project report/ field findings*

## Findings

The districts of Moroto, Nakapiripirit, Bulambuli, Kole and Soroti were sampled and visited in January 2019. Refugees settled and repatriated outputs were sampled to assess receipt of food and non-food items and also assess progress on civil works on housing units being constructed for the internally displaced persons in Bulambuli district.

**Relief to disaster victims:** Out of 100,000 households planned for to benefit from distribution of relief food and non-food items, 63,000 households benefitted. A total of 8,993 bags of 100kgs of maize and beans; and 10,488 pieces of non-food items including blankets, simsim, and fortified foods) were distributed to disaster affected regions.

According to the districts officials of Bulambuli, Moroto, Nakapiripirit, Kole and Soroti, food and non-food items for disaster affected victims were received and distributed. The beneficiaries sampled acknowledged receipt of food and non-food items. Table 3.9 shows the distribution of relief food and non-food items.

**Table 3.9: Distribution of Food and Non-Food Items by Region by 31<sup>st</sup> December 2018**

Region	Maize flour (bags of 100kgs)	Beans (Bags of 100kgs)	Others (Blankets, simsim, fortified foods) Boxes /pieces	No. of districts
Acholi	300	100	2120	4
Ankole-Kigezi	600	200	1100	6
Buganda	500	230	300	4
Bugisu	1910	453	68	11
Busoga	200	-	800	2
Lango	200	-	500	2
Teso	430	200	2900	6
West Nile	200	50	900	4
Karamoja	2000	-	1800	4
Others	980	440	-	14
<b>Total</b>	<b>7,320</b>	<b>1,673</b>	<b>10,488</b>	<b>57</b>

*Source: Humanitarian Assistance Progress reports; field findings*

The Ankole-Kigezi and Bugisu region were mostly affected, whereas Busoga and Lango region were least affected according to the disaster response. However, additional information on procurements was not availed.

**IDPs returned and resettled, refugees settled and repatriated output:** Activities for this output were implemented in Bulambuli District. The contracts for civil works were awarded to Uganda Police and the Uganda Peoples Defence Forces (UPDF). The civil works commenced on the 17<sup>th</sup> December 2018, for a contract period of three months. The project cost is Ug shs 1,742,332,250. Field observations showed ongoing construction works of 101 units by the Police Unit and and UPDF. By January 2019, 26 units were near completion. Over 4,000 blocks were done by the Uganda Police Force Team.





**Superstructure of resettlement housing units constructed by Uganda Police in Bulambuli district as at January 2019**

### **Challenge**

The contractors face a challenge of scarcity of water and building materials. Water for construction is brought by trucks from the district, building materials are purchased from Tororo District which has delayed completion of houses as scheduled.

### **Recommendation**

The OPM and Bulambuli District should engage Ministry of Water and Environment to construct production wells to enable contractors complete the civil works on schedule.

## **Overall Performance of Disaster Preparedness and Refugees Management Programme**

The Disaster Preparedness and Refugees Management was fair at 50.3%. Construction of 26 out of 101 resettlement houses for the internally displaced people were under construction by January 2019.

### **3.3 Vote 005: Ministry of Public Service**

Ministry of Public Service (MoPS) is mandated to: (i) develop, manage and supervise implementation of human resource policies, management systems, procedures and structures for the entire Public Service. The MoPS delivers its mandate through four programmes. These include: Inspection and Quality Assurance, Management Services, Human Resource Management, and Policy, Planning and Support Services. The programmes contribute to the sector outcome of Improved Institutional and Human Resource Management at Central and Local Government level.

The districts of Nakapiripirit, Moroto, Soroti, Gulu, Kole, Bukedea, Katakwi, Kasese, Bushenyi, Jinja and Busia, Mubende, Mbarara, Kayunga and Entebbe Municipal Councils, Busitema and Gulu Universities and the Civil Service College were sampled and visited.

#### **3.3.1 Inspection and Quality Assurance**

The programme objective is to promote compliance with policies, standards, rules, regulations and procedures in order to enhance efficiency and effectiveness MDAs and LGs.

#### **Performance**

The FY 2018/19 budget for the sub-programmes was Ug shs 1.062 billion, of



**Housing units at wall plate constructed by UPDF as at January 2019**

which Ug shs 0.545 billion (51%) was released and Ug shs 0.299 billion (55%) spent by 31<sup>st</sup> December 2018, which was good release and absorption. Detailed programme performance is shown in Table 3.10.

**Table 3.10: Performance of Inspection and Quality Assurance as at 31<sup>st</sup> December 2018**

Project-Sub programme	Output	Annual Budget ( Ug shs)	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
06 Public Service Inspection	02 Service Delivery Standards developed, disseminated and utilized	0.1412	0.097	29	18.2	8.369	A draft National Service Delivery Standards for 2 out of 4 Sectors (Water and Environment and Works and Transport) was developed; Technical support was provided to 16 out of 24 LGs and their Urban Authorities.
	03 Compliance to service delivery standards enforced	0.395	0.219	30	16.7	20.697	Joint inspections were conducted in 15 out of 24 DLGs and their TCs; 1 out of 4 investigative inspections was carried out in Pader DLG; institutional Assessment tool was prepared and is draft form.
08 Records and Information Management	04 National Records Centre and Archives operationalized	0.352	0.171	17	11.5	22.377	Technical support to 7 institutions of higher learning on Records, Archives, Library and Information Management programmes design was provided; Archival records were acquired from 3 LGs: Moroto, Kotido and Mbale, and 1 MDA (MoLG) out of 5.
	05 Development and dissemination of policies, standards and procedures	0.300	0.146	46	23	14.133	Records management systems were introduced in 4 out of 6 LGs; and also audited and streamlined in 2 out of 16 MDAs; and 17 out of 24 LGs.
	06 Demand for service delivery accountability strengthened through client charter	0.016	0.010	57	18	0.466	Technical support on development and the implementation of Client Charters was provided to 16 out of 24 DLGs and 2 out of 16 MDAs.

Programme Performance ( Outputs)	1.063	0.545		66.04	Fair performance
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Source: IFMS data; MoPS Progress Report and field findings

### Overall Performance of Inspection and Quality Assurance Programme

The performance for planned outputs was fair at 66%. Although the Client Charters were developed, in most LGs most charters were on shelves and not implemented; there was no feedback mechanism to realise the impact on service delivery; also there was no disaggregated data in the Client Charters. Most activities implemented lacked detailed field reports in the LGs visited.

#### Recommendations

- The MoPS and MFPED should coordinate and carry out baseline surveys to determine the impact of Client Charters on service delivery in the public service.
- The MoPS and implementing departments should produce detailed field reports on activities implemented in LGs and provide feedbacks to the respective LGs.

### 3.3.2 Management Services

The programme objective is to develop and review management and operational structures, systems and productivity practices for efficient and effective service delivery.

#### Performance

The FY 2018/19 budget was Ug shs 2.192 billion, of which Ug shs 1.203 billion (55%) was released and Ug shs 0.692 billion (58%) spent by 31<sup>st</sup> December 2018 which was good release and absorption. Detailed programme performance is shown in table 3.11.

**Table 3.11: Performance of Management Services Programme as at 31<sup>st</sup> December 2018**

Project-Sub programme	Output	Annual Budget ( Ug shs)	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
07 Management Services	01 Organizational structures for MDAs developed and reviewed	1.465	0.883	1281	252.2	13.160	Structures of 4 out of 5 MDAs were reviewed; Institutional Assessment of 100 HC IVs and 125 HC III was undertaken; and 5 MDAs and 18 out of 22 LGs were updated on the IPPS.
	02 Review of dysfunctional systems in MDAs and LGs	0.372	0.189	3	0.9	5.088	Teacher Registration system at Makerere and Kyambogo) for the Tertiary Institutions Admission System was re-engineered.
	03 Analysis of cost centers/constituen	0.355	0.131	66	32	7.853	Job categories for the 30 out of 60 cadres in the Public Service were

	ts in MDAs and LGs						profiled; Scheme of service for 2 out of 6 cadres were developed and issued.
<b>Programme Performance (Outputs)</b>		<b>2.192</b>	<b>1.203</b>			<b>26.10</b>	<b>Poor performance</b>

*Source: IFMS data; MoPS progress report and field findings*

### Overall Programme Performance

The programme performance at output level was poor at 26%. The LGs still had issues of structures, most strategic positions were not filled because of the rigid staffing structures lacking positions at Principal level especially in Finance, Audit, Education, Community Development, Environment, Water, Engineering and this affected service delivery in most LGs.

