

BMAU Briefing Paper (3/12)



PRDP Projects in Karamoja: Deep rooted Implementation constraints

Overview

The Government of Uganda has formulated a comprehensive development framework, the Peace, Recovery and Development Plan for Northern Uganda (PRDP), as a strategy to eradicate poverty and improve the welfare of the population in Northern Uganda.

This briefing paper examines the key constraints affecting implementation of the PRDP programmes in Karamoja sub region and recommends remedial actions.

Background

The PRDP was prepared on the basis of lessons learnt from implementation of a plethora of programmes in the North by various actors. The PRDP was launched to address a number of key issues:

- Support to ongoing political dialogue and existing commitments;
- Conflict, growth and prosperity: an extraordinary effort to reverse decline in welfare and growth by achieving peace and stability;
- Organizing framework: adapted to the conflict context in the North to ensure better coordination, supervision and monitoring of ongoing interventions;
- Political, security and development links: by adopting a conflict framework to

link the socio-economic investments to changes in security approaches; and

- Mobilizing of resources to address gaps: in response to the conflict.

In Karamoja, there have been a number of challenges undermining the progress of this development programme.

Key Issues

There is slow implementation of all PRDP projects in Karamoja resulting from:

- Un-communicated budget cuts which crowd out service delivery
- Poor coordination between OPM and MoFPED in communicating the final planning figures, and
- Delays in procurement and
- Low capacity of contractors/suppliers

Findings of monitoring visits

The Monitoring visits by the Budget Monitoring and Accountability Unit (BMAU) have consistently highlighted two major concerns namely:

1. The persistent rolling over of projects across Financial years (FYs), and
2. The low absorption of funds

During the FY 2010/11, for example, 64 percent of running projects had been rolled over from previous financial years (Table 1). This overwhelms the Karamoja local governments that are understaffed.

Table 1: Distribution of rolled over projects per district in FY 2010/11

District	No of Projects Planned	No of Projects Completed
Abim	17	7
Kotido	68	14
Kaabong	67	3
Napak	23	4
Moroto	40	32
Moroto Mun	13	11
Amudat	19	8
Nakapiripirit	15	9
TOTAL	262	88

Source: Annual Budget Monitoring Report- Karamoja for FY 2010/11

The monitoring report further noted that low absorption of funds was a persistent problem. During the first half of FY 2011/12, all the districts (except Moroto) were recorded to have failed to spend released funds six months into the financial year.(See details in Table 2).

Key Implementation constraints

1. Uncoordinated flow of information

Uncoordinated flow of information between the Office of the Prime Minister and the MoFPED on Budget cuts (Indicative Planning Figures-IPFs) for PRDP.

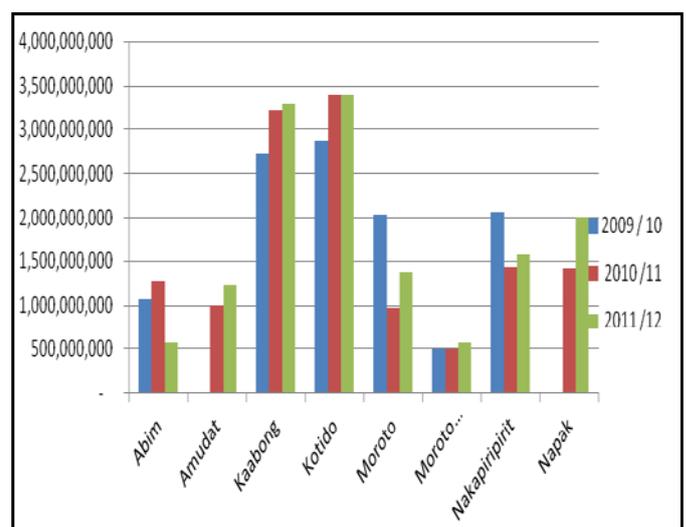
Delays in communicating the Final Planning Figures as a result of poor coordination between the Office of the Prime Minister and Ministry of Finance and abrupt budget cuts have led to delayed implementation of projects. Many districts end procurement processes at award level as contracts cannot be signed due to budget cut.

