

# BMAU Briefing paper 1/18



## Achievement of outputs and outcomes: Are sectors on track?

**Overview**

Uganda is implementing the second in a series of six five-year Plans aimed at achieving the Uganda Vision 2040. The goal of this Plan is to propel the country towards middle income status by 2020. The National Development Plan (2015-2019/20) NDPII, has four objectives namely: (i) increasing sustainable production, productivity and value addition in key growth opportunities; (ii) increasing the stock and quality of strategic infrastructure to accelerate the country’s competitiveness; (iii) enhancing human capital development; and (iv) strengthening mechanisms for quality, effective and efficient service delivery. The achievement of sector outputs and outcomes is critical. This Brief reviews the extent to which selected sectors are achieving the planned outputs and outcomes for the last four financial years.

**Key Issues**

1-Majority (two thirds) of the sectors are not on track in terms of outputs performance. Of these, two thirds are almost static (mixed performance) while a third were declining.

2-Many sectors are faced with persistent implementation challenges that have been noted repeatedly. The challenges are not insurmountable.

3-There is a weak link between outputs and outcomes. The sectors with good outputs achievement are missing most outcome targets and vice versa.

### Introduction

The Budget Monitoring and Accountability Unit (BMAU), monitors performance of selected<sup>1</sup> sectors to establish the level of achievement of the annual planned targets. The BMAU has a performance criteria to assess the sectors’ attainment of the planned outputs (Table 1).

**Table 1: BMAU Assessment Criteria**

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%)

<sup>1</sup> The sectors include: Agriculture; Energy and Mineral Development; Education; Health, ICT; Industry; Roads, Public Sector Management; and Water and Environment. In addition Microfinance is also assessed.

### Findings

#### Achievement of Sector Outputs

The sector performance in terms of outputs has varied over the years. The Agriculture; Education; and Energy sectors showed consistent<sup>2</sup> improvements (Figure 1). Agriculture performance improved from 64.5% in FY2013/14 to 76% in FY2016/17. On the other hand, Education improved from 64% to 74.4%; while Energy from 56% to 66.8% over the same period.

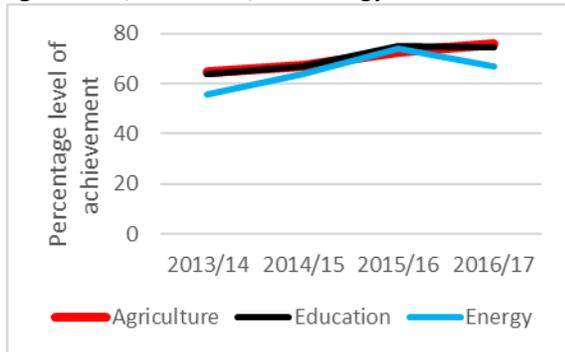
Majority of the sectors; ICT, Industry, Roads, and Water and Environment, had mixed performance (Figure 2). The ICT sector fluctuated between 65% and 80%. The Industry sector varied between 65% and 68%; while Roads had 60%-80%; and Water had 61%-77% variation.

<sup>2</sup> Except for FY 2016/17, when the energy sector had some decline.

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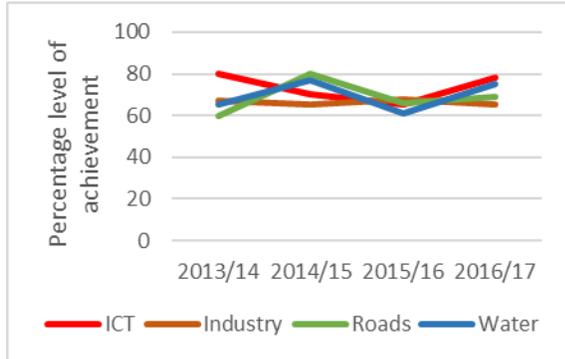


**Figure 1: Trends in achievement of outputs for agriculture, education; and energy sectors**



Source: BMAU Monitoring Reports

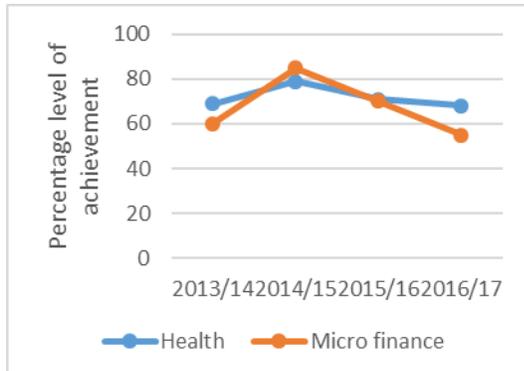
**Figure 2: Trends in achievement of outputs for ICT, Industry; Roads; and Water and Environment sectors**



Source: BMAU Monitoring Reports

However, the sector of Health and the sub-sector of Microfinance had declining performance (Figure 3).

**Figure 3: Trends in achievement of outputs for Health and Microfinance sector**



Source: BMAU Monitoring Reports

The Health sector performance declined from 69% to 68%; while microfinance moved from 60% to 55% over the review period.