### Recommendation

The MoPS should review the job descriptions for the strategic positions and salary enhancements to attract competent staff in DLGs.

### 3.3.3 Human Resource Management and Policy

The programme objective to initiate, formulate and plan policies and management of human resource functions for the entire public service.

### Performance

The FY 2018/19 budget for sub-programmes was Ug shs 3.254 billion, of which Ug shs 1.686 billion (52%) was released and Ug shs 1.227 billion (73%) spent by 31<sup>st</sup> December 2018 which was good release and fair absorption. Detailed programme performance is shown in table 3.12.

**Table 3.12: Performance of Human Resource Management and Policy Programme as at 31<sup>st</sup> December 2018**

Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
03 Human Resource Management	01 Implementation of the Public Service Pension Reform	0.498	0.2450	1381	1329	14.779	A total of 1,237 files were processed and approved for payment; Decentralized management of salary and pension payroll was monitored and support provided to 92 LGs.
	03 MDAs and LGs Capacity Building	1.987	0.981	119	59	30.266	HR Policies were monitored in 15 LGs and 2 MDAs; Technical

Project-Sub programme	Output	Annual Budget ( Ug shs)	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
							guidance on HR matters was given to 47 LGs and 17 MDAs; Training Needs Assessment in 5 MDAs and 5LGs was undertaken; Management of the training function was monitored in 5 MDAs, 10 LGs and 4 MCs.
	04 Public Service Performance Management	0.512	0.305	99	57.4	9.123	(i) Training in Performance Management initiatives for Senior Managers in 70 MDAs and 22 DLGs was Conducted; (ii) Management initiatives in 6 MDAs and 22 LGs was monitored and supported.
	06 Management of the Public Service Payroll and Wage Bill	0.256	0.150	3	1.3	3.407	(i) The guidelines on wage bill and pension management were developed and disseminated to all MDs and LGs; (ii) Wage analysis undertaken for the month of July, August, September, October, November and December; and (iii) 62 votes were cleared to recruit
<b>Programme Performance ( Outputs)</b>		<b>3.254</b>	<b>1.686</b>			<b>57.58</b>	<b>Fair performance</b>

*Source: IFMS data; MoPS progress report and field findings*

### Overall Programme Performance

The programme performance at output level was fair at 58%. There were still delays in the processing of pension and gratuity files in LGs and poor performance management systems, where there were no reports. Cases of constant wage shortfalls in the health and education sectors in LGs and duplicated capacity building initiatives still persisted. Most activities implemented lacked detailed field reports in the LGs visited.

### Recommendations

- The MoPS and respective LGs should institute disciplinary action against officers who deliberately delay processing of pension and gratuity files.

- The MoPS and implementing departments of activities in LGs should endeavour to produce field reports and share with the respective LGs.

### 3.3.4 Policy Planning and Support Services Programme

The programme objective is to ensure effective and efficient deployment utilization of human, financial, and material resources to achieve the Ministry mandate.

#### Performance

The FY 2018/19 budget for sampled sub-programmes was Ug shs 6.087 billion, of which Ug shs 3.910 billion (64%) was released and Ug shs 1.576 billion (40%) spent by 31<sup>st</sup> December 2018, which was very good release but poor absorption. Detailed programme performance is shown in table 3.13.

**Table 3.13: Performance of Policy Planning and Support Services Programme as at 31<sup>st</sup> December 2018**

Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
Project: 1285 Support to Ministry of Public Service	03 MDAs and LGs Capacity building	0.530	0.430	1	0.5	4.353	Capacity building for 11 staff was carried out.
	11 Ministerial and Support Services	1.802	0.646	513	321	18.525	A total of 319 out of 510 units of staff corporate wear were procured; Procurement process for 210 mobile shelves at NRCA was initiated.  The pre-feasibility study report on Equipping the NRCA was approved by the Development Sub-Committee of MFPED.
	72 Government Buildings and Administrative Infrastructure	1.650	1.444	3	1.3	11.295	Renovation of the One Stop Center was at 85% completion; and outstanding arrears worth Ug shs 470 million for the NRCA Project was paid to the contractor.
	76 Purchase of Office and ICT Equipment, including Software	0.590	0.586	3	0.4	1.293	Apart from 2 network switches that were procured; the procurement for the Dash Board System and Smart Boardroom presentation equipment were at evaluation stage.
	78 Purchase of Office and Residential Furniture and Fittings	0.340	0.234	3	1.2	2.234	A total of 40 pieces of yoga mats were procured; and the procurement process for 210 mobile shelves at NRCA and Ministry Registry; and furniture were ongoing.

11	Civil Service College	02 Upgrading of the Civil Service College Facility	1.175	0.570	3	1.5	9.650	The Communications and Marketing Strategy was presented to SMT for approval; Contract awarded and Inception Report Business Strategy for the CSCU was produced.
<b>Programme Performance (Outputs)</b>			<b>6.088</b>	<b>3.910</b>			<b>47.35</b>	<b>Poor performance</b>

*Source: IFMS data; MoPS progress report and field findings*

### Overall Programme Performance

The programme performance was poor at 47%. The output of Capacity Building was still duplicated under Human Resource Development, Human Resource Management, Human Resource Planning, and the Civil Service College. A total of Ug shs 430 million was spent on training 11 staff on courses that were unplanned and lacked reports.

The Civil Service College placed under policy and planning is not realigned to the programme outcome and its impact on achievement of NDP strategic objectives is minimal.

### Recommendations

- The MoPS Planning Unit should realign the programme outputs and outcomes to achieve the NDP II and PSM objective of improved public service management, operational structures and systems for effective and efficient service delivery.
- The MoPS through the Human Resource Planning and Development Department and National Planning Authority together with the Uganda Civil Service College should take lead and carry out a strategic comprehensive training needs assessment and develop a National Capacity Building Plan. This will minimize duplications and wastage of public resources.

### Decentralized Payroll Reforms under MoPS and MFPED

#### Background

The main objective of the decentralization of the payroll is to ensure salaries and pension are paid on time, weed out invalid records on the pension payroll including ghost employees, and promote ownership, transparency and accountability of the pension payroll by the respective institutional payroll managers.

The focus of the monitoring visits was on payments made to districts on pension and gratuity arrears, and why the slow accountability and absorption capacity. There were still constant wage shortfalls in the health and education sectors arising out of various reasons such as continuous deletions of teachers from the payroll without explanations.

Most MDAs and LGs were paid pension and gratuity arrears totalling to Ug shs 26,889,925,395. The LGs were paid Ug shs 16,729,505,310 and the Central Government Ug shs 10,160,420,085. The biggest allocations were Ministry of Agriculture, Animal & Fisheries with Ug shs 2.4 billion; all was paid out however accountability had not been submitted to MFPED as required.

Busitema University had Ug shs 1.79 billion, however nothing was paid out as required because of lack of schedules from MFPED; Ntungamo District had Ug shs 1.3 billion which was all paid out, while Entebbe Municipal Council received Ug shs 1.3 billion which was paid but accountability had not been submitted to MFPED. The total salary arrears were Ug shs 5,700,441,290.

## Findings

- Non-payment of pensioners of the East African Community. The Ministry of East African Community Affairs (MEACA) submitted a funding request of Ug shs 41,187,903,000, accordingly so far of Ug shs 8,410,114,347 and Ug shs 31,341,529,808 has been provided to enable MEACA clear gratuity arrears. However by January 2019, a total of Ug shs 11,170,020,551 gratuity arrears had been returned to the consolidated fund without sound reasons yet MFPED has persistently received complaints from pensioners on non-payments.
- Delayed payments in LGs arising out of slow processing of files by MoPS, absenteeism of desk officers and lack of constant analysis on the systems and follow-ups by human resource officers in LGs. The Permanent Secretary/Secretary to the Treasury issued a circular on 14<sup>th</sup> January 2019 regarding prompt processing of pension and gratuity files, however there were still delays.