Reasons for delayed communication of the final IPFs for PRDP Karamoja

- Lack of updated statistical figures from UBOS for the population projections which is useful in IPFs calculations.
- Delayed process of developing performance targets and measures, reprimanding the non-performers.
- Frequently varying formulae used by OPM and MoFPED to calculate the IPFs.

All these have resulted into fluctuating IPFs to Karamoja districts depending on performance (Figure 1).

Figure 1: The IPFs for Karamoja PRDP



Source: Annual Budget Monitoring Report for Karamoja

Table 2: FY 2011/12 Financial Performance for Karamoja region by December 2011

	Q1 RELEASES	Q2 RELEASES	TOTAL RELEASES	BUDGET	EXPENDITURE
KOTIDO	887,576,000	839,787,000	1,727,363,000	3,404,179,000	0
MOROTO	343,485,000	341,398,000	684,883,000	1,340,406,000	0
NAKAPIRIPIT	392,866,000	394,647,000	787,513,000	1,571,512,000	0
KAABONG	826,571,000	820,293,000	1,646,864,000	3,306,312,000	0
ABIM	144,243,000	141,750,000	285,993,000	589,263,000	0
AMUDAT	307,338,000	305,363,000	612,701,000	1,217,147,000	0
NAPAK	502,095,000	497,595,000	999,690,000	2,008,377,000	0
MOROTO MUNICIPALITY	143,977,000	142,162,000	286,139,000	570,865,000	33,973,907

Source: BMAU Field findings

2. Low absorption capacity

Most of the Local Governments could not effectively utilize much of the funds released. After a period of one and a half years, some of the rolled over projects had not yet started with many still incomplete. This is partly as a result of an under developed private sector which cannot execute big projects successfully. The problem is worsened by the contractors being demoralized by payment delays at the Local Governments.

As noted earlier, Karamoja districts had not spent money by mid FY 2011/12. Most districts were still at the evaluation stage of the procurement process, with only a few contracts awarded under selective domestic bidding.

Procurement delays partly explain the slow implementation of most programmes.

3. Inadequate personnel

Most Procurement Units and Works Departments are manned by individuals in acting capacities with inadequate skills and inferior qualifications compared to tasks. The region has failed to attract and retain professionals in different fields.

Other challenges includes: Political interference from the local politicians, under developed private sector (contractors), disparities in release figures, un participatory planning, poor supervision and monitoring, delayed payment of contractors, and the bureaucratic process of appointing a functional contract committee members.

Policy Recommendations

- Communication between MoFPED and OPM should be improved. **The number of PRDP districts receiving timely information on IPFs should be one of the performance indicators for the responsible officer in Office of the Prime Minister.**

The communication gap on budget cuts should be eliminated. If the final IPFs are communicated during the October/November Local Government workshops, it would limit physical progress of works in the first two quarters of a FY as most procurement officers continue to speculate on the final IPFs. In the recent past, many projects were cancelled after successful completion of evaluation. These projects were simply not awarded for fear of legal battles with the already evaluated contractors due to limited resources.

- The Office of the Prime Minister should liaise with the Ministry of Local Government to develop a more practical measure for performance that either rewards or punishes the technical officers hired to supervise project implementation in districts.

When the IPFs for a particular district are reduced as a result of low completion rate, low absorption capacity or late reporting, it is the beneficiaries who are punished. The communities in Karamoja are already underserved and badly need service delivery that gets reduced with declining indicative planning figures resulting from penalties.

- Better Qualified staff should be recruited to beef up the administrative gaps in some departments within Karamoja. This is most urgent for the Works and Procurement departments, to solve the challenge of slow implementation.
- The Public Procurement and Disposal Unit should support the departments in Karamoja sub region to enhance their procurement processes.

References:

1. OPM:
Karamoja PRDP implementation reports
2. BMAU: Annual budget monitoring reports for Karamoja
3. OPM: PRDP documents
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