## Achievement of Sector Outcomes

The NDPII has annualized key results performance indicators, although not for all the selected<sup>3</sup> sectors. These indicators (where data exists) are used in this review. Information on the performance of the annualized targets are available mainly for the social sectors (Education, Health; Water and Environment) plus a few for the Energy sector.

### Box 1: Overall Assessment

Nationally two outcome indicators show the level of achievement. The GDP growth rate target for FY2016/17 was 5.7% but 3.9% was attained. Furthermore, the proportion of the population below the poverty line had a target of 17.59% for the same year. However, the country had a 1.7% increase to 21.4%. This shows poor outcome performance and the need to step up effectiveness of implementation of government programmes.

Within sectors, there is generally a weak link between achievement of outputs and outcomes (Table 2). For instance the Education sector that consistently improved in terms of achievement of outputs attained only two targets of the 15 indicators reviewed. Furthermore, the Energy sector that had an overall positive trend in achieving outputs, missed the target of one of the two indicators. On the other hand, the Health sector that had declining achievement of outputs attained 3 targets of the four indicators under review.

The Water and Environment sector with fluctuating achievement for outputs attained one target of the 4 indicators under review.

<sup>3</sup> There are no indicators for Public sector management and Microfinance.

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Table 2: Achievement of sector outcomes for FY 2016/17

Sector	NDP indicator	Target for FY 2016/17	Achievement	Remarks
Education	Net Enrolment Rate (NER) - Primary (%)	Total 96.95	Total 96	Overall NER attained but missed for boys
		Girls 97.7	Girls 99	
		Boys 96.2	Boys 93	
	P7 completion (%)	Total 78	Total 61.5	Missed all targets
		Girls 75	Girls 63.4	
		Boys 82	Boys 59.7	
	Transition to S1 (%)	Total 75	Total 69.2	Missed all targets
		Girls 75	Girls 67.8	
		Boys 75	Boys 70.3	
	Net Enrolment Rate-Secondary (%)	Total 32.9	Total 24	Missed all targets
		Girls 28.1	Girls 23	
		Boys 27	Boys 25	
Secondary completion rate (%)	Total 43	Total 37.8	Missed all targets	
	Girls 38	Girls 36		
	Boys 47	Boys 39.6		
Energy	Proportion of the population accessing power (%)	17	29	Attained target
	Electricity generated (MW)	1200	821	Missed the target
Health	Total Fertility rate	5.6	5.4	Attained targets
	Infant Mortality	48	43	
	Under-five mortality	58	64	Missed the target
	Maternal mortality ratio	378	368	Attained target
Water	Rural population accessing safe water (%)	74	70	Missed the target
	Urban population accessing safe water (%)	90	90	Attained the target
	Rural population accessing safe sanitation (%)	75	16	Missed target
	Urban population accessing safe sanitation (%)	75	27	Missed target

Source: NDP II; Education Fact Sheet 2016; Electricity Regulation Authority, Rural Electrification Agency, World Bank ; Uganda Demographic Health Survey (2016); and Uganda Bureau of Statistics (2017)



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## Persistent Implementation challenges

There are a number of persistent implementation challenges that are worthy noting.

**1-Poor planning** that was noted in all sectors. This manifested in terms of poor readiness for project implementation. Many infrastructure projects suffered delayed acquisition of land and/or poor designs. In addition the sectors experienced delayed procurements due to poor planning.

**2-Poor contract management** that was noted in infrastructure projects under the Energy, Health, Roads; and Water and Environment sectors.

**3-Weak supervision as well as monitoring and evaluation.** This resulted in wastage and poor value for money for interventions under Agriculture; Health and Microfinance sectors.

**4-Inadequate funding** especially for counterpart fund obligations. This was a major challenge in the Education; ICT; Industry and Microfinance sectors.

**5- Limited Capacity** in terms of personnel and equipment. This was mainly a problem for the ICT, Roads; and the Water and Environment sectors.

These challenges are not insurmountable and can be adequately addressed by Government.

## Conclusion

In terms of outputs, some sectors are on track while others need to improve the implementation of programmes and projects. There is a weak link between outputs and outcome performance. Sectors that had consistently good output achievements, missed most outcome targets. On the contrary, the Health sector with declining achievement of outputs attained most outcome targets. This brings to the fore the fact that outcomes are

heavily influenced by external factors and stakeholders.

## Recommendations

1-There is need to strengthen the Programme Based Budgeting approach with a view to improving the link between outcomes and outputs; including the proper specification of outcome and output indicators. Sectors should appreciate the importance of inter-sectoral linkages and plan accordingly.

2-In the same breath, the staff performance contracts should be tagged to outcome performance. This will improve the effectiveness of the Programme Based Budgeting approach.

3-Sectors should be tasked on the persistent implementation challenges, especially those within their realm of influence. In addition, the Office of the Prime Minister should create a forum for addressing crosscutting persistent challenges.

4-The National Planning Authority in collaboration with the Uganda Bureau of Statistics and the relevant sectors, should develop annualized outcome indicator targets where they are lacking. This will facilitate comprehensive outcome based monitoring and evaluation of government performance.

5. The Budget Monitoring and Accountability Unit should be facilitated to cover more sectors during the physical monitoring activities.

### For more information contact

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