In Nakapiripirit DLG, much as MFPED released the funds, the following personal files were still pending with MoPS; the estate of Late Loburon Paul IPPS No 1018134; Achira Bro Paulino IPPS No 176062; estates of the late Ojatum Simon IPPS No. 176361 all these files were at assessment level and with an officer at the MoPS. While in Kumi DLG, the pending files were Acakun John IPPS No. 394612 yet this was approved for payment in November 2018. Mutia James Micheal IPPS No. 396830 pending final approval since January 2019. In Kayunga District, there were 39 files pending on the IPPS for pensioners to be paid.

- Inflated figures arising out of wrong submissions from the human resource officers in LGs, double payments, lack of justification of salary arrears on the individual files in most LGs visited. In Hoima DLG, a Nursing Aide was allocated Ug shs 66 million on the payment schedules instead of Ug shs 6 million. While in Kumi DLG, Mr Enyamu Peter, Masinde Enos Wilfred and Aeko Gusberita appeared twice on payment pension schedules.
- There were persistent duplications, overpayments and errors for pension and gratuity arrears. For example in Hoima district, a Nursing Aid was allocated Ug shs 66 million instead of Ug shs 6 million. Also Jinja district and Mbale Municipal Council were over paid pension and gratuity arrears yet there are shortfalls in other districts. In Kayunga district, 21 pensioners were not paid because of lack of documentation from the Human Resource Department.
- Lack of certified individual salary claims on personal files of staff in most LGs monitored to justify the salary arrears paid out by MFPED. In all LGs visited, the figures were inflated without clear justifications. This could be an entry point of fraud. For example in Kayunga District, 12 staff had double payments of salary arrears e.g Kendo Idrisa with Ug shs 1,868,958, for Busingye Justine an Education Officer at Namagabi



Secondary School was claiming salary payment worth Ug shs 751,408 which was not true.

### Recommendation

- The MFPED should enforce disciplinary mechanisms against Accounting Officers and Human Resource Managers that do not adhere to guidelines on pension and gratuity.

## 3.4 Vote 011: Ministry of Local Government

The mandate of the Ministry of Local Government (MoLG) is to guide, harmonize, mentor and advocate for all Local Governments in support of the vision of Government to bring about socio-economic transformation of the country. The vote consists of the Local Government Administration and Development and General Administration, Policy, Planning and Support Services programmes.

### 3.4.1 Local Government Administration and Development

The sub-programmes monitored included: Markets and Agricultural Trade Improvement Programme (MATIP-2), Urban Markets and Marketing Development of the Agricultural Project (UMMDAP), and Project for Restoration of Livelihoods in Northern Region (PRELNOR).

#### Performance

The MoLG accessed funding from the African Development Bank (ADB), Islamic Development Bank (IDB), and the Arab Bank for Economic Development in Africa (BADEA), Internal Fund for Agricultural Development (IFAD) to finance development projects and programmes on loan and grants.

The FY 2018/19, the GoU budget for sampled sub-programmes/projects was Ug shs 16.440 billion, of which Ug shs 5.005 billion (30%) was released and Ug shs 1.429 billion (29%) spent by 31<sup>st</sup> December 2018, which was a good release but poor absorption. Detailed performance of the GoU Local Government Administration and Development programme is shown in table 3.14.

**Table 3.14: Performance of the Local Government Administration and Development Programme as at 31<sup>st</sup> December 2018**

Project-Sub programme	Output	Annual Budget ( Ug shs)	Cumulative receipts	Annual target	Cum. Achieved Quantity	% Physical Performance	Remarks
1360 Markets and Agricultural Trade Improvements Programme (MATIP 2)	01 Monitoring and Support Supervision of LGs	1.600	0.505	2	1	4.866	Funds were spent on routine monitoring and support visits; however, most funding was on workshops and seminars; travel inland.

Project-Sub programme	Output	Annual Budget ( Ug shs)	Cumulative receipts	Annual target	Cum. Achieved Quantity	% Physical Performance	Remarks
	72 Government Buildings and Administrative Infrastructure	0.500	0.171	0.5	0.3	1.825	Funds were spent on civil works for non-residential buildings (10 MATIP -2 markets).
	77 Purchase of Specialized Machinery & Equipment	0.340	-	0	0	0	No funds were released for this output.
1381 Restoration of Livelihoods in Northern Region (PRELNOR)	01 Support Supervision of LGs	0.300	0.122	5	1.7	0.620	(i) A total of 152 out of 307 foundation seed demonstrations were established. (ii) 150 out of 600 groups supported with pilot mechanization technologies; (iii) 1,000 out of 2,000 households mentored on project activities; and 150 out of 600 farmer groups supported with demonstrations for climate smart agronomic practices.
1416 Urban Markets and Marketing Development of Agricultural Products (UMMDAP)	03 Technical support and training of LG officials.	0.450	0.230	1	0.4	1.095	Funds worth Ug shs 46 million were spent on printing and travel inland.  However, the expenditure on travel inland is ambiguous compared to the locations of the markets in Masaka and Kampala.
	72 Government Buildings and Administrative Infrastructure	13.250	3.976	1	0.5	40.298	Funds worth Ug shs 2.4 billion were spent on Nyendo and Busega market.
	<b>Total</b>	<b>16.440</b>	<b>5.005</b>			<b>48.7</b>	<b>Poor performance</b>

*Source: IFMS data; MoLG progress report and field findings*

## 1. Project 1360: Markets and Agricultural Trade Improvement Programme

### Background

The Markets and Agricultural Trade Enhancement Project (MATIP-2) is one of the Government strategic investments aimed at improving market place economic and social infrastructure. The objective of the programme is to contribute to Poverty Reduction and Economic Growth in Uganda through enhanced commercialization of agricultural produce and other merchandise. MATIP-2 was launched in March 2016. It is being implemented over a period of five years (2015-2020).

The project is designed to re-develop markets in 11 Municipalities of Busia, Masaka, Kasese, Arua, Soroti, Mbarara, Entebbe, Moroto, Tororo, Lugazi and Kitgum.

### ADB Loan Performance

Table 3.15 shows the disbursements from July 2018 to June 31<sup>st</sup> December 2018. The absorption capacity was at 44%.

**Table 3.15: ADB Loan Statement of comparative annual budget and actual amount from July 2018 to June 31<sup>st</sup> December 2018 (Ug shs billions)**

Category	Budget	Actual	% Performance	Remarks
Goods	3,040,520,000		-	No funds were released
Works	88,000,000,000	40,845,118,667	46	Funds were spent on construction of markets.
Services	6,235,352,000	2,139,967,313	34	Funds are spent on supervision and staff salaries
Operating Costs	755,000,000	459,203,690	61	Funds are spent on operation costs
<b>Total</b>	<b>98,030,872,000</b>	<b>43,444,289,670</b>	<b>44</b>	

*Source: MoLG, MATIP 2 Progress Reports October-December, 2018*

### GoU Performance

The approved budget for FY 2018/19 was Ug shs 6.480 billion, of which Ug shs 4.716 billion (73%) was released and Ug shs 0.413 billion (09%) spent as at 31<sup>st</sup> December 2018. This was a good release but poor absorption. Funds absorption was low due to an ongoing procurement process of transport equipment amongst others.

### Findings

The MATIP-2 has three components namely: Market Infrastructure Development; Value Addition and Trade Facilitation; and Capacity Building and Project Management. Under Market Infrastructure Development; the average physical progress for ongoing civil works on the 10 markets of Arua, Busia, Entebbe, Kasese, Lopeduru, Lugazi, Masaka, Mbarara, Soroti, and Tororo was 30% with a target of 50% by end of March 2019.

For FY 2018/19, the markets of Entebbe, Moroto, Masaka, Busia, and Kasese were sampled to assess progress of civil works. Physical progress was as follows: Busia (16%); Kasese (45.6%); Kitoro (36%); Lopederu (38%); and Masaka (15%). Physical progress was affected by weather conditions and shortage of manpower.

**Contractual obligations:** The total contract sum for the 10 markets was Ug shs 194,771,655,784, of which Ug shs 59,041,899,051 (30%) was paid by ADB. The total consultancy sum for each market was Ug shs 10,943,645,225, of which Ug shs 3,412,333,224 (31%) was paid by 31<sup>st</sup> December 2018.

Table 3.16 shows the detailed contract sum of contractors, amount paid by ADB time as at 31<sup>st</sup> December 2018.

**Table 3.16: Contract details for the 10 Markets as at 31<sup>st</sup> December 2018**

LOT No.	Contractor	Market	Contract Sum (ADB)	Amount Paid by ADB	Outstanding Bal	Financial performance (%)
1	Yanjian Uganda Company Ltd	Lugazi Central Market	13,425,512,474	3,641,201,559	10,599,088,795	27
2	Seyani International Co. Ltd & Seyani Brothers & Co. (Kenya) Ltd JV	Kitooro Market	24,684,949,043	6,924,039,955	19,176,047,129	28
3	Youngjin Construction Inc	Tororo Central Market	23,486,828,621	4,486,559,664	21,903,457,305	19
4	Zhonghao-Zhongheng Joint Venture	Busia	20,771,165,310	5,239,582,886	16,398,288,404	25
5	China New Era Group Corporation & China Overseas Engineering Group Co. Ltd	Kasese Central	12,706,543,724	5,826,426,544	10,165,234,979	46
6	Multiplex - AlShams Construction JV	Masaka Central	15,300,500,275	3,060,100,055	12,240,400,220	20
7	Roko Construction Ltd	Mbarara Central	17,891,465,795	5,968,394,191	13,279,760,201	33
8	Ambitious Construction Company Ltd	Moroto	17,089,756,980	7,214,105,775	12,980,166,902	42
9	Techno Three Uganda Ltd in Joint venture with PS Construction	Soroti Central	19,803,801,338	6,230,303,441	15,405,304,281	31

10	Sadeem Al Kuwait for General Trading & Contracting Company and Dott Services Ltd JV	Arua Central	29,611,132,224	10,451,184,981	21,404,091,130	35
<b>TOTAL</b>			<b>194,771,655,784</b>	<b>59,041,899,051</b>	<b>153,551,839,345</b>	<b>30</b>

*Source: MoLG, MATIP 2 Progress Reports October-December, 2018*

Construction of markets commenced in April 2018 for a period of 24 months. Apart from Loperu market in Moroto District, most civil works were behind schedule due to heavy rains. As at January 2019, casting of columns for the lower ground floor was ongoing for the Busia market; steel work for columns on first floor for lockups was ongoing, as well as electro-mechanical works for the Kasese market; internal finishes of vendor stalls on ground floor are ongoing for Kitoro market; raising columns to roofing level was ongoing for Loperu market; and casting of columns, beams, slabs and ramps was ongoing for the Masaka market.



**Ongoing construction works: Raising columns to roofing level at Loperu main market, Moroto Municipal at at January 2019**



**Steel work to columns on first floor for lockups ongoing as well as electro-mechanical works in progress, Kasese main market as at January 2019**

## **2. Project 1381: Project for Restoration of Livelihoods in Northern Region (PRELNOR)**

### **Background**

The project objective is increased sustainable production and climate resilience of smallholder farmers with increased and profitable access to domestic and export markets. It is comprised of three components: Rural Livelihoods; Market Linkages and Infrastructure; and Project Management and Coordination. It is implemented in Gulu, Kitgum, Lamwo, Agago, Pader, Amuru, Nwoya, Omoro and Adjumani districts. It became effective on 05<sup>th</sup> August 2015 and ends 31<sup>st</sup> December 2020.

### **Financial Performance**

The project is financed by the GoU, International Fund for Agricultural Development (IFAD) loan, an Adaptation for Smallholder Agricultural Program (ASAP) grant and beneficiaries'

contributions (Table 3.17). IFAD is financing 70.8% of the project costs (US\$ 50.2 million); the ASAP grant financing 14.1% of total costs (US\$ 10 million); GoU is financing the taxes and duties (US\$ 9.2 million, representing 13% of total costs). The MoLG coordinates and manages the GoU, IFAD loan and ASAP grants funds which are unified and mainstreamed through all the planned activities.

Table 3.17 shows the financial performance for the PRELNOR project as at 31<sup>st</sup> December 2018.

**Table 3.17: Financial Performance in Ug shs as at 31<sup>st</sup> December 2018**

FUNDERS	BUDGET	EXPENDITURE	VARIANCE
ASAP	4,782,483,458	2,054,933,578	2,727,549,880
IFAD	10,375,370,403	5,896,845,681	4,478,524,722
GoU	297,814,245	298,766,465	-952,220
<b>Total</b>	<b>15,455,668,106</b>	<b>8,250,545,724</b>	<b>7,205,122,382</b>

*Source: PRELNOR progress report 31<sup>st</sup> December 2018*

By 31<sup>st</sup> December 2018, 80% of the funds were absorbed.

### GoU Performance

The FY 2018/19 budget was Ug shs 0.300 billion, of which Ug shs 0.122 million (41%) was released and Ug shs 105 million (86%) spent as at 31<sup>st</sup> December 2018. This was fair release and good absorption. Funds were spent on capacity building, workshops and seminars and travel inland. The detailed physical progress of the PRELNOR is shown in table 3.18.

**Table 3.18: Progress of PRELNOR activities as at 31<sup>st</sup> December 2018**

Planned Activities	Achieved	Remarks
<b>Component A: Rural Livelihoods</b>		
<b>1. Priority climate resilient crop production systems</b>		
Training of 52 Agricultural Extension Facilitators on Local Seed Business (LSB) methodology	52 Agricultural Extension personnel were trained in LSB methodology in all 9 districts.	Entire target was met.
Conduct farmer field days at least in all project sub-counties to foster farmer-to-farmer knowledge sharing	Eight farmer field days were conducted in Nwoya, Gulu and Omoro districts.	Target was achieved.
Conduct learning visits for 81 machinery host farmers, and 18 technical officers to prominent entrepreneur farmers	A total of 81 machinery host farmers and 18 AEFs participated in learning visits in Lira, Soroti and Serere districts.	81 host farmers and 18 AEFs learnt from the visits.
Capacity building of beneficiary institutions of renewable energy technologies (RETS) in the operations and maintenance	A total of 84 champions were trained in operations and maintenance of RETs in all 9 districts.	Target was achieved.
Training of trainers to support vulnerable households in the construction, operations, maintenance, and promotion of renewable energy technologies	A total of 50 local artisans were trained in all districts.	Target was achieved.
<b>Component B- Market Linkages and Infrastructure</b>		
<b>2. Improved Market access Processes</b>		
Training of farmer groups in Post-Harvest Handling (PHH)	A total of 122 farmer groups were trained in all districts.	Training was ongoing in all the DLGs.

Conduct demonstrations on PHH	A total of 40 demonstrations were conducted in all districts.	PHH demonstrations were ongoing in all districts.
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*Source: PRELNOR Progress Report - 31<sup>st</sup> December 2018*

## Observations

The districts of Omoro and Gulu were sampled. The monitoring focused on the Rural Livelihood Component. The disaggregated data on training reports had gender and equity aspects. The Capacity building in Visioning and Gender Action Learning System (GALS) was provided to the DLG/DFA implementers, including CBFs and the household mentors. In Gulu District, cascade trainings of household mentors was ongoing.



**Cascade training on GAL's methodology in Paicho Sub-county, Gulu**

**Communities were sensitized on gender based violence (GBV):** This was incorporated in the farmer group trainings, the key points covered were Gender and Farmer group activities, the forms of GBV, causes, effects and impacts of GBV on household agricultural production and productivity.

**Training, technical support and supervision of farmer group activities by Agricultural Extension Facilitators:** All 90 Agricultural Extension Facilitators from all 9 districts were facilitated to train and offer support to farmer groups on selected enterprises. The groups established demonstration fields comparing improved crop varieties with popular local varieties and recommended practices with farmer practices. Field observations in Gulu and Omoro revealed that 92 out of 98 demonstration fields were established.



**Farmers learning at a Rice Demonstration Field in Lalogi sub-county, Omoro District**

## Challenges

- Although several trainings were carried out, there were no monitoring and evaluation reports to show impacts of trainings in the communities and at house hold level.
- The project is near completion (31<sup>st</sup> December 2020) but only the Rural Livelihoods Component is being implemented.

## Recommendations

- The project planning unit should produce clear quarterly work plans, and monitoring and evaluation unit should produce reports on trainings to assess whether the intended objective has been fully met.
- The funders and MoLG should carry out a mid-term review to assess the impacts of the project.

### 3. Project 1416: Urban Markets and Marketing Development of the Agricultural Products Project

#### Background

The objective of the Urban Markets and Marketing Development of the Agricultural Products Project (UMMDAP) is to enhance and develop the agricultural sector by: a) Providing an outlet for the agricultural product, b) Availing opportunities for the smallholders in the rural areas to sell their products for better prices than prices at farm gate, leading to the improvement of their incomes and hence reduction of poverty in rural areas.

The project has two components: Market Infrastructure Development, and Programme Management and Coordination. Busega under Kampala Capital City Authority and Nyendo markets in Masaka Municipality were visited to assess progress on performance.

#### Financial performance

##### BADEA Loan Performance

The GoU secured funding from the African Development Bank (AfDB) and Arab Bank for Economic Development in Africa (BADEA) to finance the re-development and upgrading of urban markets. The BADEA loan component (UMMDAP project) closed in October 2017. The GoU took over completion of the markets.

For the GoU performance, the budget was Ug shs 13.7 billion, of which Ug shs 4.206 billion (31%) was released and Ug shs 0.911 billion (22%) spent as at 31st December 2018 on technical support, training of LG officials and non-residential buildings. However, no reports were availed. This was poor release and absorption of funds. Table 3.19 shows the status of payments as at 31<sup>st</sup> December 2018.

**Table 3.19: BADEA payments against certificates as at 31<sup>st</sup> December 2018 in Ug shs**

LOT No.	Contractor	Municipality	Contract Sum)	Amount Paid by BADEA (Ug shs)	Outstanding Bal BADEA	Financial Perf. in %
1	Arab Contractors Limited	Busega market- KCCA	9,025,222,275	8,765,393,356	259,828,921	97
2	Ambitious Construction Ltd	Nyendo market-Masaka Municipality	8,585,193,280	8,155,176,256	430,017,024	95



3	Ambitious Construction Ltd	Nyendo market- Masaka Municipality	1,907,698,953	1,246,887,250	595,186,058	65
4	Arab Contractors Ltd	Busega market- KCCA	2,128,876,448	550,050,568	1,549,875,850	26
<b>TOTAL</b>			<b>21,646,990,956</b>	<b>18,717,507,430</b>	<b>2,834,907,855</b>	<b>86</b>
<b>Amount in US\$</b>						
1	ARAB Contractors Limited	Busega market- Kampala Capital City Authority	3,457,940	3,358,389	99,551	97.12
<b>TOTAL</b>			<b>3,457,940</b>	<b>3,358,389</b>	<b>99,551</b>	<b>97</b>

*Source: MoLG Coordination Office October- December, 2018*

**Busega market:** Physical progress averaged at 82% by 31<sup>st</sup> December 2018. Major works being done included, fixing of handrails and guardrails, stall and lockup partitioning, and metal fabrications.

The procurement of works for the partial completion of busega market (Phase 2B) was at evaluation stage.



**Produce stalls under construction in Busega Market as at February 2019**



**Incomplete paving works on parking area at the Nyendo market as at February 2019**

**Nyendo market:** Execution of additional works for Nyendo Market comprising of the Bulk Agricultural Delivery and Auction Centre, shelters for matooke vendors and rain water harvesting facilities averaged at 90%, however the contractor abandoned site citing delayed payments for certified works.

## Recommendation

The MoLG should ensure that the contractor of Nyendo market - Ambitious Construction Ltd is paid so that pending works are completed.

## Overall Programme Performance

The overall programme performance was poor at 49%. The projects under MATIP-2 were behind schedule due to weather conditions and shortage of manpower. For UMMDAP, the contractor for Nyendo market in Masaka District abandoned works because of delayed payments.

### 3.4.2: General Administration, Policy, Planning and Support Services

The programme outcome under this vote is effective and efficient ministry administration and support services; and strengthened and coordinated policy and planning processes. The Support to Ministry of Local Government project and related outputs were monitored to assess progress.

#### 1. Project 1307: Support to Ministry to Ministry of Local Government (MoLG)

### Background

The project objectives are to provide facilities to support effective implementation of the decentralization policy, and ensure coordinated and effective delivery of service at the local levels.

### Financial Performance

The approved budget for FY 2018/19 was Ug shs 39.073 billion, of which Ug shs 12.741 billion (33%) was all released and Ug shs 5.920 billion (47%) spent as at 31<sup>st</sup> December 2018. This was a poor release and absorption. This is attributed to the ongoing procurement process of vehicles, office and ict equipment and office and residential furniture. Table 3.20 shows the detailed performance as at 31<sup>st</sup> December, 2018.

**Table 3.20: Performance of General Administration, Policy, Planning and Support Services as at 31<sup>st</sup> December 2018**

Project-Sub programme	Output	Annual Budget ( Ug shs) billion	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
Project:1307: Support to MoLG	24 LGs supported in the policy, planning and budgeting functions	0.300	0.300	1	0.8	0.6	Funds were spent on capacity building for MoLG staff. However no training reports were availed.
	72 Government Buildings and Administrative Infrastructure	1.423	1.351	3	2.6	3.2	Funds were used for Monitoring, Supervision & Appraisal of capital works; and support LG projects in 9 districts.
	73 Roads, Streets and	2.100	0.700	2	1.5	4	Funds were used to support construction

	Highways						of roads and to bridge two swamps to support service delivery in Kabale (Rubaya sub-county) and Kyenjojo (Kyarushozi s/c and TC, and Katoke s/c).
	75 Purchase of Motor Vehicles and Other Transport Equipment	29.420	4.560	1	0.4	30	Funds were spent on procurement process of transport equipment.
	76 Purchase of Office and ICT Equipment, including Software	0.480	0.480	1	0.7	0.9	Funds were used for procurement of assorted office furniture.
	78 Purchase of Office and Residential Furniture and Fittings	0.650	0.650	1	0.5	0.8	Funds were spent on phase one partitioning of floor 5 and procuring chairs for secretaries.
	79 Acquisition of Other Capital Assets	5	5	1	0.8	9.7	A total of 100 TCs were supported with startup funds of Ug shs 50 million each.
<b>Programme Performance (Outputs)</b>		<b>39</b>	<b>13</b>			<b>49.2</b>	<b>Poor performance</b>

*Source: IFMS data/MoLG progress report, field*

### Overall Programme Performance

The performance was poor at 49%. The low absorption is attributed to ongoing procurement process that delayed implementation of some outputs especially procurement of vehicles, that had the highest budget. However, no capacity building plans and training reports were availed.

### Findings

Bulambuli, Bushenyi, Moroto and Kiryandongo districts were monitored to assess progress. Government Buildings and Administrative Infrastructure Output was sampled. The LGs are co-funded with financial support from MoLG for civil works. Nine DLGs were supported with funds worth Ug shs 50 million each. Four were sampled.

In Bulambuli District, the foundation level of the newly constructed administrative offices was completed, whereas in Bushenyi District, Kyamuhunga sub-county, civil works were at sub-structure level. Quality of works was good and this was collaborated with reports from the district engineers.



**Raising of columns on new administrative block in Bulambuli District as at January 2019**



**Incomplete super structure of new administrative building at Kyamuhunga sub-county, Bushenyi District as at February 2019**

### **Recommendation**

Much as the MoLG is supporting the DLGs in enhancing effecting implementation of the decentralization policy, the resources are too meagre. For example, Bulambuli district new administrative offices were still at foundation level.

## **3.5 Vote 122: Kampala Capital City Authority (KCCA)**

The KCCA mandate is to govern and administer the Capital City on behalf of the Central Government. The programme under this vote is Economic Policy Monitoring, Evaluation and Inspection. The programme outcome contributes to the sector outcome of Harmonized Government Policy formulation and implementation at Central and Local Government

### **3.5.1: Programme-1349 Economic Policy Monitoring, Evaluation & Inspection**

The Programme objective is to coordinate and monitor policies, planning processes in the capital city in order to ensure improved service delivery. Project 0115 Local Government Management Service Delivery Programme (LGMSD) was monitored to assess progress.

#### **1. Project 0115: Local Government Management Service Delivery Programme**

##### **Background**

The objectives under PSM are to; i) build capacity of KCCA staff; and (ii) retooling of KCCA. The Local Government Management Service Delivery Programme (LGMSD) is a continuation of the first and second Local Government Development Program. It was initiated to support implementation of the decentralization policy and enable LGs to provide services to the communities. The project period is from 1/7/2015 to 30/06/2020.

### Financial Performance

The approved GoU budget was Ug shs 1.547 billion, of which Ug shs 1.122 billion (73%) was released and Ug shs 0.732 billion (65%) spent as at 31<sup>st</sup> December 2018. This was a good release and absorption. Table 3.21 shows the detailed performance of LGMSD as at 31<sup>st</sup> December 2018.

**Table 3.21: Performance of Economic Policy Monitoring, Evaluation and Inspection as at 31<sup>st</sup> December 2018**

Project-Sub programme	Output	Annual Budget ( Ug shs) billions	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
Project:0115 LGMSD (former LGDP)	37 Human Resource Development and organizational restructuring	1.057	0.858	1	0.5	34.141	Funds worth Ug shs 412 million were spent on trainings, however there were no capacity building plans and training reports availed to the monitoring team.  Funds worth Ug shs 131 million were reallocated to civil works instead of organizational restructuring. This is not related to the output.
	41 Policy, Planning and Legal Services	0.328	0.114	1	0.2	4.238	This output is a duplicated output in both the recurrent and development budgets, whereas Ug shs 72 million was spent under the development budget; Ug shs 613 million was spent.
	76 Purchase of Office and ICT Equipment, including Software	0.163	0.150	1	0.3	3.159	Funds worth Ug shs 114 million were spent on verification of wireless network cards for Wankoko Garbage Recycling Plant computers, memory cards for GIS geo-location equipment; and 2 projector screens for the Directorate of Revenue Collection.
<b>Programme Performance ( Outputs)</b>		<b>1.548</b>	<b>1.122</b>			<b>41.54</b>	<b>Poor performance</b>

*Source: IFMS data; KCCA progress report; field findings*

### Overall Programme Performance

The overall programme performance was poor at 42%. Despite KCCA having a strategic plan, there were no clear quarterly work plans, targets, and progress/capacity building reports. This resulted in reallocating funds for civil works instead of organizational restructuring. Additionally, this project has persistently duplicated outputs under recurrent and development budgets which is a wastage of public resources.

### Recommendation

The Office of the Auditor General should audit this project.

## 3.6 Vote 021: Ministry of East African Community Affairs

### Background

The Mandate of the Ministry of East African Affairs (MEACA) is to steer Uganda's regional integration agenda in accordance with the objectives of the Treaty for Establishment of East African Community. The project period is from 01/7/2007 to 30/06/2020. The programmes under this vote include: (i) Regional Integration, and (ii) Administration, Policy and Planning.

The programme outcome contributes to the sector outcome of Harmonized Government Policy formulation and implementation at Central and Local Government.

### 3.6.1: Regional Integration

The programme objective is to provide policy coordination and strategic leadership on matters of East African Community integration with a view of ensuring; market access, competitiveness, joint decision-making and collaboration.

### Performance

The approved budget for both development and recurrent was Ug shs 1.245 billion, of which Ug shs 0.877 billion (70%) was released and Ug shs 0.387 billion (44%) spent by 31<sup>st</sup> December 2018. This was a good release and poor absorption. Table 3.22 shows the detailed performance under MEACA as at 31<sup>st</sup> December 2018.

**Table 3.22: Performance of Regional Integration Programme as at 31<sup>st</sup> December 2018**

Output	Annual Budget ( Ug shs) billion	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
01 Regional Policies, Laws and Strategic Frameworks domesticated	0.215	0.117	3	1	10.316	Funds were spent on meetings, workshops and seminars and travel abroad.  The highest expenditure was on travel abroad.
02 Compliance with implementation of EAC decisions and	0.056	0.028	3	1.8	4.886	Funds were spent on workshops and seminars and travel inland.

directives Monitored and Evaluated						The highest expenditure was on workshops and seminars.
03 Strategic leadership, Guidance and Support for EAC regional Integration strengthened	0.423	0.229	3	1.8	36.545	Funds were spent on workshops and seminars, consultancy services-short term and travel abroad and inland. The highest expenditure was on travel abroad.
<b>Programme Performance ( Outputs)</b>	<b>0.694</b>	<b>0.375</b>			<b>51.75</b>	<b>Fair performance</b>

*Source: IFMS data/MEACA progress report; field findings*

### Overall Programme Performance

The performance for the Regional Integration Programme was fair at 52%. Apart from the operationalization of the National Policy on EAC Integration, other Policy frameworks coordinated included: EAC Customs Union where the EAC Single Customs Territory (SCT), EAC Common Market where freedom of movement of Goods, Persons, and Labour; and One Stop Border Posts (OSBPs) are being operationalized. The issue of non-payment of pension and gratuity arrears is still outstanding for unclear reasons.

### Recommendations

- The MEACA should re-align their planned outputs towards their major mandate of steering Uganda's regional integration agenda in accordance with the objectives of the Treaty for Establishment of East African Community.
- The MEACA and MFPED should address issues of pension and gratuity payments.

### 3.6.2: Administration, Policy and Planning

Table 3.23 shows the detailed performance of the Administration, Policy and Planning under MEACA as at 31<sup>st</sup> December 2018.

**Table 3.23: Performance of Administration, Policy and Planning as at 31<sup>st</sup> December 2018**

Project-Sub programme	Output	Annual Budget ( Ug shs) billion	Cumulative receipts	Annual target	Cum. Achieved Quantity	% Physical Performance	Remarks
01 Finance and Administration	34 Public awareness on EAC integration coordinated	0.505	0.254	1	0.5	45.820	Public sensitization interventions were undertaken in Kamwenge, Kyenjojo Kyegegwa, and Ibanda districts.
Project 1005: Strengthening Min of EAC	43: Statistical Coordination and Management	0.021	0.011	1	0.5	1.904	Statistical issues were coordinated.
	75 Purchase of	0.400	0.361	1	0	0	Procurement process

	Motor Vehicles and Other Transport Equipment						was ongoing.
	76 Purchase of Office and ICT Equipment, including Software	0.066	0.066	1	0.4	4.781	Funds were used to procure and install 3 sets of Star times TVs with in-built decoders.
	78 Purchase of Office and Residential Furniture and Fittings	0.065	0.065	1	0	0	Procurement process was ongoing.
<b>Programme Performance (Outputs)</b>		<b>0.551</b>	<b>0.502</b>			<b>52.50</b>	<b>Fair performance</b>

*Source: IFMS data/MEACA progress report; field findings*

### Overall Programme Performance

The performance was fair at 53%. The current budget to popularize EAC integration activities in the country, using the various channel of communication is insufficient. The MEACA has no clear targets, performance reports and minutes of meetings in tandem with the planned outputs.

### Recommendation

The MEACA should realign their plans and activities towards the PSM Strategic Plan.

## 3.7: National Planning Authority (Vote 108)

### Background

The mandate of NPA is to produce comprehensive and integrated development plans for the country elaborated in terms of the perspective vision and the long term and medium plans. The programmes under this vote include: Development Planning; Development Performance; and General Management, Administration and corporate planning with an outcome of efficient, effective and inclusive institutional performance.

### Performance

The approved budget for both development and recurrent outputs for the three monitored programmes was Ug shs 19.313 billion, of which Ug shs 10.523 billion (55%) was released and Ug shs 7.856 billion (77%) spent by 31<sup>st</sup> December 2018. This was a good release and funds absorption.

#### 3.7.1: Development Planning

The programme objective is to establish and strengthen functional systems for comprehensive, participatory and inclusive integrated development plans and frameworks. Table 3.24 shows the overall programme performance as at 31<sup>st</sup> December 2018.



**Table 3.24: Performance of Development Planning by 31<sup>st</sup> December 2018 (Ug shs billions)**

Project-Sub programme	Out put	Annual Budget ( Ug shs) billions	Cumulative receipts	Annual target	Cum. Achieved Quantity	% Physical Performance	Remarks
Program 1325 Development Planning	Functional Planning Systems and Framework s/Plans	2.985	1.492	3	1.4	46.667	The sector assessment studies to inform NDPIII formulation was completed, and the NDPIII strategic direction awaits Cabinet approval.  It was noted that the activities were not in tandem with the output. For example; most funds were spent on workshops and seminars (Ug shs 303 million); consultancy services (Ug sh 532 million); travel abroad (127 million).
<b>Programme Performance ( Outputs)</b>		<b>2.985</b>	<b>1.492</b>			<b>46.67</b>	<b>Poor performance</b>

*Source: IFMS/NPA progress report; field findings*

**Overall Programme Performance:** The performance for Development Planning was rated poor at 47%. There were no clear quarterly work plans and targets resulting into funds being spent on workshops, seminars, consultancy services and travels abroad. The activities implemented were not in tandem with planned outputs. No reports on information on consultancies, and trainings were availed.

### 3.7.2: Development Performance

The objective of the programme is to provide evidence based public policy advice and inform public policy debates; monitor and evaluate the effectiveness and impact of development policies, plans and programmes on the well-being of all Ugandans and performance of the economy of Uganda. Table 3.25 shows the overall programme performance as at 31<sup>st</sup> December 2018.

**Table 3.25: Performance of Development Performance by 31<sup>st</sup> December 2018 (Ug shs billions)**

Project-Sub programme	Output	Annual Budget ( Ug shs) billions	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
Program 1326 Development Performance	01 Functional Think Tank	9.126	4.944	6	3	50	The National Spatial Data Infrastructure policy was submitted to Cabinet for approval.

							Under Monitoring and Evaluations, a draft NDPI end evaluation and mid-term review NDPII report was produced.  It was noted that most funds were spent on: travel abroad (Ug shs 272 million); consultancy services (Ug shs 1.2 billion); and workshops and seminars (Ug shs 318 million)
<b>Programme Performance ( Outputs)</b>	<b>9.126</b>	<b>4.944</b>			<b>50</b>	<b>Fair performance</b>	

*Source: IFMS/NPA progress report; field findings*

### Overall Programme Performance

The performance for Development Programme was rated fair at 50%. Most funds were spent on consultancies, workshops, seminars, travel inland and abroad.

### 3.7.3: General Management, Administration and Corporate Planning

The programme objective is to strengthen the capacity of the Authority to efficiently and effectively deliver its mandate in a participatory, equitable and gender responsive manner. The programme outcome is efficient, effective and inclusive institutional performance. Table 3.26 shows the performance as at 31<sup>st</sup> December 2018.

**Table 3.26: Performance of National Planning Authority by 31<sup>st</sup> December 2018 (Ug shs)**

Project-Sub programme	Output	Annual Budget ( Ug shs) billions	Cumulative receipts	Annual target	Cumulative achieved	% Physical Performance	Remarks
Program 1327 General Management , Administration and Corporate Planning	01 Finance and Administrative Support Services	6.158	3.115	1	0.5	42.751	Under Human Resource and Administration; 15 staff were recruited; high expenditures were on fuel (Ug shs 117 million); Welfare and Entertainment (Ug shs 64 million); Workshops and Seminars (Ug shs 45million); Consultancies (Ug shs 142 million); and Maintenance of Vehicles (Ug shs 68 million). However, no reports on these activities were availed.
Project: 0361 National Planning	72 Government Buildings and	0.500	0.429	1	0.4	2.778	Funds worth Ug shs 87 million were spent on additional 4 offices under construction.

Authority	Administrative Infrastructure						
	75 Purchase of Motor Vehicles and Other Transport Equipment	0.486	0.486	1	0.4	2.699	Funds worth Ug shs 440 million were spent on transport equipment.
	78 Purchase of Office and Residential Furniture and Fittings	0.058	0.058	1	0	0	No funds were spent under this output.
<b>Programme Performance ( Outputs)</b>	<b>7.202</b>	<b>4.087</b>			<b>48.23</b>	<b>Poor performance</b>	

*Source: IFMS/NPA progress report; field findings*

### Overall Programme Performance

The performance for General Management, Administration and Corporate Planning was rated poor at 48%. There were no clear planned outputs and performance targets, reports against most expenditures. Most funds were spent on consultancies, workshops, seminars, recruitments, and travel abroad.

### Recommendations

- The NPA Planning Unit should formulate clear work plans, performance indicators and planned outputs in line with NPA strategic plan and PSM sector outcomes.
- The NPA should develop internal capacity of staff to reduce engagement of expensive consultants in doing routine work of technical staff.

## 3.8: Vote 146: Public Service Commission

### Background

The Public Service Commission is a complementary Statutory Body under the Ministry of Public Service but with institutional autonomy. It performs the function of advising the President, processing Appointments, Confirmations and Promotions in Public Service and disciplinary control over Public Officers; among others. Its mission is to provide Government with competent human resources for effective public service delivery. The programme under this vote is Public Service Selection and Recruitment.

### 3.8.1: Public Service Selection and Recruitment

The programme objective is to provide Government with competent human resources for effective and efficient public service delivery. The approved budget for FY 2018/19 was Ug shs 2.256 billion, of which Ug shs 1.335 billion (59%) was released and Ug shs 0.974 billion (73%) spent which was good release and absorption. The performance of the project by 31<sup>st</sup> December 2018 is presented in table 3.27.

**Table 3.27: Performance of Public Service Selection and Recruitment as at 31<sup>st</sup> December, 2018**

Project-Sub programme	Output	Annual Budget (Ug shs) billion	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
02 Selection Systems Department	02 Selection Systems Development	0.459	0.231	3	2	13.650	A total of 25 out of 40 competence assessment tests were developed; 25 out of 50 competence selection instruments were administered for various posts; 16 out of 30 draft competence job profiles were developed.
03 Guidance and Monitoring	01 DSC Monitored and Technical Assistance provided	0.510	0.304	3	1.8	13.562	A total of 17 out of 100 DSCs were monitored; 2 out of 4 DSCs with Appeal cases were visited; Performance Audits carried out in 39 out of 50 DSCs.
	05 DSC Capacity Building	0.282	0.155	3	1.5	6.248	A total of 15 out of planned 20 members from DSCs were inducted; 24 out of 50 DSCs were visited and respective Secretaries mentored; and one National Stakeholders Conference was held.
	06 Recruitment Services	0.490	0.261	2	1	10.862	The Commission appointed 106 (61 male and 45 female) officers; concluded 1,533 complete submissions.
0388 Public Service Commission	75 Purchase of Motor Vehicles and Other Transport Equipment	0.289	0.289	1	0	0	The procurement process for the purchase of a motor vehicle was ongoing .
	76 Purchase of Office and ICT Equipment, including Software	0.136	0.075	3	2	4.019	Funds were spent on procurement of 5 computers, 10 projectors, 3 projector screens and 4 printers were procured with funds worth Ug shs 74 million.
	78 Purchase of Office and	0.090	0.020	1	0.5	1.995	Funds were committed to procurement of

Project-Sub programme	Output	Annual Budget ( Ug shs) billion	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
	Residential Furniture and Fittings						furniture & fixtures.
<b>Programme Performance ( Outputs)</b>		<b>2.256</b>	<b>1.335</b>			<b>50.3</b>	<b>Fair performance</b>

*Source: IFMS data/PSC progress report; field findings*

### Overall Programme Performance

The overall programme performance was fair at 50% because of inadequate funding.

### Recommendation

The MFPED should review the PSC budget to meet the increased demands especially in the newly created districts.

## 3.9 Vote 147: Local Government Finance Commission

### Background

The mandate of the Local Government Finance Commission (LGFC) is advising Central and Local Governments on issues of fiscal decentralization. The programme under this vote is Coordination of Local Government Financing.

### 3.9.1: Coordination of Local Government Financing Programme

The programme objective is to promote adequate financial resources for service delivery by Local Governments.

**Financial Performance:** The approved budget for FY 2018/19 was Ug shs 4.733 billion, of which Ug shs 2.642 billion (56%) was released and Ug shs 2.046 billion (77%) spent as at 31<sup>st</sup> December 2018. This was a good release and absorption. Table 3.28 shows the overall programme performance.

**Table 3.28: Performance of Coordination of Local Government Financing by 31<sup>st</sup> December, 2018**

Project-Sub programme	Out put	Annual Budget ( Ug shs) billion	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
01 Administration and support services	05 Institutional Capacity Maintenance and Enhancement	2.649	1.343	3	1.7	31.722	Funds were spent on General operations and management of the commission; A study on effects of Local Economic Development (LED) on the performance of local revenues in LGs was carried out.
02	03	0.693	0.327	3	1.2	5.674	5 out of 12 urban

Revenues for Local Governments	Enhancement of LG Revenue Mobilisation and Generation						Councils were supported with improved methods for collection of property rates; Hands-on support in establishment of local revenue databases was provided in 15 out of 35 districts; 5 out of 16 LGs were provided with skills and approaches to establish local revenue databases.
	04 Equitable Distribution of Grants to LGs	0.585	0.296	3	2.5	10.425	Four Fiscal Decentralization Architecture regional dissemination workshops were held; Negotiations on Conditional grants for seven sectors midterm review of activities were held; and 8 out of 15 LGs were supported in budget formulation.
03 Research and data management	02 LGs Budget Analysis	0.234	0.117	3	1.3	2.143	(i) Fiscal data validation, verification, and collection was done in 3 out of 13 LGs; (ii) 3 out of 15 LGs provided with feedback from the findings of the LGs Budget Analysis; (iii) Analyzed 146 out of 168 LGs FY 2018/19 to ensure equitable distribution of resources.
0389 Support LGFC	75 Purchase of Motor Vehicles and Other Transport Equipment	0.505	0.492	2	0.4	2.135	Funds were spent on procurement of 2 vehicles. One station wagon awaits clearance from the Solicitor General; whereas procurement of the second car was ongoing.
	76 Purchase of Office and ICT Equipment, including Software	0.066	0.066	26.0	8.2	0.443	Funds were spent on procurement of 8 Ipads.
<b>Programme Performance (Outputs)</b>		<b>4.733</b>	<b>2.642</b>			<b>52.54</b>	<b>Fair performance</b>

*Source: IFMS data; LGFC progress report; field findings*

### **Overall Programme Performance**

The performance was fair at 53%. Some outputs were not implemented due to ongoing procurement processes.

### **Recommendation**

The MFPED should revise the Commission's budget upwards to enable it carry out its mandate.

## CHAPTER 4: CONCLUSION AND RECOMMENDATIONS

### 4.1 Conclusion

The sector's overall physical performance was poor at 48%. Under the decentralized payroll reforms, most LGs received and paid pension and gratuity arrears; however, in some instances there were delayed disbursement of payment schedules that affected prompt payments; delayed processing of personal files under MoPS and LGs. Most LGs had not accounted for the funds. The late disbursement of funds for both the donor and GoU, lengthy procurement process also delayed implementation of some programmes.

Fair performance was observed under the programmes of Public Service Selection and Recruitment under Public Service Commission (PSC); Inspection and Quality Assurance under MoPS; Regional Integration; Administration, Policy and Planning Programmes for MEACA; and Coordination of Local Government Financing programme under Local Government Finance Commission.

Poor performance was registered under the following programmes: Strategic Coordination, Monitoring and Evaluation, and Affirmative Action Programme under OPM; Management Services and Policy, Planning and Support Services Programmes under MoPS; Economic Policy Monitoring, Evaluation and Inspection under KCCA; and Development Planning; and General Management, Administration and Corporate Planning under NPA.

The Local Government Administration and Development, and General Administration, Policy, Planning and Support Services Programmes under MoLG also registered poor performance.

Sector performance was hampered by: delayed processing of personal files on pension and gratuity in the MoPS and LGs; poor planning and prioritization; inadequate staffing of LGs where 80% of filled positions are administrative and support staff leaving a vast majority of core technical positions pivotal for service delivery vacant, and inadequate funding especially for the Commissions hence affecting service delivery.

The LGs still had issues of most strategic positions not filled because of the rigid structures lacking positions at Principal level especially in Finance, Audit, Education, Community Development, Environment, Water, and Engineering which affected service delivery.

### 4.2 Recommendations

- i) The MoLG and DLGs should institute disciplinary action against Accounting Officers and Human Resource Officers that do not account for pension, gratuity and salary arrears as scheduled. Additionally, MoPS and the DLGs should discipline officers that delay the processing of pension and gratuity files without genuine reasons.
- ii) The MoPS, MoES, MoH, MFPED, HSC, Education Service Commission, and District Service Commissions should coordinate issues of recruitments, transfers, and promotions to avoid wage shortfalls especially in the education and health sectors.



- iii) The MoPS should review the job descriptions and structures of LGs to attract competent staff and ensure non-politicization of the acting personnel in LGs.
- iv) The MFPED should release more funding for the Public Service Commission to induct District Service Commissions especially in the newly created districts.
- v) The OPM should adhere to project planning guidelines and the MoUs in the respective LGs, for the projects to achieve the intended objectives.

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## Annex

### Annex 1: PSM Programmes monitored for semi-annual FY 2018/19

Vote	Project/Programme	Sampled institutions/ districts
Vote 003: Office of the Prime Minister	Project 1317: Dry Lands Project	Moroto, Nakapiripit, Napak
	Project 0922: Humanitarian Assistance	Moroto, Nakapiripit, Bulambuli, Kole, Soroti
	Project 1078: Karamoja Integrated Development Programme (KIDP)	Nakapiripit, Amudat
	Project 0932: Post-war Recovery and Presidential Pledges	Kole, Packwach, Nebbi
	Project : 1252 Support to Bunyoro Development	Hoima, Masindi, Kagadi
	Project 0022: Support to Luwero-Rwenzori Development Programme	Luwero, Wakiso
Vote 005: Ministry of Public Service	Project 1285: Support to Ministry of Public Service	Ministry of Public Service Headquarters
	Public Service Reforms under MoPS: the Civil Service College; NARC, Public Performance Management; Management of the Public Service Payroll and Wage Bill and decentralized payroll reforms under MFPED.	Nakapiripit, Moroto, Soroti, Gulu, Kole, Bukedea, Katakwi, Kasese, Bushenyi, Busia and Jinja Districts. Mubende, Mbarara, Kayunga and Entebbe Municipal Councils, Busitema and Gulu Universities.
Vote 011: Ministry of Local Government	Project 1381: Project for Restoration of Livelihoods in Northern Region (PRELNOR)	Gulu, Omoro
	Project 1360: Markets and Agricultural Trade Improvements Programme (MATIP 2)	Moroto, Busia, Kasese, Masaka and Entebbe, Municipal Councils
	Project 1088: Urban Markets and Marketing Development of the Agricultural Project (UMMDAP)	Masaka ( Nyendo), Wakiso (Busega)
	Project 1307: Support Ministry of Local Government	Ministry of Local Government Headquarters; Wakiso, Moroto, Kyenjojo, Bushenyi, Bulambuli
Vote 021: East African Community	Project 1005: Strengthening Ministry of EAC Affairs	Ministry of EAC Affairs Headquarters
Vote 108: National Planning Authority	Project 0361: National Planning Authority	National Planning Authority and all planning units in all the above LGs
Vote 122: Kampala Capital City Authority	Project 0115: LGMSD (Local Government Management Service Delivery)	KCCA Headquarters
Vote 146: Public Service Commission	Project 0388: Public Service Commission	Public Service Commission and all DSCs in the above LGs
Vote 147: Local Government Finance Commission	Project 0389: Support Local Government Finance Commission (LGFC)	Local Government Finance Commission and all above LGs

*Source: Authors' Compilation*